

kakaogames

# 2Q 2025 Earnings Release

6 August 2025

# Disclaimer

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Financial information for 2Q 2025 are estimates based on K-IFRS standards, and all financial and business results except for the stand-alone statement are consolidated-basis results which include subsidiary performance.

Kakao VX has been classified as discontinued operations following its classification of as asset held for sale, while the comparative financial statements for 2024 include discontinued operations resulting from the disposal of interests in subsidiary.

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

Kakao Games therefore does not make any representation or accept liability as to the accuracy or completeness of the information herein and is not responsible for providing future updates on the information contained in this document.

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# Summary

- 2Q revenue down 24% YoY and 6% QoQ due to the absence of new titles and updates from legacy titles
- 2Q operating loss decreased due to revenue growth from in-house IP

Billion Won	2Q24	3Q24	4Q24	1Q25	2Q25	YoY	QoQ
Revenue	152.8	162.8	133.2	122.9	115.8	-24.2%	-5.7%
Mobile	136.5	128.7	112.6	96.1	101.0	-26.0%	5.1%
PC	16.3	34.2	20.6	26.8	14.8	-9.2%	-44.7%
OPEX	151.7	155.1	137.2	135.3	124.4	-18.0%	-8.0%
Operating Profit	1.1	7.7	-3.9	-12.4	-8.6	Turn to Deficit	Deficit Continued
OPM	0.7%	4.7%	-3.0%	-10.1%	-7.4%	-8.1%p	2.7%p
Net Income	-11.7	-7.3	-109.5	-33.4	-33.6	Deficit Continued	Deficit Continued
Controlling Interest	-9.5	-4.0	-96.4	-23.0	-26.1	Deficit Continued	Deficit Continued

# Revenue Breakdown

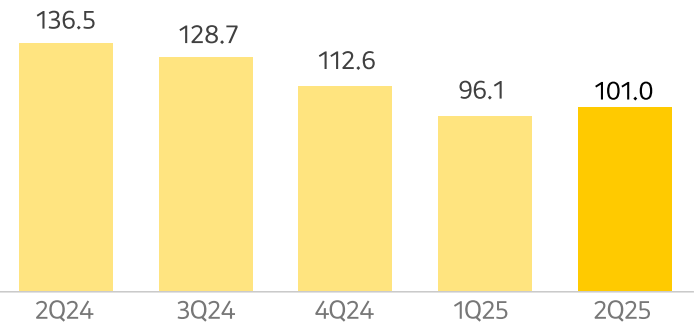
2Q Revenue reported 115.8 bn Won YoY 24.2% ▼ / QoQ 5.7% ▼

- Mobile Game : Despite lack of new titles, revenue increased on 'Odin's' global expansion
- PC Game : Revenue down due to absence of collaboration updates for 'PUBG' and removal of deferred revenue of 'POE'

## Mobile

(YoY 26.0% ▼ / QoQ 5.1% ▲)

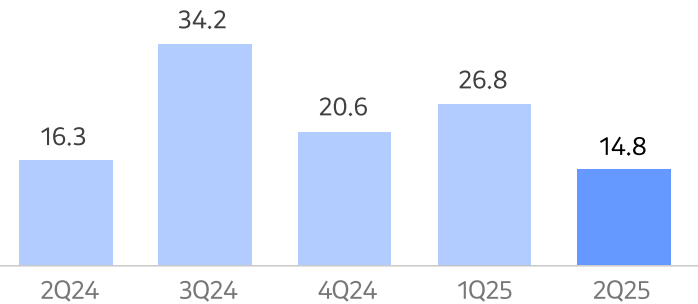
(Billion Won)



## PC

(YoY 9.2% ▼ / QoQ 44.7% ▼)

(Billion Won)



# OPEX Breakdown

**2Q Operating Expense reported 124.4 bn Won YoY 18.0% ▼ / QoQ 8.0% ▼**

- Labor Cost : Continuous headcount optimization
- Commissions : Developer RS & Market fees which are linked to changes in revenue
- Marketing Cost : Efficiency-driven strategic marketing
- Others : Increased amortization driven by expansion of studio infrastructure etc.

Billion Won	2Q24	3Q24	4Q24	1Q25	2Q25	YoY	QoQ
<b>OPEX</b>	<b>151.7</b>	<b>155.1</b>	<b>137.2</b>	<b>135.3</b>	<b>124.4</b>	<b>-18.0%</b>	<b>-8.0%</b>
Labor Costs	37.7	38.8	38.2	40.0	37.0	-2.0%	-7.5%
Commissions	84.3	82.3	67.9	62.3	57.5	-31.9%	-7.8%
Marketing Costs	8.0	14.2	10.4	12.7	8.5	6.5%	-32.7%
Tangible/Intangible Amortization	11.8	11.9	11.7	11.3	12.2	2.7%	7.2%
Others	9.8	7.9	8.9	9.0	9.3	-5.3%	3.4%
<b>Operating Profit</b>	<b>1.1</b>	<b>7.7</b>	<b>-3.9</b>	<b>-12.4</b>	<b>-8.6</b>	<b>Turn to Deficit</b>	<b>Deficit Continued</b>
Income Tax	1.8	8.9	-13.0	-1.8	-0.1	-	-

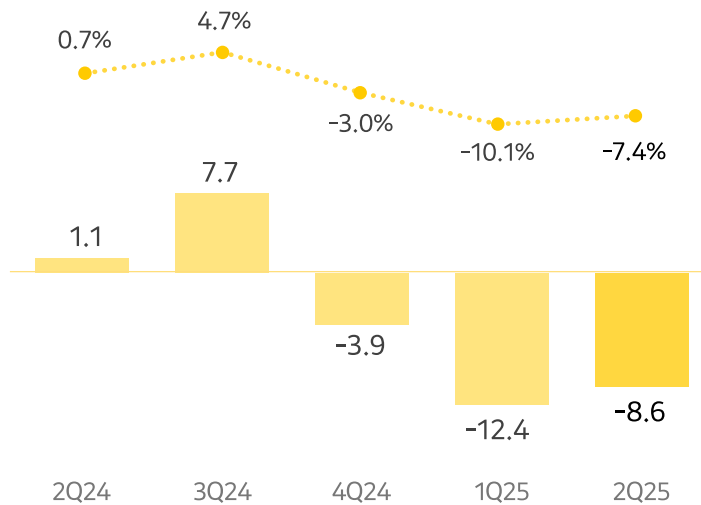
# Profit

2Q Operating Profit -8.6 bn Won / Net Income -33.6 bn Won

- Non-operating loss due to financial expenses etc.

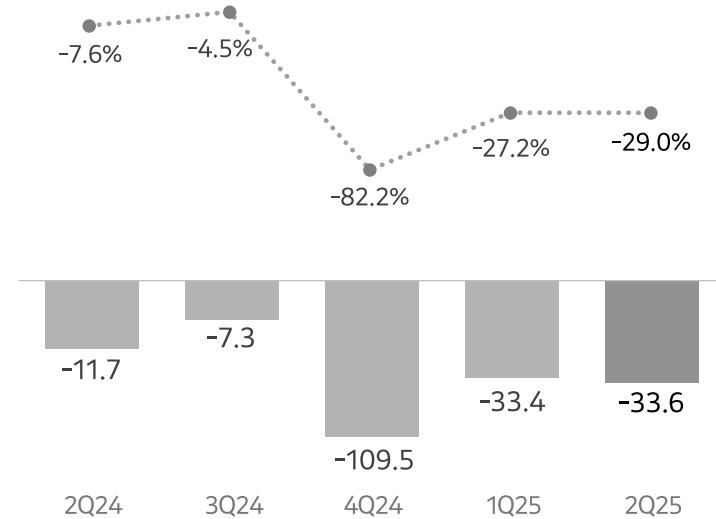
## Operating Profit (Margin)

(Billion Won)



## Net Income (Margin)

(Billion Won)



## Appendix. New line-ups

\*In-house titles

Schedule	Title	Genre	Platform	Region
3Q25	Goddess Order	Action RPG	Mobile	Global
4Q25	SM GAME STATION(tentative name) *	SM Idol IP-Based Casual	Mobile	Global
1Q26	Dungeon Arise	Strategy Adventure RPG	Mobile+PC	Global
2Q26	Project Q *	MMORPG	Mobile+PC	Korea
	Project C *	Subculture Growth Simulation	Mobile+PC	Korea, Japan
3Q26	Project OQ	MMORPG	Mobile+PC	Korea
	God Save Birmingham *	Open-World Zombie Survival Simulator	PC/Console	Global
	ArcheAge Chronicle *	Online Action RPG	PC/Console	Global
4Q26	Chrono Odyssey	Online Action RPG	PC/Console	Global
TBD	Project S *	Looter Shooter	PC/Console	Global
	The Swordmaster's Youngest Son IP *	Hunting Action RPG	PC/Console	Global



# Financial Statement Summary

## Consolidated Balance Sheet

Million Won	2Q24	3Q24	4Q24	1Q25	2Q25
<b>Current Asset</b>	<b>1,002,319</b>	<b>849,825</b>	<b>1,069,084</b>	<b>1,058,282</b>	<b>1,189,517</b>
Cash&Cash Equivalent	756,795	630,285	634,969	551,585	429,675
Financial Asset (Fair Value)	37,378	105,777	30,277	86,042	162,530
Others	208,146	113,764	403,838	420,655	597,313
<b>Non-Current Asset</b>	<b>2,541,234</b>	<b>2,522,417</b>	<b>2,104,155</b>	<b>2,098,926</b>	<b>1,956,823</b>
Available-for-Sale	331,712	406,372	306,958	311,442	305,986
Investment in Associates	215,181	221,653	178,118	179,991	16,952
Intangibles	1,624,957	1,559,658	1,484,418	1,476,320	1,466,797
Others	369,385	334,734	134,662	131,172	167,088
<b>Total Asset</b>	<b>3,543,554</b>	<b>3,372,243</b>	<b>3,173,239</b>	<b>3,157,208</b>	<b>3,146,341</b>
<b>Current Liabilities</b>	<b>1,229,064</b>	<b>1,129,194</b>	<b>1,199,409</b>	<b>1,220,245</b>	<b>712,258</b>
<b>Non-Current Liabilities</b>	<b>650,223</b>	<b>607,362</b>	<b>495,473</b>	<b>491,192</b>	<b>1,000,982</b>
<b>Total Liabilities</b>	<b>1,879,286</b>	<b>1,736,556</b>	<b>1,694,882</b>	<b>1,711,437</b>	<b>1,713,240</b>
<b>Paid-in Capital</b>	<b>8,266</b>	<b>8,267</b>	<b>8,287</b>	<b>8,287</b>	<b>8,287</b>
<b>Capital Surplus</b>	<b>1,102,122</b>	<b>1,101,861</b>	<b>1,099,757</b>	<b>1,099,349</b>	<b>1,100,502</b>
<b>Other Capital Components</b>	<b>56,934</b>	<b>100,169</b>	<b>41,967</b>	<b>33,308</b>	<b>16,582</b>
<b>Retained Earnings</b>	<b>268,868</b>	<b>271,271</b>	<b>188,098</b>	<b>174,571</b>	<b>186,784</b>
<b>Non-Controlling</b>	<b>228,077</b>	<b>154,120</b>	<b>140,249</b>	<b>130,255</b>	<b>120,945</b>
<b>Total Equity</b>	<b>1,664,268</b>	<b>1,635,687</b>	<b>1,478,357</b>	<b>1,445,770</b>	<b>1,433,101</b>

## Consolidated Income Statement

Million Won	2Q24	3Q24	4Q24	1Q25	2Q25
<b>Revenue</b>	<b>152,813</b>	<b>162,850</b>	<b>133,223</b>	<b>122,854</b>	<b>115,808</b>
<b>OPEX</b>	<b>151,746</b>	<b>155,126</b>	<b>137,169</b>	<b>135,295</b>	<b>124,423</b>
<b>Operating Profit</b>	<b>1,067</b>	<b>7,724</b>	<b>-3,946</b>	<b>-12,440</b>	<b>-8,615</b>
Other Gains	251	542	4,347	885	1,221
Other Losses	693	3,789	47,637	2,045	16,733
Financial Income	5,732	7,601	23,493	5,034	4,094
Financial Expense	16,724	13,066	65,090	22,666	14,849
Equity Method	-915	-514	-15,677	-1,221	-879
<b>EBT</b>	<b>-11,282</b>	<b>-1,502</b>	<b>-104,510</b>	<b>-32,454</b>	<b>-35,760</b>
Income Tax	1,824	8,937	-12,999	-1,762	-67
<b>Net Income</b>	<b>-11,679</b>	<b>-7,311</b>	<b>-109,476</b>	<b>-33,428</b>	<b>-33,587</b>
Controlling	-9,476	-4,002	-96,390	-23,031	-26,117
Non-Controlling	-2,204	-3,309	-13,085	-10,397	-7,470

**E.O.D**