

[This document is based on the Semi-Annual Securities Report (Japanese only) of NEXON Co., Ltd. (“Nexon”), which has been prepared in compliance with the Financial Instruments and Exchange Act for the purpose of providing accurate financial information and other information in a manner that is easy to understand. In the event of any discrepancy between this translated document and the Japanese original, the original shall prevail. Nexon assumes no responsibility for this translation or for direct, indirect or any other forms of damages arising from any translation.]

Semi-Annual Securities Report

(The Semi-annual Accounting Period of the 25th 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 14, 2026
【Semi-annual accounting period】	The semi-annual accounting period of the 25th Fiscal Year (from January 1, 2026 to June 30, 2026)
【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	24 th FY Semi-annual period	25 th FY Semi-annual period	24 th FY
Accounting period	From January 1, 2025 to June 30, 2025	From January 1, 2026 to June 30, 2026	From January 1, 2025 to December 31, 2025
Revenue	232,784	273,310	475,102
Profit before tax	67,545	115,798	140,451
Profit attributable to owners of parent	43,030	86,864	92,052
Comprehensive income	86,687	63,608	143,943
Total equity attributable to owners of parent	1,041,793	1,076,812	1,057,544
Total assets	1,275,121	1,356,395	1,410,188
Basic earnings per share attributable to owners of parent (yen)	53.04	109.96	114.48
Diluted earnings per share attributable to owners of parent (yen)	52.93	109.67	114.11
Ratio of equity attributable to owners of parent to total assets (%)	81.7	79.4	75.0
Cash flows from operating activities	88,059	37,512	171,872
Cash flows from investing activities	49,734	59,348	102,247
Cash flows from financing activities	(70,845)	(45,993)	(118,688)
Cash and cash equivalents at end of period/year	386,366	546,102	498,868

- (Notes) 1. As Nexon prepares 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 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, 2026.

In the six months ended June 30, 2026, Nexon Group made an additional investment in Alignment Growth Fund II, LP, an investment fund, and has included it within the scope of consolidation. As the amount of the investment received by the fund is now equivalent to ten-one hundredths (10/100) or more of Nexon’s share capital, it also qualifies as a specified subsidiary.

Please note that we have changed the division of our reportable segments during the six months ended June 30, 2026. For details, refer to “IV. Financial Information, 1 Condensed Semi-annual Consolidated Financial Statements, Notes to condensed semi-annual consolidated financial statements, 5 Segment Information, (1) Outline of reportable segments (Change in reportable segments).”

II. 【Overview of Business】

1 【Business Risks】

During the six months ended June 30, 2026, 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, 2025.

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

During the six months ended June 30, 2026, the global economy continued to gradually recover although some regions appear to be weak. However, uncertainty persists in the global economy, particularly the situation in the Middle East.

Looking ahead, we generally expect a moderate recovery to continue. Regardless, we need to pay attention to the impact of the Middle East situation and fluctuations in financial and capital markets.

Under these circumstances, with its live game operations capability as a foundation, Nexon Group is implementing management reforms around an IP Growth Initiative which can snowball growth within its established IPs 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 six months ended June 30, 2026, revenue increased year over year, primarily driven by a contribution from *ARC Raiders*, released globally in October 2025, and significant growth driven by new titles in the *MapleStory* franchise.

Revenues by key franchises are as follows:

Dungeon&Fighter franchise revenue decreased year over year. *Dungeon&Fighter Mobile* revenue decreased year over year despite contributions from its anniversary update in May and a new monetization initiative. For *Dungeon&Fighter* (PC) in China, revenue decreased year over year due to a slow start of the new season update in April. In addition, revenue decreased year over year in Korea due to a high comparison with the same period last year and a limited response to the new season update in March.

MapleStory franchise revenue increased year over year driven by a contribution from *MapleStory: Idle RPG* launched in November 2025 and growth from *MapleStory Worlds*, with Q2 franchise revenue achieving record-breaking quarterly revenue. For *MapleStory Worlds*, contributions from two new user-created worlds launched in April drove its significant year-over-year revenue increase. For *MapleStory: Idle RPG*, the success of its half-anniversary update in April contributed to the overall performance of the franchise.

FC franchise revenue decreased year over year, primarily, as *EA SPORTS FC™ ONLINE* was unable to capitalize on the World Cup to attract users and benefit from the results of user acquisition initiatives.

As for other key titles, *ARC Raiders*, which globally launched in October 2025, continued to significantly contribute to the results, additionally selling approximately 800 thousand units in Q2 2026, with a total of over 16.3 million units sold. *MABINOGE MOBILE*, which launched in Korea in March 2025, decreased year over year due to a high comparison with the same period last year.

In terms of expenses, costs increased year over year due to increased HR costs due to higher headcount, as well as increased software service fees and cloud service fees, and increased fees to creators for *MapleStory Worlds*. Selling, general and administrative expenses increased year over year, primarily due to an increase in marketing expenses associated with performance-based marketing for *MapleStory: Idle RPG*, and an increase in platform fees for *MapleStory: Idle RPG* and *ARC Raiders*, while share-based payment expenses included in HR costs decreased.

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 six months ended June 30, 2026, while a foreign exchange loss was recorded in the same period last year.

As a result, for the six months ended June 30, 2026, Nexon Group recorded revenue of ¥273,310 million (up 17.4% year-over-year), operating profit of ¥89,447 million (up 12.8% year-over-year), profit before tax of ¥115,798 million (up 71.4% year-over-year) and profit attributable to owners of parent of ¥86,864 million (up 101.9% year-over-year).

Business results by reportable segments for the six months ended June 30, 2026 are as follows:

“Europe,” previously included in “Other,” has been separately disclosed as a reportable segment from the six months ended June 30, 2026, reflecting its increased materiality. Segment information for the six months ended June 30, 2025 has been restated based on the revised segmentation.

(a) Japan

Revenue for the six months ended June 30, 2026 amounted to ¥2,324 million (down 13.3% year-over-year), and segment loss amounted to ¥1,738 million (segment loss of ¥1,844 million for the six months ended June 30, 2025).

(b) Korea

Revenue for the six months ended June 30, 2026 amounted to ¥186,564 million (down 12.0% year-over-year), and segment profit amounted to ¥57,346 million (down 31.5% 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, 2026 amounted to ¥1,070 million (up 31.4% year-over-year), and segment profit amounted to ¥183 million (segment loss of ¥112 million for the six months ended June 30, 2025).

(d) North America

Revenue for the six months ended June 30, 2026 amounted to ¥22,370 million (up 58.9% year-over-year), and segment profit amounted to ¥5,060 million (up 342.0% year-over-year).

(e) Europe

Revenue for the six months ended June 30, 2026 amounted to ¥60,535 million (up 2,033.3% year-over-year), and segment profit amounted to ¥31,069 million (segment loss of ¥3,537 million for the six months ended June 30, 2025).

(f) Other

Revenue for the six months ended June 30, 2026 amounted to ¥447 million (up 54.6% year-over-year), and segment loss amounted to ¥601 million (segment loss of ¥1,419 million for the six months ended June 30, 2025).

(2) Financial position

(a) Assets, liabilities and equity

(Assets)

Total assets as of June 30, 2026 amounted to ¥1,356,395 million, a decrease of ¥53,793 million from December 31, 2025. Major components include a decrease of ¥46,368 million in other deposits, a decrease of ¥39,182 million in other financial assets, and an increase of ¥47,234 million in cash and cash equivalents.

(Liabilities)

Total liabilities as of June 30, 2026 amounted to ¥270,927 million, a decrease of ¥73,343 million from December 31, 2025. Major components include a decrease of ¥22,324 million in deferred tax liabilities, a decrease of ¥19,346 million in other current liabilities, a decrease of ¥14,429 million in deferred income, a

decrease of ¥11,330 million in income taxes payable, and an increase of ¥17,967 million in other financial liabilities.

(Equity)

Equity as of June 30, 2026 totaled ¥1,085,468 million, an increase of ¥19,550 million from December 31, 2025. Major components of changes in equity include an increase of ¥86,864 million in retained earnings due to recording of profit attributable to owners of parent, and a decrease of ¥49,031 million in other components of equity primarily due to recording of financial assets measured at fair value through other comprehensive income.

As a result, the ratio of equity attributable to owners of parent to total assets was 79.4% (75.0% as of December 31, 2025).

(b) Cash flows

Cash and cash equivalents (collectively, “cash”) as of June 30, 2026 was ¥546,102 million, an increase of ¥47,234 million from December 31, 2025. The increase includes ¥(3,948) million in effects of a decrease due to exchange rate changes on cash, and ¥315 million from an increase in cash and cash equivalents resulting from change in scope of consolidation.

Cash flows from each activity for the six months ended June 30, 2026 and their significant components are as follows:

(Cash flows from operating activities)

Net cash provided by operating activities was ¥37,512 million, compared to ¥88,059 million for the six months ended June 30, 2025. Major components of the increase include profit before tax of ¥115,798 million, and a decrease in trade and other receivables of ¥20,152 million. Major components of the decrease include income taxes paid of ¥49,712 million and a decrease in other current liabilities of ¥19,073 million.

Net cash provided by operating activities decreased year over year due to a decrease in other current liabilities.

(Cash flows from investing activities)

Net cash provided by investing activities was ¥59,348 million, compared to ¥49,734 million for the six months ended June 30, 2025. Major cash inflows include an increase in proceeds from sales and redemption of securities of ¥50,235 million, and a net decrease in time deposits of ¥37,921 million. Major cash outflows include purchase of intangible assets of ¥18,224 million.

Net cash provided by investing activities increased year over year due to an increase in proceeds from sales and redemption of securities.

(Cash flows from financing activities)

Net cash used in financing activities was ¥45,993 million, compared to ¥70,845 million for the six months ended June 30, 2025. Major cash outflows include purchases of treasury shares of ¥27,070 million, and dividends paid of ¥22,962 million.

Net cash used in financing activities decreased year over year due to a decrease in purchases of treasury shares.

(3) Business and financial issues to be addressed

During the six months ended June 30, 2026, 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, 2026 amounted to ¥13,907 million. There were no significant changes in research and development activities during the six months ended June 30, 2026.

3 【Material Contracts, etc.】

During the six months ended June 30, 2026, 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, 2026	Number of issued shares as of filing date (August 14, 2026)	Name of financial instruments exchange on which securities are listed or authorized financial instruments business association to which securities are registered	Description
Ordinary shares	793,516,908	793,552,908	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	793,516,908	793,552,908	—	—

- (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, 2026 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, 2026 are as follows:

Date of resolution	March 25, 2026
Category and number of eligible persons (persons)	Nexon's director: 1
Number of share acquisition rights (units) *	4,180 (Note) 1
Class, description and number of underlying shares (shares) *	Ordinary shares: 4,180 (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 10, 2026 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: 2,603 Amount of share capital to be increased: 1,302
Conditions for exercise of share acquisition rights *	• All units granted shall vest upon conclusion of the Annual General Meetings of Shareholders to be held in 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 (April 10, 2026).

- (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 25, 2026
Category and number of eligible persons (persons)	Nexon's directors: 2
Number of share acquisition rights (units) *	2,749,912 (Note) 1
Class, description and number of underlying shares (shares) *	Ordinary shares: 2,749,912 (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 10, 2026 to April 9, 2030
Issue price and the amount of share capital to be increased by issuance of shares upon exercise of share acquisition rights (yen) *	Issue price: 1,517 ~ 2,603 Amount of share capital to be increased: 759 ~ 1,302
Conditions for exercise of share acquisition rights *	• The number of units granted shall vest in stages for each of the following: (i) those that vest upon the conclusion of each annual general meeting of shareholders from 2027 through 2029; (ii) those included in the portion in which four-tenths (4/10) of the units vest one year after the allocation date, with one-eighth (1/8) of the remaining units to vest every three months over the subsequent two years; and (iii) those that vest based on the performance achievement rate as at each annual general meeting of shareholders. • 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 10, 2026).

- (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.

(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, 2026 to February 28, 2026 (Note 1)	1,932,885	829,093,857	3,455	61,214	3,455	60,464
February 28, 2026 (Note 2)	(36,487,500)	792,606,357	—	61,214	—	60,464
March 1, 2026 to June 30, 2026 (Note 3)	910,551	793,516,908	1,151	62,365	1,151	61,615

(Notes) 1. The total number of issued shares increased by 1,932,885 shares and the amount of share capital and legal capital surplus each increased by ¥3,455 million, due to exercise of share acquisition rights.

2. 36,487,500 treasury shares purchased were all canceled on February 28, 2026.

3. The total number of issued shares increased by 910,551 shares and the amount of share capital and legal capital surplus each increased by ¥1,151 million, due to exercise of share acquisition rights.

4. Between July 1 and July 31, 2026, the total number of issued shares increased by 36,000 shares and the amount of share capital and legal capital surplus each increased by ¥44 million, due to the exercise of share acquisition rights.

(5) 【Major shareholders】

As of June 30, 2026

Name	Address	Number of shares held (shares)	Shareholding ratio (excluding treasury shares)(%)
NXC Corporation (Standing proxy: Nexon) (Standing proxy: SMBC Nikko Securities Inc.)	17, EUNSU-GIL, JEJU-SI, JEJU-DO, 63141, KOREA (1-4-5 Roppongi, Minato-ku, Tokyo) (1-5-1 Marunouchi, Chiyoda-ku, Tokyo)	366,989,940	46.72
The Master Trust Bank of Japan, Ltd. (trust account)	1-8-1 Akasaka, Minato-ku, Tokyo	94,440,400	12.02
JP MORGAN CHASE BANK 380752 (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	11.27
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)	42,100,045	5.36
Custody Bank of Japan, Ltd. (trust account)	1-8-12 Harumi, Chuo-ku, Tokyo	32,760,544	4.17
STATE STREET BANK AND TRUST COMPANY 505001 (Standing proxy: Mizuho Bank, Ltd., Settlement & Clearing Services Department)	ONE CONGRESS STREET, SUITE 1, BOSTON, MASSACHUSETTS, U.S.A. (2-15-1 Konan, Minato-ku, Tokyo)	9,710,876	1.24
KOREA SECURITIES DEPOSITORY-SAMSUNG (Standing proxy: Citibank, N.A., Tokyo Branch)	34-6, YEOUIDO-DONG, YEONGDEUNGPO-GU, SEOUL, KOREA (6-27-30 Shinjuku, Shinjuku-ku, Tokyo)	9,424,385	1.20
JPMorgan Securities Japan Co., Ltd.	2-7-3 Marunouchi, Chiyoda-ku, Tokyo	7,252,032	0.92
Yoo JungHyun	SEOGWIPO-SI, JEJU-DO, KOREA	5,122,400	0.65
JP MORGAN CHASE BANK 385781 (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)	4,419,560	0.56
Total	—	660,769,082	84.11

(Note) According to the Large Shareholding Report made available for public inspection on January 9, 2026, we have confirmed that Ayar First Investment Company holds 11.17% of our voting rights as of January 9, 2026 (calculated based on the total shareholder voting rights as of December 31, 2025, which were 7,928,858) and has become a major shareholder of Nexon.

Name	Address	Number of share certificates, etc. held (shares)	Ratio of share certificates, etc. held (%)
Ayar First Investment Company	3121, Financial Boulevard, 6790 Al Aqeeq District, Riyadh, 13519, Kingdom of Saudi Arabia	88,548,900	11.17

(6) 【Voting rights】

(a) 【Issued shares】

As of June 30, 2026

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 7,957,400	—	—
Shares with full voting rights (Other)	Ordinary shares 785,529,400	7,855,294	Standard shares of Nexon with no restrictions on rights
Shares less than one unit	Ordinary shares 30,108	—	Same as above
Total number of issued shares	793,516,908	—	—
Total shareholder voting rights	—	7,855,294	—

(b) 【Treasury shares, etc.】

As of June 30, 2026

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	7,957,400	—	7,957,400	1.0
Total	—	7,957,400	—	7,957,400	1.0

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, 2026 to June 30, 2026) were reviewed by PricewaterhouseCoopers Japan LLC.

1 【Condensed Semi-annual Consolidated Financial Statements】

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

(Unit: Millions of yen)			
	Notes	As of December 31, 2025	As of June 30, 2026
Assets			
Current assets			
Cash and cash equivalents	6	498,868	546,102
Trade and other receivables	6	86,295	65,630
Other deposits	6	342,239	295,871
Other financial assets	6	44,995	41,157
Other current assets		19,449	17,293
Total current assets		991,846	966,053
Non-current assets			
Property, plant and equipment		32,928	32,118
Goodwill	7	49,945	47,062
Intangible assets	7	36,705	39,600
Right-of-use assets		46,735	43,371
Investments accounted for using equity method	13	63,740	68,541
Other financial assets	6	145,883	110,539
Other non-current assets		3,633	3,141
Deferred tax assets		38,773	45,970
Total non-current assets		418,342	390,342
Total assets		1,410,188	1,356,395

(Unit: Millions of yen)

	Notes	As of December 31, 2025	As of June 30, 2026
Liabilities and equity			
Liabilities			
Current liabilities			
Trade and other payables	6	42,253	30,928
Deferred income	8	55,437	31,555
Income taxes payable		46,192	34,862
Lease liabilities		20,830	20,101
Other financial liabilities	6	3,073	21,316
Provisions		18,417	8,735
Other current liabilities		37,093	17,747
Total current liabilities		223,295	165,244
Non-current liabilities			
Deferred income	8	15,783	25,236
Lease liabilities		31,315	29,247
Other financial liabilities	6	286	10
Provisions		630	645
Other non-current liabilities		12,148	12,056
Deferred tax liabilities		60,813	38,489
Total non-current liabilities		120,975	105,683
Total liabilities		344,270	270,927
Equity			
Share capital	10	58,191	62,797
Capital surplus	10	36,645	41,163
Treasury shares	10	(93,820)	(20,338)
Other components of equity	7	191,317	142,286
Retained earnings		865,211	850,904
Total equity attributable to owners of parent		1,057,544	1,076,812
Non-controlling interests		8,374	8,656
Total equity		1,065,918	1,085,468
Total liabilities and equity		1,410,188	1,356,395

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

【For the six months ended June 30, 2025 and 2026】

(Unit: Millions of yen)

	Notes	Six months ended June 30,	
		2025	2026
		(From January 1, 2025 to June 30, 2025)	(From January 1, 2026 to June 30, 2026)
Revenue	5	232,784	273,310
Cost of sales		(86,469)	(99,118)
Gross profit		146,315	174,192
Selling, general and administrative expenses		(68,338)	(82,613)
Other income		1,702	1,521
Other expenses	7	(370)	(3,653)
Operating profit		79,309	89,447
Finance income	5, 6	14,032	29,288
Finance costs	5, 6	(22,945)	(1,367)
Share of loss of investments accounted for using equity method		(372)	(1,570)
Impairment loss on equity method investments		(2,479)	—
Profit before tax		67,545	115,798
Income tax expense		(25,339)	(29,492)
Profit		42,206	86,306
Profit attributable to:			
Owners of parent		43,030	86,864
Non-controlling interests		(824)	(558)
Profit		42,206	86,306
Earnings per share (attributable to owners of parent)			
Basic earnings per share	11	¥53.04	¥109.96
Diluted earnings per share	11	¥52.93	¥109.67

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

【For the six months ended June 30, 2025 and 2026】

(Unit: Millions of yen)

	Notes	Six months ended June 30,	
		2025	2026
		(From January 1, 2025 to June 30, 2025)	(From January 1, 2026 to June 30, 2026)
Profit		42,206	86,306
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	70,542	(1,074)
Remeasurements of defined benefit plans		1	4
Gain on revaluation of intangible assets	7	1,198	(7,156)
Share of other comprehensive income of investments accounted for using equity method		2,319	8,404
Income taxes	7	(19,011)	1,989
Total of items that will not be reclassified to profit or loss		55,049	2,167
Items that may be reclassified to profit or loss			
Exchange differences on translation of foreign operations		(10,568)	(24,865)
Total of items that may be reclassified to profit or loss		(10,568)	(24,865)
Total other comprehensive income		44,481	(22,698)
Comprehensive income		86,687	63,608
Comprehensive income attributable to:			
Owners of parent		87,661	64,499
Non-controlling interests		(974)	(891)
Comprehensive income		86,687	63,608

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

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

For the six months ended June 30, 2026 (From January 1, 2026 to June 30, 2026)

(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		58,191	36,645	(93,820)	191,317	865,211	8,374	1,065,918
Profit		—	—	—	—	86,864	(558)	86,306
Other comprehensive income		—	—	—	(22,365)	—	(333)	(22,698)
Comprehensive income		—	—	—	(22,365)	86,864	(891)	63,608
Issuance of new shares	10	4,606	4,606	—	—	—	—	9,212
Share issuance costs		—	(39)	—	—	—	—	(39)
Dividends	9	—	—	—	—	(23,787)	—	(23,787)
Share-based payment transactions		—	—	—	(4,551)	—	—	(4,551)
Forfeiture of share acquisition rights		—	—	—	(281)	274	7	—
Non-controlling interests on acquisition of subsidiary		—	—	—	—	—	1,541	1,541
Changes in ownership interest in subsidiaries		—	(34)	—	—	—	(375)	(409)
Purchase of treasury shares	10	—	(8)	(27,062)	—	—	—	(27,070)
Disposal of treasury shares	10	—	320	725	—	—	—	1,045
Cancellation of treasury shares	10	—	(327)	99,819	—	(99,492)	—	—
Transfer from other components of equity to retained earnings		—	—	—	(21,834)	21,834	—	—
Total transactions with owners, etc.		4,606	4,518	73,482	(26,666)	(101,171)	1,173	(44,058)
Balance at end of period		62,797	41,163	(20,338)	142,286	850,904	8,656	1,085,468

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

(Unit: Millions of yen)

		Six months ended June 30	
		2025	2026
	Notes	(From January 1, 2025 to June 30, 2025)	(From January 1, 2026 to June 30, 2026)
Cash flows from operating activities			
Profit before tax		67,545	115,798
Depreciation and amortization		5,542	6,538
Share-based payment expenses		3,717	(1,785)
Interest and dividend income		(11,860)	(10,992)
Interest expenses		1,038	1,048
Impairment losses		239	2,279
Share of loss (profit) of investments accounted for using equity method		372	1,570
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		(1,158)	(5,290)
Loss (gain) on sale and redemption of securities		(803)	139
Foreign exchange loss (gain)		13,200	(8,675)
Decrease (increase) in trade and other receivables		23,865	20,152
Decrease (increase) in other current assets		344	2,486
Increase (decrease) in trade and other payables		8,776	(4,176)
Increase (decrease) in deferred income		1,383	(12,987)
Increase (decrease) in provisions		(14,101)	(9,196)
Increase (decrease) in other current liabilities		4,596	(19,073)
Increase (decrease) in loss allowances		18	4
Other		(2,565)	(291)
Subtotal		102,668	77,549
Interest received		9,120	10,360
Dividends received		2,757	348
Interest paid		(1,029)	(1,033)
Income taxes paid		(25,457)	(49,712)
Net cash provided by (used in) operating activities		88,059	37,512
Cash flows from investing activities			
Net decrease (increase) in restricted deposits		(830)	1,278
Net decrease (increase) in time deposits		60,648	37,921
Purchases of property, plant and equipment		(2,317)	(2,472)
Proceeds from sales of property, plant and equipment		22	99
Purchases of intangible assets		(818)	(18,224)
Payments associated with increase in long-term prepaid expenses		(2,443)	(477)
Purchases of securities by investment funds under consolidated subsidiaries		(7,275)	(9,658)
Proceeds from sale of securities by investment funds under consolidated subsidiaries		12,824	10,211
Purchase of securities		(2,384)	(7,213)
Proceeds from sales and redemption of securities		1,038	50,235
Purchase of investments accounted for using equity method	12	(8,319)	(4,615)
Proceeds from sale of investments accounted for using equity method		13	—
Payments for short-term loans receivable		(41)	—
Collection of short-term loans receivable		—	1,913

(Unit: Millions of yen)

		Six months ended June 30	
		2025	2026
	Notes	(From January 1, 2025 to June 30, 2025)	(From January 1, 2026 to June 30, 2026)
Payments for long-term loans receivable		(954)	—
Collection of long-term loans receivable		6	6
Other		564	344
Net cash provided by (used in) investing activities		49,734	59,348
Cash flows from financing activities			
Proceeds from exercise of employee share options	10	823	6,371
Purchase of treasury shares	10	(56,188)	(27,070)
Purchase of treasury shares of subsidiaries		(538)	—
Dividends paid	9	(12,382)	(22,962)
Repayments of lease liabilities		(2,568)	(2,969)
Other		8	637
Net cash provided by (used in) financing activities		(70,845)	(45,993)
Net increase (decrease) in cash and cash equivalents		66,948	50,867
Cash and cash equivalents at beginning of period		331,931	498,868
Effect of exchange rate changes on cash and cash equivalents		(12,513)	(3,948)
Increase (decrease) in cash and cash equivalents resulting from change in scope of consolidation		—	315
Cash and cash equivalents at end of period		386,366	546,102

【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 publishing 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, 2025.

Our condensed semi-annual consolidated financial statements herein were approved for disclosure on August 14, 2026, 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, 2025 unless otherwise noted, except for the new standards applied as listed below. Nexon Group calculated income tax expense for the six months ended June 30, 2026, based on the estimated average annual effective tax rate.

Nexon Group has applied the following standards since Q1 2026, but the application of these standards did not have material impacts on the six months ended June 30, 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	

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 publishing 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 publishing 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 six reportable segments: “Japan”, “Korea”, “China”, “North America,” “Europe,” and “Other” which includes 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.

(Change in reportable segments)

“Europe,” previously included in “Other,” has been separately disclosed as a reportable segment from the six months ended June 30, 2026, reflecting its increased materiality. Segment information for the six months ended June 30, 2025 has been restated based on the revised segmentation.

(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, 2025 (From January 1, 2025 to June 30, 2025)

(Unit: Millions of yen)

	Reportable Segments						Total	Adjust- ments (Note 3)	Consoli- dated
	Japan	Korea	China	North America	Europe	Other			
Revenue									
Revenue from external customers									
PC online	2,293	144,041	815	10,907	2,825	290	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	2,837	290	232,784	—	232,784
Intersegment revenue	488	5,497	—	882	—	1,464	8,331	(8,331)	—
Total	3,167	217,582	815	14,960	2,837	1,754	241,115	(8,331)	232,784
Segment profit (loss) (Note 1)	(1,844)	83,746	(112)	1,144	(3,537)	(1,419)	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.

For the six months ended June 30, 2026 (From January 1, 2026 to June 30, 2026)

(Unit: Millions of yen)

	Reportable Segments						Total	Adjust- ments (Note 3)	Consoli- dated
	Japan	Korea	China	North America	Europe	Other			
Revenue									
Revenue from external customers									
PC online	2,318	122,405	1,070	16,046	60,497	447	202,783	—	202,783
Mobile	—	62,127	—	6,119	—	—	68,246	—	68,246
Other	6	2,032	—	205	38	0	2,281	—	2,281
Total revenue from external customers	2,324	186,564	1,070	22,370	60,535	447	273,310	—	273,310
Intersegment revenue	494	17,541	—	820	102	1,946	20,903	(20,903)	—
Total	2,818	204,105	1,070	23,190	60,637	2,393	294,213	(20,903)	273,310
Segment profit (loss) (Note 1)	(1,738)	57,346	183	5,060	31,069	(601)	91,319	260	91,579
Other income and expenses, net									(2,132)
Operating profit									89,447
Finance income and costs, net (Note 5)									27,921
Share of loss of investments accounted for using equity method									(1,570)
Profit before tax									115,798

- (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 ¥260 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 interest and dividend income of ¥10,992 million and a foreign exchange gain of ¥12,797 million.

(3) Information by region

Revenue from external customers is as follows.

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	12,955	2,169	4	15,128
Europe	4,092	1,080	13	5,185
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: USA and Canada

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

For the six months ended June 30, 2026 (From January 1, 2026 to June 30, 2026)

	Revenue by major business			Total
	PC online	Mobile	Other	
Main regional market				
Japan	3,512	2,589	12	6,113
Korea	85,118	31,667	1,785	118,570
China	34,836	15,891	21	50,748
North America	45,147	6,908	142	52,197
Europe	16,601	1,113	90	17,804
Rest of World	17,569	10,078	231	27,878
Total	202,783	68,246	2,281	273,310

(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: USA and Canada

(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, 2025

(Unit: Millions of yen)

	Carrying amount					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	Total	
Cash and cash equivalents	—	—	498,868	—	498,868	498,868
Trade and other receivables	—	—	86,005	290	86,295	86,295
Other deposits	—	—	342,239	—	342,239	342,239
Other financial assets (current)	20,435	—	24,560	—	44,995	44,995
Other financial assets (non-current)	67,567	60,323	17,896	97	145,883	145,883
Trade and other payables	—	—	42,253	—	42,253	42,253
Other financial liabilities (current)	—	—	3,073	—	3,073	3,073
Other financial liabilities (non-current)	—	—	286	—	286	286

(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, 2026

(Unit: Millions of yen)

	Carrying amount					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	Total	
Cash and cash equivalents	—	—	546,102	—	546,102	546,102
Trade and other receivables	—	—	65,501	129	65,630	65,630
Other deposits	—	—	295,871	—	295,871	295,871
Other financial assets (current)	19,648	—	21,509	—	41,157	41,157
Other financial assets (non-current)	79,032	15,559	15,900	48	110,539	110,539
Trade and other payables	—	—	30,928	—	30,928	30,928
Other financial liabilities (current)	—	—	21,316	—	21,316	21,316
Other financial liabilities (non-current)	—	—	10	—	10	10

(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.

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, 2025

(Unit: Millions of yen)

	Level 1	Level 2	Level 3	Total
Other financial assets (current)				
Financial assets measured at FVTPL				
Stocks	20,435	—	—	20,435
Other financial assets (non-current)				
Financial assets measured at FVTPL				
Stocks	—	—	2,678	2,678
Funds	—	—	64,889	64,889
Financial assets measured at FVTOCI				
Stocks	54,275	—	6,048	60,323
Total financial assets	74,710	—	73,615	148,325

As of June 30, 2026

(Unit: Millions of yen)

	Level 1	Level 2	Level 3	Total
Other financial assets (current)				
Financial assets measured at FVTPL				
Stocks	19,648	—	—	19,648
Other financial assets (non-current)				
Financial assets measured at FVTPL				
Stocks	—	—	2,566	2,566
Funds	—	—	76,174	76,174
Other	—	211	81	292
Financial assets measured at FVTOCI				
Stocks	2,334	—	13,225	15,559
Total financial assets	21,982	211	92,046	114,239

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, 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)
Exchange differences on translation of foreign operations	(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.

Six months ended June 30, 2026
(From January 1, 2026 to June 30, 2026)
(Unit: Millions of yen)

	Other financial assets			
	Stocks	Funds	Other	Total
Balance at January 1	8,726	64,889	—	73,615
Gains or losses				
Profit or loss (Note 1)	—	4,598	—	4,598
Other comprehensive income (Note 2)	(112)	—	—	(112)
Purchases	—	7,001	78	7,079
Acquisition through consolidation (Note 3)	7,374	—	—	7,374
Distribution	—	(1,946)	—	(1,946)
Exchange differences on translation of foreign operations	(197)	2,018	3	1,824
Other	—	(386)	—	(386)
Balance at June 30	15,791	76,174	81	92,046

Unrealized gains (losses) recorded in profit or loss relating to assets and liabilities held at the end of the reporting period (Note 1)

—	4,459	—	4,459
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(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. Acquisition through consolidation represents an increase due to Alignment Growth Fund II, LP becoming a

consolidated subsidiary of Nexon Group.

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 values of using reasonably possible alternative assumptions as inputs is insignificant.

(3) Material commitments

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)

For the six months ended June 30, 2026 (From January 1, 2026 to June 30, 2026)

During the six months ended June 30, 2026, 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, 2026.

Company name	Amount of additional investment (in the six months ended June 30, 2026)	Uncalled commitments for additional investment (As of June 30, 2026)
Smash Capital Fund I L.P.	USD 20.1 million (¥3,172 million)	USD 30.4 million (¥4,936 million)
Smash Capital Fund II L.P.	USD 12.5 million (¥1,995 million)	USD 37.5 million (¥6,088 million)

7 Goodwill and intangible assets

Goodwill and intangible assets consisted of the following:

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 at the time, 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

For the six months ended June 30, 2026 (From January 1, 2026 to June 30, 2026)

[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, 2026	49,945	2,637	8,474	23,514	2,080	36,705
Additions	—	11	(21)	880	11,141	12,011
Amortization	—	(362)	(565)	—	(256)	(1,183)
Impairment loss (Note 1)	(1,540)	—	—	(0)	—	(0)
Gain (loss) on revaluation [other comprehensive income]	—	—	—	(7,156)	—	(7,156)
Sale or disposal	—	(1)	(2)	(4)	—	(7)
Transfers between accounts	—	116	—	(3)	315	428
Other	—	—	—	(593)	—	(593)
Exchange differences on translation of foreign operations	(1,343)	(11)	(340)	5	(259)	(605)
June 30, 2026	47,062	2,390	7,546	16,643	13,021	39,600

- (Notes) 1. During the six months ended June 30, 2026, 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 in April 2021. 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 ¥16,355 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 ¥11,036 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	
8,095	(7,156)	1,749	2,688

8 Deferred income

Deferred income consisted of the following:

(Unit: Millions of yen)

	December 31, 2025		June 30, 2026	
	Current	Non-current	Current	Non-current
In-game microtransactions and game content sales	53,020	1,865	29,094	2,112
Royalty	2,405	13,918	2,425	23,124
Other	12	—	36	—
Total	55,437	15,783	31,555	25,236

(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, 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 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 held by our consolidated subsidiaries, Stiftelsen Embark Incentive ("Foundation") and NEXON Employee Benefit Trust ("Trust"), respectively.

For the six months ended June 30, 2026 (From January 1, 2026 to June 30, 2026)

	Class of shares	Total dividend amount	Dividend per share	Record date	Effective date
		(¥ million)	(¥)		
Resolution of the Board of Directors on February 20, 2026	Ordinary shares	23,787	30.0	December 31, 2025	March 26, 2026

(Note) Total dividend amount includes dividends of ¥6 million and ¥39 million attributable to Nexon's shares held by our consolidated subsidiaries, the Foundation and the Trust, respectively.

(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, 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 held by our consolidated subsidiaries, the Foundation and the Trust, respectively.

For the six months ended June 30, 2026 (From January 1, 2026 to June 30, 2026)

	Class of shares	Total dividend amount	Dividend per share	Record date	Effective date
		(¥ million)	(¥)		
Resolution of the Board of Directors on August 13, 2026	Ordinary shares	23,567	30.0	June 30, 2026	September 25, 2026

(Note) Total dividend amount includes dividends of ¥6 million and ¥30 million attributable to Nexon's shares held by our consolidated subsidiaries, the Foundation and the Trust, respectively.

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, 2025	Six months ended June 30, 2026
	Shares	Shares
Total number of authorized shares		
Ordinary shares	1,400,000,000	1,400,000,000
Total number of issued shares		
January 1	842,443,413	827,160,972
Increase	871,786 (Note 1)	2,843,436 (Note 1)
Decrease	(19,911,683) (Note 2)	(36,487,500) (Note 2)
June 30	823,403,516	793,516,908

- (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, 2025	Six months ended June 30, 2026
	Shares	Shares
Number of treasury shares		
January 1	19,450,212	35,753,527
Increase	25,420,200 (Note 1)	10,237,883 (Notes 5, 6)
Decrease	(20,718,343) (Notes 2, 3)	(36,817,500) (Notes 7, 8)
June 30	24,152,069 (Note 4)	9,173,910 (Note 9)

- (Notes) 1. An increase of 25,420,200 shares due to purchase at market on the Tokyo Stock Exchange.
2. A decrease of 19,911,683 shares due to cancellation of treasury shares.
3. Decreases of 7,360 shares and 799,300 shares due to disposal of Nexon's shares by our consolidated subsidiaries, the Foundation and the Trust, respectively.
4. Includes 396,921 shares and 1,288,048 shares of Nexon's stock held by our consolidated subsidiaries, the Foundation and the Trust, respectively.
5. An increase of 10,191,700 shares due to purchase at market on the Tokyo Stock Exchange.
6. An increase of 46,183 shares due to acquisition of Nexon's shares by the Trust, which is our consolidated subsidiary.
7. A decrease of 36,487,500 shares due to cancellation of treasury shares.
8. A decrease of 330,000 shares due to disposal of Nexon's shares by the Trust, which is our consolidated subsidiary.
9. Includes 212,279 shares and 1,004,231 shares of Nexon's stock held by our consolidated subsidiaries, the Foundation and the Trust, respectively.

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, 2025	Six months ended June 30, 2026
Profit attributable to owners of parent (millions of yen)	43,030	86,864
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)	43,030	86,864
Number of basic weighted-average ordinary shares (shares) (Note 1)	811,305,202	789,994,368
Dilution: Share option (shares)	1,731,814	2,063,913
Number of dilutive weighted-average ordinary shares (shares)	813,037,016	792,058,281
Earnings per share (attributable to owners of parent)		
Basic earnings per share (yen)	53.04	109.96
Diluted earnings per share (yen) (Note 2)	52.93	109.67

(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 400,075 shares and 1,858,977 shares, respectively, for the six months ended June 30, 2025, and 212,279 shares and 1,125,867 shares, respectively, for the six months ended June 30, 2026.

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 Business combinations

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

Not applicable.

(2) For the six months ended June 30, 2026 (From January 1, 2026 to June 30, 2026)

Not applicable.

13 Investments accounted for using equity method

(1) Major changes in scope of equity method application

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

Not applicable.

(b) For the six months ended June 30, 2026 (From January 1, 2026 to June 30, 2026)

The disclosure is omitted as the amount is immaterial.

(2) Material commitment

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

(a) 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)

(b) For the six months ended June 30, 2026 (From January 1, 2026 to June 30, 2026)

During the six months ended June 30, 2026, 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, 2026.

Equity-method associate	Amount of additional investment (in the six months ended June 30, 2026)	Uncalled commitments for additional investment (as of June 30, 2026)
Alignment Growth Fund I, LP	USD 2.8 million (¥445 million)	USD 8.8 million (¥1,430 million)

14 Significant subsequent events

Cancellation of treasury shares

Nexon's Board of Directors has approved on August 13, 2026, the cancellation of treasury shares pursuant to the provisions of Article 178 of the Companies Act.

(a) Reasons for the cancellation of treasury shares

To improve capital efficiency and return profits to shareholders

(b) Details of matters related to the cancellation

- | | |
|--|--|
| (i) Method of cancellation: | To be reduced from the amount of other retained earnings |
| (ii) Class of shares to be canceled: | Ordinary shares of Nexon |
| (iii) Number of shares to be canceled: | 13,238,900 shares
(1.7% of the total number of shares issued as of July 31, 2026) |
| (iv) Date of scheduled cancellation: | August 31, 2026 |

2 【Other Information】

At the Board of Directors meeting on February 20, 2026, it was resolved to conduct dividends of surplus as follows:

- (a) Total dividends¥23,787 million
- (b) Dividend per share.....¥30.0
- (c) Effective date of payment demand and payment start date March 26, 2026

(Note) Payments are made to shareholders listed or recorded in our shareholder registry as of December 31, 2025.

In addition, at the Board of Directors meeting on August 13, 2026, it was resolved to conduct dividends of surplus (semi-annual dividends) as follows:

- (a) Total dividends¥23,567 million
- (b) Dividend per share.....¥30.0
- (c) Effective date of payment demand and payment start date September 25, 2026

(Note) Payments are made to shareholders listed or recorded in our shareholder registry as of June 30, 2026.

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

Not applicable.