

Gamania Digital Entertainment (6180.TWO)

Financial Summary: 2nd Quarter, 2026

August 5, 2026

P&L (NT\$mn)	2Q25	1Q26	2Q26	QoQ	YoY	1H25	1H26	YoY
Net Revenue	1,851	2,591	1,827	▼29%	▼1%	4,734	4,418	▼7%
Gross Profit	465	800	381	▼52%	▼18%	1,402	1,181	▼16%
Operating Expenses	(664)	(668)	(584)	▼13%	▼12%	(1,382)	(1,252)	▼9%
Selling	(161)	(135)	(111)	▼18%	▼31%	(326)	(245)	▼25%
G&A	(305)	(312)	(275)	▼12%	▼10%	(665)	(588)	▼12%
R&D	(199)	(221)	(198)	▼10%	▼0%	(391)	(419)	▲7%
Operating Income	(200)	132	(203)	Turn to loss	▲2%	20	(71)	Turn to loss
Non-Operating Items	13	29	(28)	Turn to loss	Turn to loss	53	1	▼98%
Pre-Tax Income (Loss)	(187)	161	(231)	Turn to loss	▲23%	73	(70)	Turn to loss
Income Tax	58	(41)	75	Tax benefit	▲30%	(10)	34	Tax benefit
Net Income (Loss) to Parent	(112)	110	(155)	Turn to loss	▲38%	76	(45)	Turn to loss
Basic EPS (NT\$)	(0.64)	0.63	(0.89)			0.43	(0.26)	

Key Financial Ratios	2Q25	1Q26	2Q26			1H25	1H26	
Gross Margin	25%	31%	21%			30%	27%	
Opex Ratio	36%	26%	32%			29%	28%	
Operating Margin	-11%	5%	-11%			0%	-2%	
Net Margin	-6%	4%	-8%			2%	-1%	

Revenue Mix (NT\$mn)	2Q25	1Q26	2Q26	QoQ	YoY	1H25	1H26	YoY
Game	1,217	1,843	1,079	▼41%	▼11%	3,340	2,922	▼13%
Commerce	318	369	356	▼3%	▲12%	690	725	▲5%
Others	316	379	392	▲3%	▲24%	704	771	▲10%
Total	1,851	2,591	1,827	▼29%	▼1%	4,734	4,418	▼7%

Game Mix	2Q25	1Q26	2Q26			1H25	1H26	
PC Games	52%	67%	47%			62%	60%	
Mobile Games	48%	33%	53%			38%	40%	

- **2Q26 Revenue and Earnings Review:**

- **Second-quarter revenue declined 1% YoY and 29% QoQ, primarily reflecting industry seasonality and differences in in-game event cycles**

Consolidated revenue for the quarter was NT\$1.83 billion, down 29% QoQ and 1% YoY, primarily reflecting the industry's seasonal low period and a gap between in-game event cycles. The core user base remained stable with continued player return; however, the high base created by competing title launches in the prior-year period is still being absorbed, and Game business revenue declined 11% YoY. The Commerce business continued to deliver strong performance, with revenue up 12% YoY, supported by sustained growth momentum in enterprise demand for cloud and cybersecurity services.

- **Net loss for the quarter, as one-time expenses and impairment charges were recognized upon completion of organizational streamlining and resource consolidation, establishing a leaner cost base ahead of the second half**

Net loss attributable to owners of the parent was NT\$155 million for the quarter, equivalent to a loss per share of NT\$0.89. Gross margin for the quarter was 21%, primarily reflecting the lower revenue contribution from the Game business and the resulting change in gross profit mix. In addition, the Company completed a substantial organizational streamlining and resource consolidation in the second quarter, which included the recognition of headcount reduction costs, together with one-time expenses and non-operating impairment charges arising from the consolidation of operations and the relocation of satellite offices back to headquarters.

- **Full-scale AI adoption drove continued optimization of the expense structure, while investment intensity in key R&D was maintained**

Operating expenses were NT\$584 million for the quarter, down 13% QoQ and 12% YoY, and included the one-time organizational streamlining costs. The decline was primarily attributable to the proactive adoption of AI since last year, together with disciplined control of marketing and administrative expenses, which released resources for core operations. Selling and administrative expenses declined 31% and 10% YoY, respectively, while R&D expenses were maintained at NT\$203 million, flat YoY, with resources concentrated on in-house game development and the build-out of AI capabilities.

- **2Q26 Operational Highlights:**

- **Completed headcount streamlining and resource consolidation, sharpening focus on the AI business and core initiatives**

The Company completed a substantial organizational restructuring in the second quarter, discontinuing loss-making units whose returns fell short of expectations and shelving early-stage projects without near-term monetization potential. The adjustment covered approximately 15% of the organization and is intended to establish a leaner operating structure for the second half. The related one-time personnel and organizational restructuring costs and non-operating impairment charges were substantially recognized in the current quarter.

- **AI designated as a Group-level core strategy, advancing the enterprise customer base along two tracks: compute supply and AI commercial solutions**

On the compute supply track, Gamania upgraded its Zhonghe data center into an “Edge AI Computing Center,” providing enterprise customers with integrated services spanning model deployment, resource orchestration, data management and around-the-clock operations monitoring, thereby lowering the barriers to AI adoption. On the AI commercial solutions track, the Group's AI brand Vyin AI made its debut at COMPUTEX, unveiling “Vyin RIS,” a conversational sales intelligence hub, and presenting live demonstrations across smart retail and smart pharmacy use cases, marking its formal entry into external commercialization.

- **3Q26 Operational Focus:**

- **AI commercialization extends into the gaming portfolio with the debut of the flagship AI NPC technology, the “UTUX System”**

On the AI commercial solutions front, the Group unveiled its proprietary flagship technology, the “UTUX System,” at the Comic Exhibition in July, together with its planned deployment in the 2027 future-interaction scenarios of the in-house title “Pocket Store,” creating AI game companions capable of long-term memory, progressive growth and autonomous decision-making. UTUX is designed as a rapidly replicable and continuously extensible AI solution; following validation in its initial use case, it will be progressively introduced across a broader range of entertainment and

commercial scenarios, forming a complete portfolio alongside the Group's enterprise-facing AI services.

- **Summer peak season fully underway, led by “MapleStory: Classic,” with successive content updates across multiple titles**

“MapleStory: Classic” officially launched on July 29 under the theme of “reliving the 2005 classic,” recreating the gameplay experience and difficulty curve of the early versions and targeting returning players and the nostalgia community, thereby addressing a player segment that the current version cannot serve. The title operates on dedicated servers with a standalone in-game economy, avoiding dilution of the player structure and game economy of the existing “MapleStory.” Within the existing portfolio, “MapleStory” will launch a limited-time collaboration with “Frieren: Beyond Journey's End”; “Lineage M” will roll out optimizations for key character classes; and “Dragon Nest” will celebrate its 16th anniversary with the launch of its first wuxia-themed class.

- **Completed a combined 4,000 lots (4.0 million shares) under the first and second buyback tranches and approved an additional 2,000-lot program, demonstrating management confidence**

Since March of this year, the Company has launched three consecutive share buyback programs with an aggregate ceiling of 6,000 lots (6.0 million shares). The first tranche of 1,500 lots has been completed at an average repurchase price of NT\$42.64, and the second tranche of 2,500 lots has been completed at an average repurchase price of NT\$44.19. On July 8, the Board of Directors approved the third tranche for the year, covering an expected 2,000 lots of common shares (approximately 1.14% of shares outstanding), at a repurchase price range of NT\$36 to NT\$70 per share, with a buyback period from July 8 to September 7, 2026. All shares repurchased under the three tranches are designated for transfer to employees, continuing the Company's policy direction of strengthening talent incentives and organizational cohesion, while demonstrating management's confidence in the Company's long-term fundamentals and balancing shareholder interests with capital allocation efficiency.

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