



# FY2025 2Q & 1H Earnings Results

**KRAFTON**

2025. 7. 29.

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# Global Publishing, Building Up the Next Franchise IP

PUBG  
**BLINDSPOT**  
**KRAFTON**

Chief Global Publishing Officer, Jin Oh

# KRAFTON



# Mid to Long-term Goals of Global Publishing

## KRAFTON Strategic Direction

**KRW 7tn Revenue & 2X Corporate Value by FY2029**

PUBG STUDIOS (PUBG IP Franchise)

Reach KRW 4tn Revenue based on  
PUBG IP within 5 Years

**GLOBAL PUBLISHING (New IP)**

Discover and Manage New IP to reach  
KRW 3tn Revenue within 5 Years

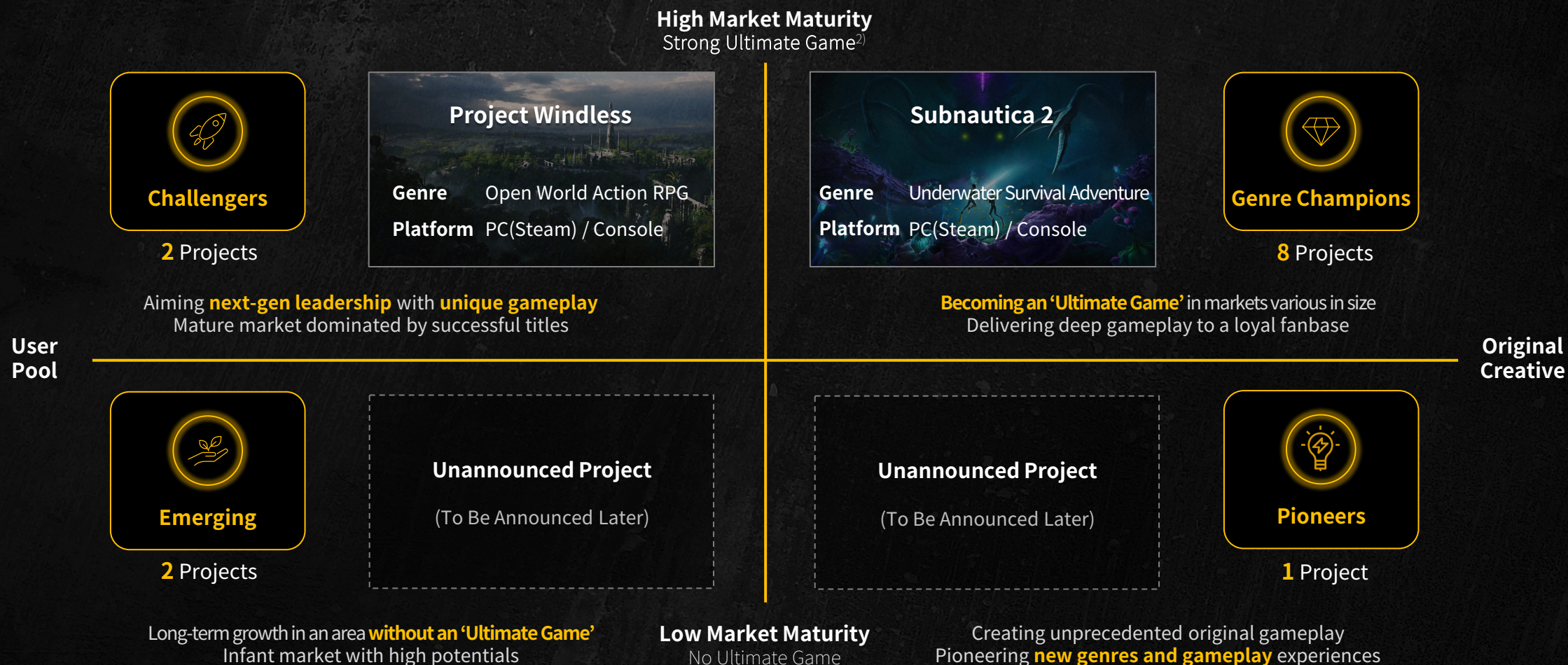
# **PART 1. GLOBAL PUBLISHING PIPELINE**

## **PART 2. GLOBAL PUBLISHING STRATEGY**



# Global Publishing Pipeline

13 Games<sup>1)</sup> in Development Across Four Areas, Many Targeting **Genre Champions**



1) Games under HQ Global Publishing, excluding studio self-publishing projects

2) Games or IPs that dominate a specific game genre or market, maintaining high user engagement and strong brand influence in long-term



# Game Pipeline Expansion

**Pipeline Reinforcement** via New IP Investments, Studios, and 2PP Projects

## Opportunities to Secure New IPs



## Expansion of In-house Studios

Omnicraft Labs

Athena Dept.

(To be Established as Loonshot Games)

JOFSOFT

## 2PP Projects



[ JEF GAMES

3+ More Projects Under Review

**PART 1. GLOBAL PUBLISHING PIPELINE**

**PART 2. GLOBAL PUBLISHING STRATEGY**



# Global Publishing Strategy of KRAFTON

Publishing Focused on **Player Communities**, Targeting the **Global Market**

## Global Market

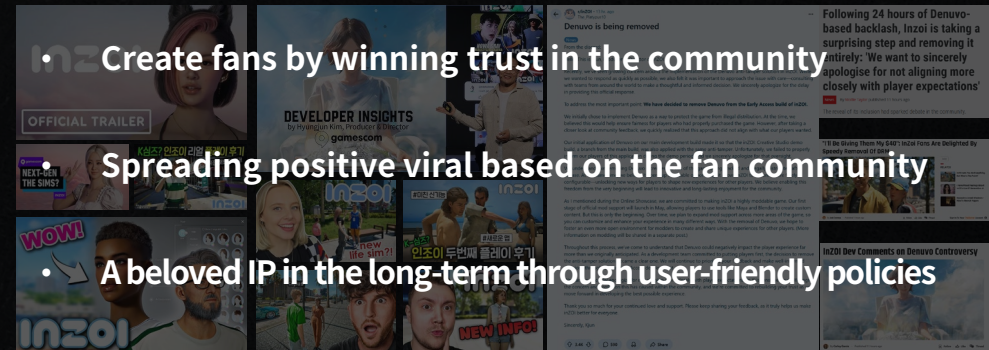
Tailored to specific regions based on a global network



## Player Community

Prioritizing Player Community Experience

- Create fans by winning trust in the community
- Spreading positive viral based on the fan community
- A beloved IP in the long-term through user-friendly policies

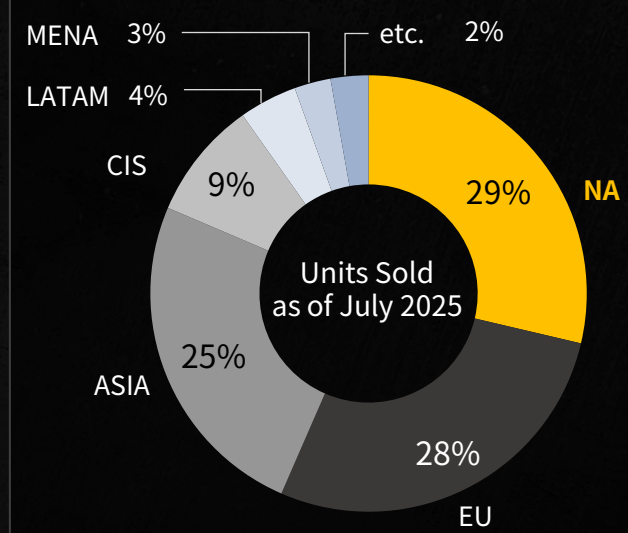


From A Good Game to a 'Beloved' Game and Discovering New Franchise IP



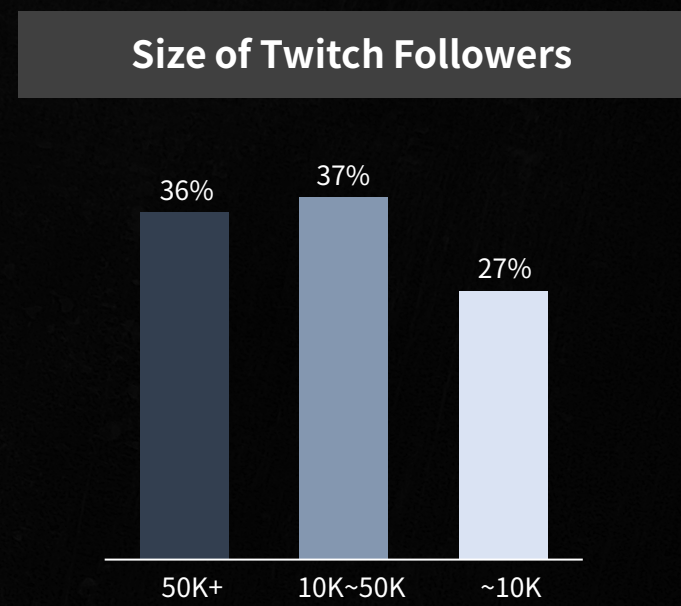
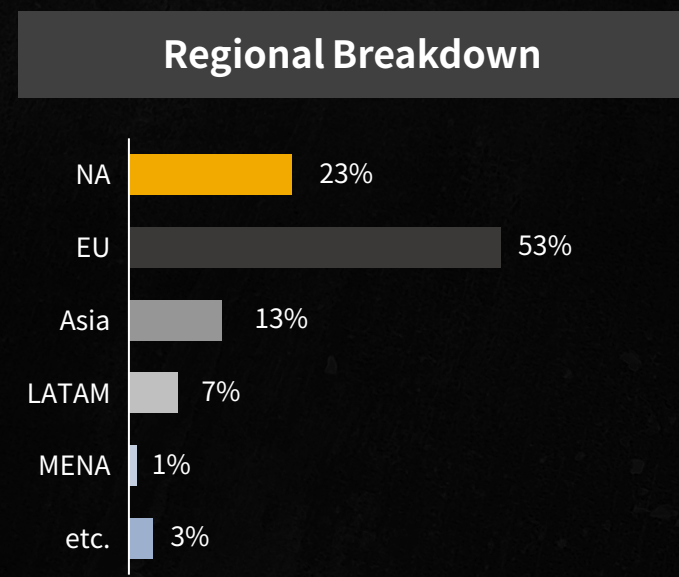
## Successful Case of Global Publishing with a Focus on **Positive Viral from Player Community**

Sales by Region



Diverse Userbase Including North America and Europe

Distribution of Influencer Region & Size<sup>1)</sup>



Global Recognition by Voluntary Participation of Influencers of All Sizes Across Diverse Regions

1) Influencers with geographic information among 3,000 Twitch influencers who volunteered for the streaming campaign after Early Access launch



## Meaningful Achievements in the Global Market Before & After Early Access Launch

### Ranked #1 in Steam Wishlist



Maximized Positive Viral by Deploying Continuous Campaigns Two Weeks Ahead of Early Access Launch

### Fastest to Sell 1M Copies Among Korean Package Games



#1 Most Popular Game in 27 Countries After Release

1) US, China, Korea, France, Germany, UK, Japan, Taiwan, Sweden, Spain, Italy, Brazil, Russia, Finland, Denmark, Norway, Poland, Australia, Turkiye, Thailand, Australia, Belgium, Netherlands, Czech, Switzerland, Hong Kong, Singapore (27 Countries)

2) Based on Top 3 Korean Games with 1M+ copies sold, excluding games launched by KRAFTON



# | Conclusion

**Strong Pipeline by Securing IPs with Potential in the Global Market**

**Duplicate the Success of inZOI Focusing on Global Player Community**

# FY2025 2Q & 1H Financial Performance

# KRAFTON



**KRAFTON**

CFO, Dongkeun Bae

## REVENUE

1H FY2025 Revenue

**KRW 1.5<sub>tn</sub>**

Record high half-year revenue, driven by PC & Mobile platform growth → Up 11.9% YoY vs. 1H 2024, and 14.9% HoH vs. 2H 2024

## OPERATING PROFIT

1H FY2025 Operating Profit

**KRW 703.3<sub>bn</sub>**

Record high half-year operating profit, backed by strong revenue growth → Up 9.5% YoY vs. 1H 2024, and +30.3% HoH vs. 2H 2024



**PUBG IP Franchise<sup>1)</sup>**

YoY growth rate: 1H FY2025 vs. 1H FY2024

**+10%**

Continued growth despite high base of 1H 2024, targeting full-year growth through various collaborations and joint marketings in 2H 2025

# 1H25 Highlights

1) Including PUBG PC/Console, PUBG Mobile, BGMI, Peacekeeper Elite Technology Service Fee



# Revenue Breakdown

## Revenue

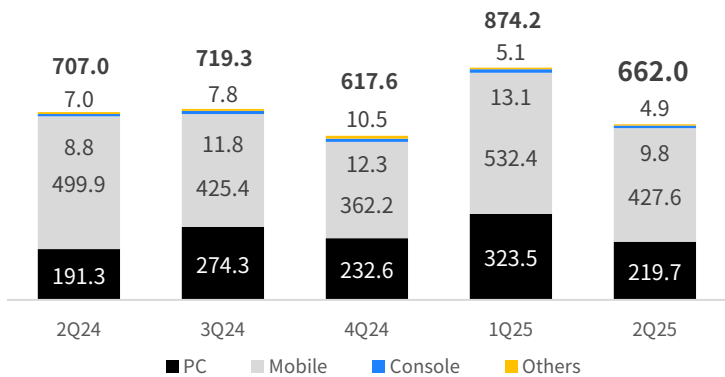
1H25 KRW 1,536.2bn (HoH 14.9% ↑, YoY 11.9% ↑)

2Q25 KRW 662.0bn (QoQ 24.3% ↓, YoY 6.4% ↓)

(Unit: KRW bn)	2Q 2024	1Q 2025	2Q 2025	QoQ	YoY	1H 2024	1H 2025	YoY
Revenue	707.0	874.2	662.0	-24.3%	-6.4%	1,372.9	1,536.2	11.9%
PC	191.3	323.5	219.7	-32.1%	14.8%	435.0	543.2	24.9%
Mobile	499.9	532.4	427.6	-19.7%	-14.5%	902.2	960.0	6.4%
Console	8.8	13.1	9.8	-25.2%	11.7%	20.2	22.9	13.1%
Others	7.0	5.1	4.9	-3.1%	-28.7%	15.5	10.1	-34.4%

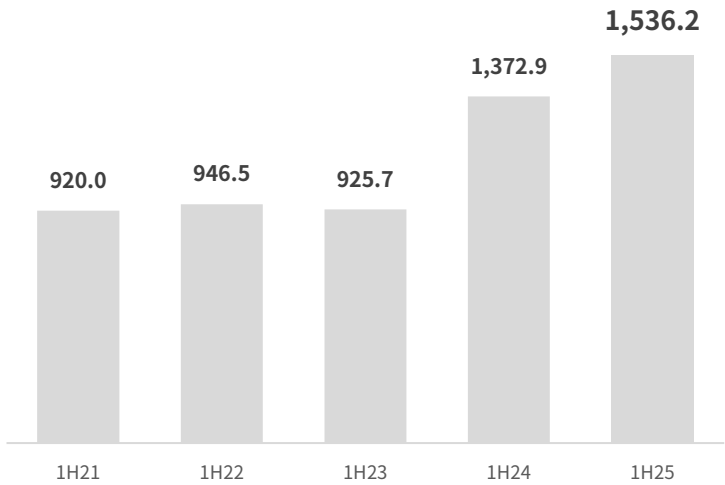
Revenue Breakdown (by Platform)

(Unit: KRW bn)



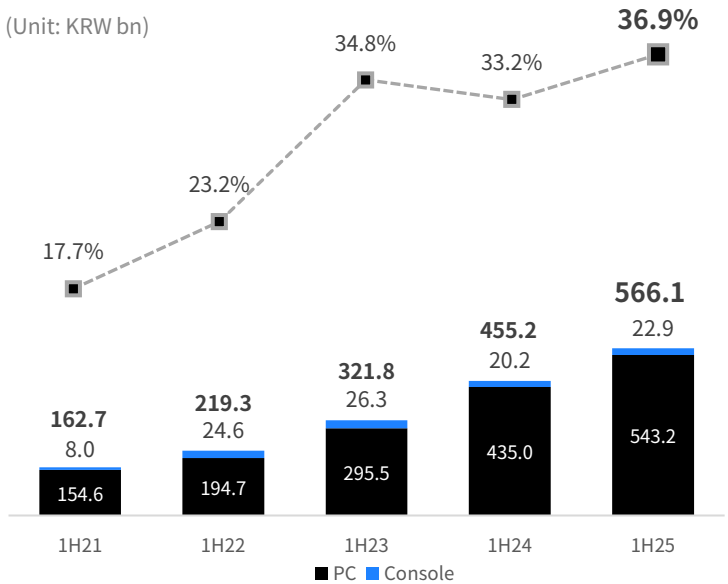
1H Revenue Trend

(Unit: KRW bn)



1H PC/Console Revenue Proportion

(Unit: KRW bn)



# PUBG IP Franchise

Reinforcing Synergies through Cultural Experiences from IP collaborations and Shared Contents

Titles

Update Schedule

PUBG BATTLEGROUNDS

PUBG PC/Console

PUBG MOBILE

PUBG Mobile

PUBG IP Franchise Shared Content

New PUBG IP Titles

2025 2H PUBG Key Content Roadmap<sup>1)</sup>

3Q

aespa Collaboration

UGC Alpha

Gunplay Update

Bugatti Collab

Transformers Collaboration

Zoo Metro Royale TES Update

Car Collaboration

New Mode Update

PNC X aespa

PUBG NATIONS CUP SEOUL 2025

Celebrity Collaboration

BLINDSPOT

Bilibili Worlds, gamescom

4Q

New Contender

Mode Update

Map Update

Halloween Themed Mode

Pop Artist Collaboration

Winter Themed Mode

Western IP Collaboration

Premium Car Collaboration

Fashion Brand Collaboration

PGC X PMGC

PUBG BLACK BUDGET

Closed Alpha Test

1) With exemption of content released as of July 29 (aespa, Transformers, Bugatti), all images shown are for illustrative purposes only can differ from the actual content

16



# New Franchise IP

## Continuous Updates of inZOI , Securing Dev Teams and Investing for New Franchise IPs

### inZOI: Expanding to a Long-term Global Service

Enhanced content and MOD features, community engagement in 2H25



#### MOD Update (Jun 2025)

- Increased user made content with MODKit
- Additional MODKit updates expected Oct&Dec



#### 1<sup>st</sup> DLC Release (Aug 2025)

- New City 'Cahaya' DLC
- Joining gamescom & hosting creator events
- Increasing accessibility with Mac OS launch



#### Subnautica 2

- Expanding the IP through Co-op multiplayer and enhanced deep-sea exploration
- Early Access launch in 2026

### Addition of Dev Teams and Investments to Discover Franchise IPs

Secured 80 developers for new projects, 5 minority investments from January to July 2025

#### New Dev Teams

#### Acquired Leadership and New Dev Teams

#### Reallocated Personnel for New Projects

#### M&A



(July 2025, 100% Acquisition)

#### Minority Investments



(Apr 2025, 30.5% Ownership)

**80** Developers  
(As of 2Q25)

- Secured 7 New Titles



- Securing Major IPs in ARPG Genre

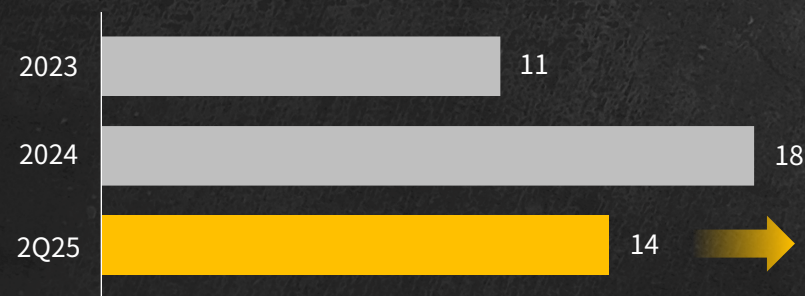


- Asian Style Dark Fantasy ARPG



## Preparing for the Future of Gaming with AI Foundation Technology & Application

### Research Papers Accepted at Global AI Conferences

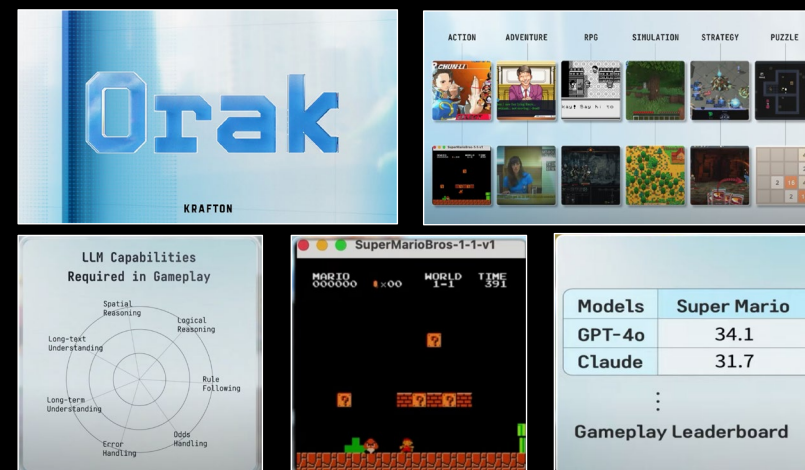


*18 papers accepted at the Top 3 AI Conferences (NeurIPS, ICLR, ICML)*

### Three Language Models Co-Developed with SKT

- Applied KRAFTON's post-training method to open-source LLMs(7bn parameters)
- Strong performance in mathematical reasoning → Highly relevant to games
- To be utilized for advancing game-specific AI application technologies

### Orak: Game-specific AI Benchmark



- Evaluates how accurately LLMs perceive and respond to gameplay situations
- Converts in-game data to text and the outputs by the model into gameplay
- Environment that enables performance evaluation, data collection, and reinforced learning for LLM agents based on 12 different games



## Strengthening Localized Content and User Base Expansion for BGMI

### Localized Indian Content in 2Q



#### Hero Motorcycle Collaboration

- Co-marketing with India's Top Motorcycle Brand
- Released 7 in-game Items including Hero Motorcycle
- Launched Limited-edition BGMI Xtreme 125 Model



#### Sting Energy Drink Collaboration

- Integrated India's #1 Energy Drink as an In-game Item
- Sold BGMI branded bottles to enhance BGMI branding



#### Jio Telecom Partnership

- Unlimited Data Plan by Jio Telecom, India's #1 Telecom Service Provider
- BGMI included as a Partner Game, Contributing to BGMI's Presence in India

### Key Updates and Marketing Campaigns in 3Q

#### BGMI Content Updates



Superman Movie Collaboration



WOW Mode Update

#### New Marketing Campaigns



BGMI Soundtrack



Marketing with Animated Series

# Operating Expenses & Profit

## Operating Expenses

**1H25**      **KRW 832.9bn** (HoH 4.5% ↑, YoY 14.0% ↑)

**2Q25**      **KRW 416.0bn** (QoQ 0.2% ↓, YoY 11.0% ↑)

Increased 11.0% YoY and remained flat QoQ due to rise in personnel, paid commissions, and marketing expenses

## Operating Profit

**1H25**      **KRW 703.3bn** (HoH 30.3% ↑, YoY 9.5% ↑)

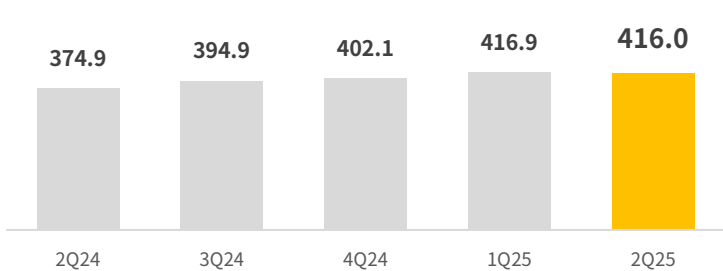
**2Q25**      **KRW 246.0bn** (QoQ 46.2% ↓, YoY 25.9% ↓)

Declined 25.9% YoY and 46.2% QoQ due to lower revenue and increased expenses

(Unit: KRW bn)	2Q 2024	1Q 2025	2Q 2025	QoQ	YoY	1H 2024	1H 2025	YoY
Operating Expenses	374.9	416.9	416.0	-0.2%	11.0%	730.3	832.9	14.0%
Personnel	129.6	148.4	146.8	-1.1%	13.3%	251.0	295.2	17.6%
Platform Fees/Cost of Revenue <sup>1)</sup>	77.5	105.0	83.9	-20.1%	8.3%	163.4	188.9	15.6%
Paid Commissions	76.4	84.1	96.2	14.4%	25.9%	137.7	180.3	31.0%
Marketing	21.2	22.9	26.1	13.7%	22.7%	33.7	49.0	45.5%
Share-based Payment Expenses	35.2	17.9	20.0	11.5%	-43.3%	77.4	37.9	-51.0%
Others	34.9	38.5	43.0	11.5%	23.2%	67.1	81.5	21.4%
Operating Profit	332.1	457.3	246.0	-46.2%	-25.9%	642.6	703.3	9.5%
% Margin	47.0%	52.3%	37.2%	-15.1%p	-9.8%p	46.8%	45.8%	-1.0%p
Adj. EBITDA <sup>2)</sup>	394.0	505.1	296.3	-41.3%	-24.8%	772.5	801.4	3.7%
% Margin	55.7%	57.8%	44.7%	-13.0%p	-11.0%p	56.3%	52.2%	-4.1%p

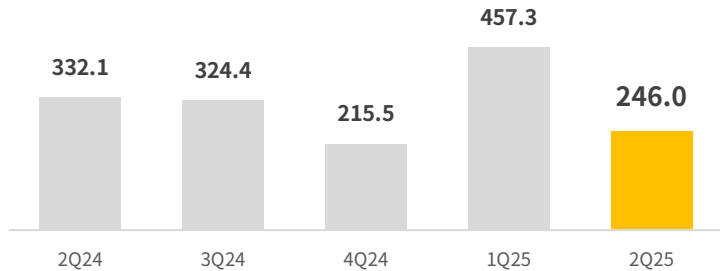
Operating Expenses

(Unit: KRW bn)



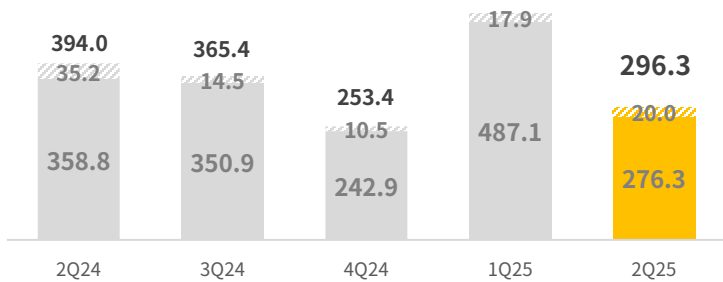
Operating Profit

(Unit: KRW bn)



Adj. EBITDA

(Unit: KRW bn)



1) Platform fees / Cost of Revenue consist of Steam, market commissions, etc.

2) Adj. EBITDA = EBITDA + Share-based Payment Expenses



# Net Profit

## Net Profit

**1H25      KRW 383.1bn** (HoH 37.5% ↓, YoY 44.5% ↓)

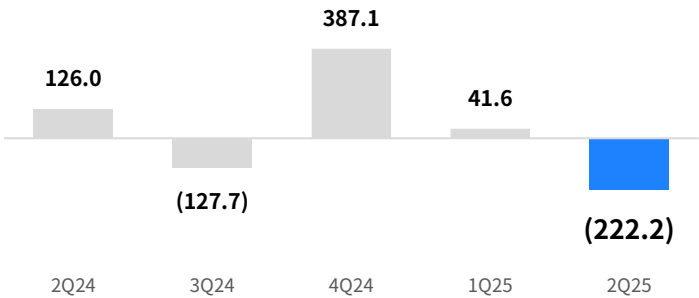
**2Q25      KRW 15.5bn** (QoQ 95.8% ↓, YoY 95.4% ↓)

Declined 95.4% YoY and 95.8% QoQ due to FX related losses

(Unit: KRW bn)	2Q 2024	1Q 2025	2Q 2025	QoQ	YoY	1H 2024	1H 2025	YoY
<b>Non-Operating Profit</b>	<b>126.0</b>	<b>41.6</b>	<b>(222.2)</b>	<b>T/D<sup>1)</sup></b>	<b>T/D<sup>1)</sup></b>	<b>280.8</b>	<b>(180.6)</b>	<b>T/D<sup>1)</sup></b>
<b>Non-Operating Income</b>	<b>144.1</b>	<b>128.2</b>	<b>1.0</b>	<b>-99.2%</b>	<b>-99.3%</b>	<b>333.7</b>	<b>129.2</b>	<b>-61.3%</b>
Other Income	134.8	122.0	(4.5)	T/D <sup>1)</sup>	T/D <sup>1)</sup>	315.5	117.5	-62.7%
Finance Income	9.3	6.3	5.5	-12.8%	-41.4%	18.2	11.8	-35.8%
<b>Non-Operating Expense</b>	<b>18.1</b>	<b>86.6</b>	<b>223.2</b>	<b>+157.6%</b>	<b>+1,130.1%</b>	<b>52.9</b>	<b>309.8</b>	<b>+485.1%</b>
Other Expenses	15.7	84.0	220.8	+162.8%	+1,305.3%	48.2	304.8	+531.9%
Finance Expenses	2.4	2.6	2.4	-10.0%	-2.8%	4.7	5.0	+5.8%
<b>Profit Before Income Tax</b>	<b>458.1</b>	<b>498.9</b>	<b>23.9</b>	<b>-95.2%</b>	<b>-94.8%</b>	<b>923.4</b>	<b>522.8</b>	<b>-43.4%</b>
Income Tax	116.7	127.4	8.4	-93.4%	-92.8%	233.3	135.8	-41.8%
<b>Net Profit</b>	<b>341.4</b>	<b>371.5</b>	<b>15.5</b>	<b>-95.8%</b>	<b>-95.4%</b>	<b>690.0</b>	<b>387.0</b>	<b>-43.9%</b>
% Margin	48.3%	42.5%	2.3%	-40.1%p	-45.9%p	50.3%	25.2%	-25.1%p

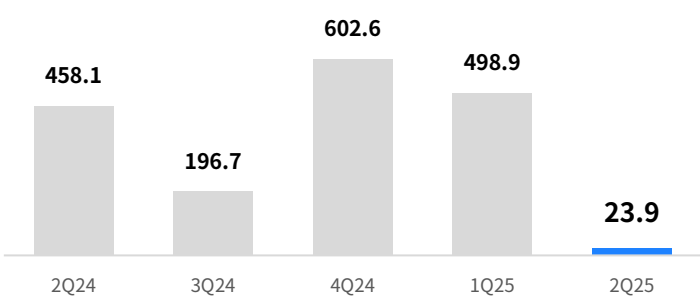
### Non-Operating Profit

(Unit: KRW bn)



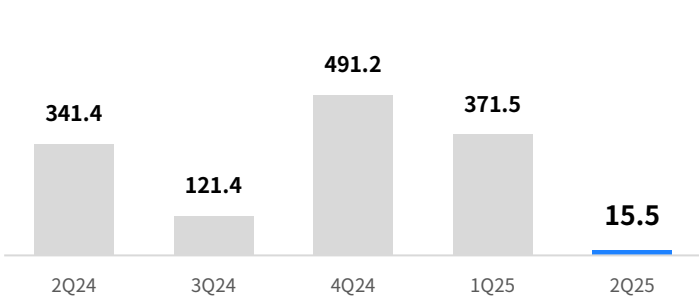
### Profit before Income Tax

(Unit: KRW bn)



### Net Profit

(Unit: KRW bn)



1) T/D: Turned to Deficit

# Investments

## Proactive Investments for Sustainable Growth

### Investments Highlights for 2Q FY2025



“Make the best ARPG in the world”

- Game studio based in North America, and the developer of Action RPG title Last Epoch
- Official launch in 2024; 3mn+ units sold to date
- 102 employees (87% in development/service roles)
- Investment: \$96mn (KRW132.4bn), 100% equity stake



“Growing brands and fans”

- 70+ years of experience in ads and animation production
- Securing business foundation in Japan and creating synergies across gaming and animation
- Investment: JPY 75 bn (KRW710.4bn), 100% equity stake
- FDI (Foreign Direct Investment) approval in progress

# 5

### Minority Investments

(Based on Jan-Jun 2025)

- Investments in Arkrep (France), Coconut Horse (China)
- Five minority investments, four publishing rights secured
- Actively discovering and investing creatives in key regions
- Total minority investment in 1H25: KRW36bn<sup>1)</sup>

# neptune

“Mobile ad-tech and gaming business”

- Operates mobile Ad-tech and gaming business
- Aiming global expansion and synergies with KRAFTON
- Investment: KRW165.0bn, 39.37% ownership (largest shareholder)
- Transaction completed as of July 9, 2025

1) The KRW-denominated amounts are based on FX rates as of each closing date: Eleventh Hour Games (as of July 24, 2025), ADK (as of June 24, 2025), total minority investment amount (as of July 25, 2025)

2) Including the 1,474,926 shares (3.16%) of Neptune previously held by KRAFTON, the total ownership stake amounts to 42.53%.



# Q&A

CGPO

Jin Oh

CFO

Dongkeun Bae

# Appendix



# Summary of Financial Statements

## Consolidated Income Statement

(Unit: KRW bn)	FY2024			FY2025		
	1Q	2Q	1H	1Q	2Q	1H
<b>Revenue</b>	665.9	707.0	1,372.9	874.2	662.0	1,536.2
Operating Costs	355.4	374.9	730.3	416.9	416.0	832.9
<b>Operating Profits</b>	<b>310.5</b>	<b>332.1</b>	<b>642.6</b>	<b>457.3</b>	<b>246.0</b>	<b>703.3</b>
Adj. EBITDA	336.4	358.8	695.2	487.1	276.3	763.4
<b>Adj. EBITDA<sup>1)</sup></b>	<b>378.5</b>	<b>394.0</b>	<b>772.5</b>	<b>505.1</b>	<b>296.3</b>	<b>801.4</b>
<b>Non-Operating Profit</b>	<b>154.8</b>	<b>126.0</b>	<b>280.8</b>	<b>41.6</b>	<b>(222.2)</b>	<b>(180.6)</b>
Other Income	180.7	134.8	315.5	122.0	(4.5)	117.5
Other Expenses	32.5	15.7	48.2	84.0	220.8	304.8
Finance Income	8.9	9.3	18.2	6.2	5.5	11.8
Finance Expenses	2.3	2.4	4.7	2.6	2.4	5.0
<b>Profit Before Income Tax</b>	<b>465.3</b>	<b>458.1</b>	<b>923.4</b>	<b>498.9</b>	<b>23.9</b>	<b>522.8</b>
Income Tax	116.7	116.7	233.4	127.4	8.4	135.8
<b>Net Profit</b>	<b>348.6</b>	<b>341.4</b>	<b>690.0</b>	<b>371.5</b>	<b>15.5</b>	<b>387.0</b>

1) Including FVPL (Fair Value through Profit or Loss)

## Consolidated Statement of Financial Position

(Unit: KRW bn)	FY2024	2Q 2025
<b>Assets</b>		
<b>Current Assets</b>	<b>5,004.4</b>	<b>4,677.8</b>
Cash and Cash Equivalents <sup>1)</sup>	3,772.0	3,554.8
Others	1,232.4	1,123.0
<b>Non-current Assets</b>	<b>2,915.0</b>	<b>3,010.1</b>
Property and equipment	239.7	346.4
Intangibles	656.2	635.4
Investment in Associates	722.0	761.4
Others	1,297.1	1,266.9
<b>Total Assets</b>	<b>7,919.4</b>	<b>7,687.9</b>
<b>Liabilities</b>		
<b>Current Liabilities</b>	<b>784.8</b>	<b>544.2</b>
<b>Non-current Liabilities</b>	<b>305.5</b>	<b>301.1</b>
<b>Total Liabilities</b>	<b>1,090.3</b>	<b>845.3</b>
<b>Equity</b>		
<b>Shareholders' equity</b>	<b>6,827.8</b>	<b>6,842.6</b>
Paid-in Capital	4.9	4.9
Capital Surplus	1,477.8	1,488.9
Other Components of Equity	263.7	55.6
Retained Earnings	5,081.4	5,289.7
<b>Non-controlling Interests</b>	<b>1.3</b>	<b>3.5</b>
<b>Total Equity</b>	<b>6,829.1</b>	<b>6,842.6</b>