



February 13, 2026

To whom it may concern

Company name GungHo Online Entertainment, Inc.
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(Securities code : 3765)
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**Notice Regarding Differences between Results for the Fiscal Year Ended
December 31, 2025 and Previous Fiscal Year Results**

GungHo Online Entertainment, Inc. (the “Company”) hereby announces that differences have arisen between the results for the fiscal year ended December 31, 2025 (from January 1, 2025 to December 31, 2025) and those for the previous fiscal year.

1. Differences between the results for the fiscal year ended December 31, 2025
(consolidated) and those for the previous fiscal year (consolidated)

(Unit: millions of yen)

	Net sales	Operating profit	Ordinary profit	Profit attributable to owners of parent	Profit per share
Fiscal year ended December 31, 2025 (A)	93,242	5,056	6,780	1,407	25.79 yen
Fiscal year ended December 31, 2024 (B)	103,600	17,491	20,013	11,171	182.67 yen
Change (A - B)	(10,358)	(12,434)	(13,233)	(9,763)	(156.88yen)
Change (%)	(10.0%)	(71.1%)	(66.1%)	(87.4%)	(85.9%)

2. Reasons for differences

Our company continued to concentrate on game development with a focus on global distribution, and we have worked to maintain and expand MAU (Monthly Active Users: the number of users who log into the game at least once a month) and have made efforts to strengthen the brands of each of our games in order to maximize the value of existing games.

Regarding the existing game “Puzzle & Dragons” (referred to as “P&D” henceforth), we have continued initiatives to broaden our P&D user base by targeting a wider range of generations through activities that go beyond in-game events and updates, such as airing anime and holding offline events. Compared to the previous year, there were fewer collaboration events with famous characters from other companies, resulting in full-year net sales falling below the previous year’s level.

As for “Ragnarok” related titles in Japan, performances remained resilient due to the continuous hosting of events and ongoing updates. “Ragnarok X” celebrated 1st anniversary on November 20, 2025, and “RAGNAROK ONLINE” celebrated 23rd anniversary on December 1, 2025, since each service launched.

As for subsidiary businesses, Gravity Co., Ltd. continued to release new “Ragnarok” related titles mainly in Southeast Asia and in Taiwan, Hong Kong, and Macau. Gravity Co., Ltd. achieved a YoY increase in full-year net sales, thanks to the significant contribution of titles such as “Ragnarok M: Classic” and “Ragnarok: Twilight.”

Regarding consolidated SG&A expenses, it increased especially personnel expenses due to the full acquisition of Alim Co., Ltd. at the end of 2024.

As a result, the Company's consolidated results of operations for the period under review were as follows. Net sales decreased 10.0% year-on-year to JPY 93,242 million, operating profit decreased 71.1% year-on-year to JPY 5,056 million, ordinary profit decreased 66.1% year-on-year to JPY 6,780million, and profit attributable to owners of parent decreased 87.4% year-on-year to JPY 1,407 million.