



November 17, 2025

To,
Listing Compliance Department
BSE Limited
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai - 400 001.
Scrip Code: 543280

Listing Compliance Department
National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1. G Block,
Bandra -Kurla Complex, Bandra (East),
Mumbai- 400051.
Scrip Symbol: NAZARA

Subject: Transcript of the Investor/Analyst Earnings Call held on November 13, 2025:

Dear Sir/Madam,

In furtherance to our letter dated November 13, 2025 regarding the audio recording of the investors earnings call for the Q2 & FY2026 Results, please find enclosed herewith the transcript of the said call. The Transcript is also available on the Company's website i.e. www.nazara.com.

We request you to take the same on record.

Thanking you,

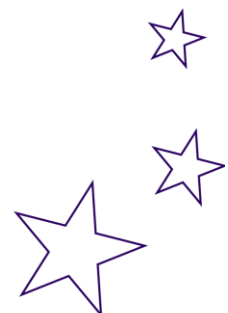
Yours faithfully,
For **Nazara Technologies Limited**

Arun Bhandari
Company Secretary & Compliance Officer

Encl.: As above

Nazara Technologies Limited

CIN: L72900MH1999PLC122970
📍 11th Floor, Avighna House, Dr. A.B. Road,
Worli, Mumbai – 400018.
☎ 91-22-40330800 / 22810303 / 22813030
✉ info@nazara.com
🌐 www.nazara.com





“Nazara Technologies Limited
Q2 FY26 Earnings Conference Call”
November 13, 2025



MANAGEMENT: **MR. NITISH MITTERSAIN – CHIEF EXECUTIVE OFFICER
AND JOINT MANAGING DIRECTOR – NAZARA
TECHNOLOGIES LIMITED**
**MR. RAKESH SHAH – CHIEF FINANCIAL OFFICER –
NAZARA TECHNOLOGIES LIMITED**
**MR. ROHIT SHARMA, EXECUTIVE DIRECTOR – NAZARA
TECHNOLOGIES LIMITED**
**MS. ANUPRIYA SINHA DAS – HEAD OF CORPORATE
DEVELOPMENT – NAZARA TECHNOLOGIES LIMITED**
**MR. AKSHAT RATHEE – CO-FOUNDER AND MANAGING
DIRECTOR – NODWIN GAMING PRIVATE LIMITED**
**MR. AJAY PRATAP SINGH – CHIEF EXECUTIVE OFFICER –
ABSOLUTE SPORTS PRIVATE LIMITED**
**MR. SENTHIL GOVINDAN – CHIEF EXECUTIVE OFFICER –
DATAWRKZ BUSINESS SOLUTIONS PRIVATE LIMITED**
**MR. SHREYES MENON – HEAD, OFFLINE GAMING –
NAZARA TECHNOLOGIES LIMITED**
**MR. TERRY LEE – CHIEF EXECUTIVE OFFICER – FUSEBOX
GAMES**
**MR. STUART DINSEY – CHIEF EXECUTIVE OFFICER –
CURVE GAMES**

**MODERATOR: MR. ANAND SRINIVASAN – SPARK INSTITUTIONAL
EQUITIES PRIVATE LIMITED**

Moderator: Ladies and gentlemen, good day and welcome to the Nazara Technologies Q2 FY '26 Earnings Conference Call hosted by Spark Institutional Equities Private Limited. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Anand Srinivasan from Spark Institutional Equities Private Limited. Thank you, and over to you, sir.

Anand Srinivasan: Thanks Swapnali. Hi, everyone. On behalf of Avendus Spark, I welcome you all to the Q2 FY '26 Earnings Call of Nazara Technologies Limited. We have with us the management team represented by Mr. Nitish Mittersain, CEO and JMD at Nazara Technologies; Mr. Rohit Sharma, Executive Director; Nazara Technologies; Mr. Rakesh Shah, CFO, Nazara Technologies; Ms. Anupriya Sinha Das, Head of Corporate Development at Nazara Technologies; Mr. Shreyes Menon, Head of Offline Gaming at Nazara Technologies; Mr. Terry Lee, CEO of Fusebox Games; Mr. Akshat Rathee, Founder, Nodwin Gaming; Mr. Ajay Pratap Singh, CEO, Absolute Sports Private Limited; Mr. Senthil Govindan, CEO of Datawrkz; Mr. Stuart Dinsey, the CEO of Curve Games.

I would like to hand over the call to the management for opening remarks. Over to you, Nitish sir.

Nitish Mittersain: Thank you. Good morning, everyone, and thank you for joining us this morning. To start off, Nazara delivered INR 1025.2 crores in revenue in H1 FY26, up 80.2% year-on-year, and INR 109.4 crores EBITDA, up 118.5% year-on-year. Our core gaming EBITDA came in at 23.2%.

In Q2 FY26, revenue was INR 526.5 crores, up 65.1%, and EBITDA was INR 62 crores, up 146.4% year-on-year. Our PAT was negative INR 33.9 crores in Q2 FY26, predominantly due to the real money gaming ban and our impairment of Moonshine Technologies. And our PAT for H1 FY26 was INR 17.4 crores. Our operating cash flow for the first half of this year was INR 71.5 crores on a pre-tax basis, up 170.8% year-on-year, demonstrating a high cash conversion to our EBITDA and reported PAT.

Growth was driven by scaling up our live ops, improved retention and multi-platform monetization across mobile, PC, console and offline. At this point of time, over 90% of our gaming revenue comes from international markets, with a strong focus on the US and the UK markets.

Mobile gaming remained our primary engine of growth, led by gaming IPs such as Love Island, Big Brother, Kiddopia, Animal Jam, WCC, etc. Our PC-Console publishing business performed quite well through successful IPs such as Human Fall Flat and Wobbly Life. Offline gaming led by Smaaash and Funky Monkeys has been growing well and is expanding rapidly now for us.

Our centers of excellence in user acquisition, analytics, AI and growth are demonstrating good success for us with improved cost of customer acquisition, expanding our lifetime value of each customer and more importantly, creating synergies and operating leverage across the different studios that we operate. These shared capabilities are compounding portfolio performance at scale, and we will see increasingly improved metrics in the quarters to come due to these initiatives.

During the quarter, as you all would know, new regulations in India's online skill-based real-money gaming space prompted Nazara to record an impairment on its investment in Moonshine Technologies, which operated PokerBaazi based on fair valuation as per accounting standards. We've always taken a conservative approach to our accounting presentation, and that's why we've taken a significant impairment in this quarter itself.

Also, Nazara's stake in Nodwin Gaming came below 50%, which resulted in de-subsidiarization of the business. Consequently, while earlier we were carrying this at investment value in our books, we have now taken it at fair value, leading to a meaningful one-time gain.

This quarter's performance, despite the headwinds faced, demonstrates Nazara's resilience and validates our strategy of a diversified portfolio, providing stability to the overall platform and allowing us to take surprises in our stride while continuing to scale.

With that, I will now hand over to Anupriya to discuss segmental performance. Over to you, Anupriya.

Anupriya Sinha Das:

Thank you, Nitish. Good morning, everyone. I'll start with the performance of our core gaming segment, which consists of mobile gaming, PC-Console publishing, as well as the offline gaming segment.

In H1 FY26, on a year-on-year basis, our core gaming segment grew by 159% in revenue terms and 253% in EBITDA terms. The EBITDA margin for this business was 23.2%. In Q2 FY26, on a year-on-year basis, the segment grew by 159% in revenues and 213% in EBITDA, with an EBITDA margin of 22.1%. Starting with the mobile gaming segment, the momentum remains strong with broad-based growth across Love Island, Animal Jam, and WCC. We also added CATS and KOT as the new IPs in this segment.

In Q2 FY26, mobile revenue grew 81% and EBITDA grew 95% year-on-year, reflecting improved UA efficiency, live-ops cadence, and content refreshes. H1 FY26 trend was similarly robust, with revenue up 83% and EBITDA up 109% year-on-year. Operationally, we executed our systematic growth framework, sustaining Love Island's longevity with Season 13 featuring

on App Store, scaling Kiddopia investments at disciplined economics and delivering revenue uplifts in Animal Jam through new content. We also advanced IP expansion initiatives, including Animal Jam's upcoming Roblox launch and Bigg Boss launch for the Indian market.

Moving to PC and console publishing, we continued to demonstrate high-margin IP monetization and expanding platform reach. Curve Games benefitted from evergreen catalog strength and new platform initiatives, with Human Fall Flat delivering 1.25 million units in September 2025, up 25% year-on-year, while Wobbly Life surpassed 2 million lifetime units and is being now developed for Switch 2.

Turning to offline gaming consisting of Smaaash and Funky Monkeys, the portfolio delivered INR 12 crores of EBITDA in H1 FY26 at a 27.5% margin. Within the quarter, Smaaash and Funky Monkeys together drove revenue and EBITDA with a clear, discipline-led playbook. We launched three new Funky Monkey centers in Q2 FY26 and continued to progress the Smaaash 2.0 revamp with a re-launch targeted for FY27. Offline remains both cash-accretive today and a valuable audience funnel into our digital IPs.

Moving on to the other segments, AdTech delivered strong growth and robust profitability with strong Q2 FY26 performance, such as revenue increased by 501% and EBITDA grew by 289% year-on-year for it. For H1 FY26, the AdTech business contributed to INR 10 crores of EBITDA.

The combination supports client synergies, broader cross-market solutions, and a shift towards higher margin product lines.

Nodwin's core business showed profitable growth in Q2 FY26 as revenue and EBITDA for its core business grew 31% and 32% respectively. The business sharpened focus on youth content and influencer IPs and is scaling eSports across India, Saudi Arabia, and other emerging markets.

Nodwin appointed a global gaming veteran as a Non-Executive Director. The business also refined playbook and stronger synergies are now improving outcomes. Backed by equity infusions, divestments, and expanding profits, Nodwin is preparing an additional raise to accelerate its global strategy.

In Absolute Sports, Sportskeeda delivered INR 7.2 crores of EBITDA in H1 FY26, even as it navigated lower organic traffic following Google's update. Management has proactively executed cost measures, driving a 13% year-on-year cost reduction in Q2 and planning a 40% year-on-year reduction in Q3. Other properties performed well with Pro Football Network revenue increasing 83% year-on-year in H1 with modest cost reduction. Similarly, Prime Timer grew 178% year-on-year post-acquisition and last year's acquisitions such as Soap Central and Deltia's Gaming grew 195% year-on-year in Q2. With this, I conclude my remarks and will now open the call for Q&A.

Moderator:

Thank you very much. We will now begin the question and answer session. The first question is from the line of Jinesh Joshi from PL Capital. Please go ahead.

Jinesh Joshi: Thanks for the opportunity. Sir, we have taken a provision for impairment in Freaks4U of about INR 206 crores. So, what led to this impairment? And also, if I remember it right, we had invested about INR 271 crores over here. Please correct me if my number is incorrect. So apparently on that base, the impairment appears to be quite substantial in nature. So, if you can provide some color on that. While in the investor presentation, we have stated that Freaks4U is facing some headwinds in Europe given high layoffs and the stagnating market in Europe. But I think we invested in this company maybe about a year back or perhaps one and a half year back. And suddenly we are having an impairment. So just some color on that.

Akshat Rathee: Hi, this is Akshat. I'm the Founder of Nodwin. Can you hear me? Just doing a sound check.

Jinesh Joshi: Yes.

Akshat Rathee: Okay, excellent. So some minor factual corrections. We had invested into Freaks as an associate and then we ramped up our investments into this. This is about a two-year-old asset approximately that we have. That's getting there. When the investment was initially made into this, Europe was doing very well. Esports was doing really well. And the gaming market was far more robust than it is right now. However, with whatever has been happening on geopolitical levels, Europe as such has gone through a very, very bad time. Not just a normal bad time, it has been a very, very bad time. So, layoffs currently in that sector are in the hundreds of thousands of people across the world. And Europe per se has shut down most companies in that space. So, obviously marketing dries up when you're firing people and headwinds are in play. Plus AI is also playing in that space a lot. So, budgets, people, etc., are all being cut.

Now, the second part is Europe is also going through an aging crisis, which has also made it extremely expensive to move people out of the business. And the last one, which is very important, is eSports - per se - in the Western markets has died. It's only becoming an emerging market and a Saudi Arabia phenomenon. And in these markets, it's doing phenomenally well. So as eSports dies in those markets, we are hit with triple headwinds. And the final question on this was how much had we invested? Our total investment in this asset was around EUR 42 million. So closer to INR 420-430 crores. As of now, an associate-based accounting has an impairment that you're seeing, which is Nazara's share. The rest of the total impairment for us is there. We are doing proactive work where we believe the cash that the company requires to go ahead and keep surviving is not going to be sustainable for us to go ahead and keep on funding this asset in the future.

Nitish Mittersain: Yes. Jinesh, this is Nitish. I just wanted to add a couple of points here. I think it's important to understand that a lot of the investment was through equity swap into a subsidiary of Nodwin. So, the cash amount was much lower than the total value that is being impaired. I think secondly, at least our view is that if we make a mistake, we should recognize it quickly and move ahead rather than keeping on, you know, putting more cash into it. I think Nodwin is also aligned with the same. If you look at Nodwin numbers, actually, the overall business is doing quite well this year. But the losses are predominantly coming only from Freaks4U. So, I think

we both agree to take this proactive action in terms of the health of the business as well as well as in terms of conservative accounting. I hope that answers your question.

Moderator: The line for him has been disconnected.

Nitish Mittersain: Let's move on.

Moderator: We will take the next participant. The next question is from the line of Manan Poladia from MKP Securities. Please go ahead.

Manan Poladia: Hi, Nitish. Good morning. So, my first question is again on Freaks4U. First, if you could disclose the cash value and the share swap value, even if it was in a subsidiary of Nodwin. Secondly, on the PokerBaazi impairment that we've taken, I know we've been fairly conservative and taken most of it upfront. I'm just wondering how much of that cash was already used. There must still be some cash on the company's balance sheet. I understand there are contingent liabilities as well from the GST department. But if you could explain what the strategy there is going forward since we are still major equity shareholders.

Nitish Mittersain: Yes, sure. Let me answer the PokerBaazi question first and then Akshat can give the clarification on the Freaks4U investment breakup. So, on PokerBaazi, I think we've basically taken an approach to write off everything through a provision for impairment except for the cash in the company broadly. So, I think the delta that you see is the cash in the company. And they have over INR 100 crores of cash at this point of time. The company is obviously evaluating multiple options. They have an extremely strong poker platform which has been demonstrated at scale in India. And therefore, it is quite sought after by global players. And they are exploring a variety of global businesses and also how they can potentially leverage their India userbase going forward for different offerings. So, I think it's all work in progress. And hopefully by next quarter, we will have more concrete updates to give on that. From a Nazara perspective, like I said earlier, we usually like to keep our books very clean and take a conservative approach, which is why we went ahead and took this impairment up front in this quarter itself. On Freaks4U, Akshat, can you give the breakup?

Akshat Rathee: It was a four-tranche investment into this. We had initially invested \$9 million into Freaks in January of 2024 for a 13.5% equity. After that, we had gone and increased our shares to 57% by infusing and stock swapping \$25 million+ with the Nodwin Singapore asset to the Freaks4U shareholders. We additionally have invested around another \$6.5 million-\$7 million into them as primary capital over time. So, a total of about \$15 million in cash and \$25 million in stock. And the balance is stock that is still due, but we will not be going and exercising that asset. So, total value with everything put together is around \$40 million.

Manan Poladia: Right, understood. Akshat, just a follow up on that if I can. So, my understanding, at least up till last year, was that we are exploring this global eSports opportunity where I think you guys were talking about Turkey and outsourcing a lot of the services, part of that, to India. Is that still a part of the thesis with what you just told us or is there a change?

Akshat Rathee: 100%. Look, I think it's probably a good question which allows me to go ahead and give a small commentary around this and it might help everyone else who is potentially going to ask that question. Nodwin remains extremely gung-ho on the global eSports strategy, but in specific sectors of the world. Emerging markets, which is basically the global south, so Latin America, India, Pakistan, Bangladesh, Nepal, Nigeria, Kenya, South Africa; and on the East side, we have the Philippines, Vietnam, Malaysia; and then the global Russian south, Uzbekistan, Kazakhstan, etc.. These are the places where the young people are in the world.

As a youth media company in the world, we need to be very focused towards where we want to be growing henceforth. Because this is where young people are. And everywhere in the north, people are just getting older. Now, our Freaks asset gave us the ability to go ahead and get a beachhead in a developed market, which would go ahead and potentially bring us a lot of revenue that we could then go ahead and funnel into the rest of the locations where we are. That theory of going and investing into developed markets, to go ahead and get funneling for the developing markets did not work out, specifically from the European point of view. Our theory on this still stands. Freaks was actually one of the seven previous assets that we had acquired. Everything after that, which we've been doing, has been working out much better. So even our M&A strategy has worked out much better. And thank God we at least didn't put more cash behind it. I think Nitish's counsel was great, where we've been able to go ahead and just impair a lot of the equity value that we swapped with. But equity is not cheap for us because we keep growing. So that's our idea. We remain robust and we remain strong to go ahead and invest in emerging markets, and we'll continue to do so.

Moderator: The next question is from the line of Rahul Jain from Dolat Capital.

Rahul Jain: Yes. Firstly, if you could elaborate on the new brand identity that we are creating, the new brand title, where we are saying that this is around imagination, creation and expansion. So specifically on the creation side of it, in terms of what kind of investment we would put in and what kind of monetization we are looking into it. And any other plan on the expansion side of it. So I think some of the color around this newly founded brand.

Nitish Mittersain: So Rahul, I'll take that. This is Nitish. So, first, let me give you the whole thinking behind the new brand identity, our new logo and our new brand positioning as Enter. Magic. I think what we realize is that in today's world, our players' or generally everyone's life is stressful. And the one thing that can really bring some magic or some relief in their lives is, you know, interactive entertainment experiences through gaming, through immersive worlds, which is why you have so many gamers, right? Today, 500 million+ people in India are playing on their mobile phones exactly for that.

As technology is progressing and at a very rapid rate, we believe that these interactive, immersive experiences will really scale up and really become much deeper. And I think that's a direction that Nazara is really looking to go, leveraging artificial intelligence, leveraging virtual reality, etc.

A lot of our focus, as you know, has been on IP. And the beauty of owning IPs is that you can easily transcend IPs into these new platforms and technologies. So let's take, for example, Animal Jam, which is an IP that we own. We are, for example, currently working on a very exciting project that takes Animal Jam onto the Roblox platform. But tomorrow we would probably work on an immersive world around Animal Jam in the metaverse. So I think providing these interactive, magical experiences to our consumer base, to our players, is a direction we are going in. And we believe that will be very powerful. So that's the perspective.

In terms of creation, we will obviously invest more in these technologies, in these developments that we are doing. But we will also remain very pragmatic. We don't want to be too early in anything and burn a lot of capital. So, you can expect us to continue to remain pragmatic as we have been, but also with an inclination towards investing in these emerging technologies.

Rahul Jain: Right, right. Thanks for the color. One more question from my side. Just to understand the Freaks4U part of it from a P&L standpoint. Given your current positioning about that business, is it that some more losses would continue in this business as it's taken down at the Nodwin level? Or will it be moderating now since we have written it off in our case?

Nitish Mittersain: Akshat, can you take that?

Akshat Rathee: Of course. So, look, our idea on this is we've written off the entire value of the whole business. There is a small provision that has been kept just in case any follow-on losses come. But we are fundamentally not going to continue funding this business. So, the management of the business has been told very, very clearly if they can go ahead and survive internally with internal support, that's great. Otherwise, we will not be supporting them, which would mean that either they will go ahead and file for insolvency or they will go ahead and cut their costs. But as a large shareholder while owning 60-62%, we are no longer willing to go ahead and support them on an ongoing concern basis.

Rahul Jain: Sorry, please go ahead.

Akshat Rathee: That's why we are proactively impairing our entire position on it.

Rahul Jain: So, I was just trying to understand from an accounting point of view whether the current run rate of losses will sustain for that business in the second half of the year? I understand the cash part of it, but from an accounting and integration point of view, will we still be carrying the losses in the future?

Nitish Mittersain: I will take that answer. So, I think, Rahul, the company, given this cash position, will not be incurring much losses going forward. The company has already been reducing costs at a significant rate over the last few quarters. So, I don't estimate similar losses to continue, or they will be significantly reduced even if they are there.

- Rahul Jain:** Understood, understood. That's pretty helpful. And similarly on PokerBaazi, we are not going to put any cash, and they already have some bit of cash. I heard you saying that more clarity would emerge. But meanwhile, what could be the burn rate on an exit basis, on a monthly or quarterly basis?
- Nitish Mittersain:** Look, they've had, I think, approximately INR 17 crores burn in this Q2 FY26. I do know they've been also working on optimizing costs, but over there is a delicate balance, because like I was saying, their technology platform is in great demand, and they continue to invest in their technology team. Some of that revenue that's going to start kicking in may lag by another quarter or so. So, there may be continued losses into Q3 FY26, and we would probably have to take our share of that loss as an associate company. But I think over the next quarter, costs will be optimized further, revenues will start kicking in. So I think it's maybe one or two quarters more.
- Rahul Jain:** So you're saying revenue can potentially come even in Q3?
- Nitish Mittersain:** Yes, it should, because like I said, they will be licensing some of their existing platforms to external parties and will be working with them.
- Rahul Jain:** Right, and if it is possible to share the fixed cost of the business?
- Nitish Mittersain:** I don't have it handy, but we'll try and put it out separately.
- Rahul Jain:** Sure, sure. Thank you. That's it from my side, and best of luck for the timeline.
- Moderator:** Thank you. The next question is from the line of Sucrit Patil from Eyesight Fintrade Private Limited. Please go ahead.
- Sucrit Patil:** Good morning to the team. I have two questions. Looking beyond the quarter numbers, what is the bigger picture for the company? With gaming rules changing and esports becoming the mainstream, how are you preparing the company to build a lasting edge beyond just wins or new platform launches? Is there something deeper that you're planning, like global partnerships, IP creation or engagement forms? Because that will make it hard for the competitors to copy the playbook.
- Nitish Mittersain:** So, I think our playbook of creating centers of excellence on user acquisition, on artificial intelligence, on data analytics, on growth, and we've hired some very strong professionals from across the world to lead these centers of excellence that we have created. I believe that this will become a significant differentiator and competitive edge for us, because what these will do is they will uplift the capabilities in each of these segments for all the studios that we are operating. And therefore, as a collective, I think we should be able to achieve a lot more and create distance between us and the competition. We're already starting to see early signs. So, for example, our center of excellence on user acquisition, we're using some of the latest technologies to deliver better results. We're starting to see those green shoots in games like IPs like Kiddopia, which we will show you in Q3 numbers. So, I think we are quite excited about that aspect of

bringing together these synergies. And on the top of this, our whole focus is on buying the gaming IPs or creating gaming IPs, because we believe that, especially in the world of AI, if you own well-established IP, that becomes a big differentiator for you, and you can actually leverage AI to develop faster, service your consumer base faster. So, I think synergies through our centers of excellence plus a focus on buying and building profitable gaming IP from a global perspective is really the core business focus at this point of time.

Sucrit Patil: Thank you. My second question is on margins and cost planning. When the costs rise, whether it's marketing, compliance, or IT, how do you make sure the margins stay stable without slowing down the growth? Is there any system that you have put into place or you will be putting into place like smarter sourcing or digital efficiencies that will help you keep the profits stable even when things are getting out of control? I would love to hear your view on that.

Nitish Mittersain: I think our mindset has always been to deliver profitable growth. And we don't believe in a growth-at-all-costs strategy. And I think that's quite baked into our DNA. At this point of time, we are definitely seeing an increase in the group costs or at corporate level costs because of the centers of excellence that we are investing into quite aggressively and building out the team.

At the same time, I think some of these initiatives have a fairly quick payback period, which means there won't be a long gestation. Lastly, of course, we are leveraging all new technologies to make sure that our costs remain competitive. And sorry to repeat again a buzzword, but I think AI will definitely help us on that front. We are going to, for example, launch WCC 4, which is the next version of our cricket game, which is completely coded in AI using Claude. So I think some of these emerging technologies will also help us optimize our costs, but more importantly, be able to generate a lot more productivity from the existing teams that we have.

Sucrit Patil: Thank you for the guidance and I wish the entire team best of luck for Q3.

Nitish Mittersain: Thank you.

Moderator: Thank you. The next question is from the line of Jinesh Joshi from PL Capital. Please go ahead.

Jinesh Joshi: Yes. Am I audible now?

Moderator: Yes, sir.

Jinesh Joshi: Yes. I just wanted to know at what valuation did Nodwin raise the money and who are the investors? Because, apparently, we have recognized the gain on revaluation. But for Freaks, which is a subsidiary of Nodwin, there is an impairment. So if you can just explain that part?

Nitish Mittersain: Yes. So Nodwin has done two fundraises. One was last year with Nazara, Krafton and Sony. And then a top up earlier this year - a couple of months back - at broadly the similar valuation. Akshat, if you can share more details. But yes, that is it. And Freaks - we have already impaired. So that would obviously be the extent of that loss that would get deducted from the overall

carrying value in our books as well at a consolidated level. Akshat, do you want to throw some more light on that?

Akshat Rathee:

Yes. So for Nodwin, it becomes a slightly longer answer, but I hope it will set context. The cash that Nodwin has raised is predominantly from all our existing investors, including me – the founder - who has invested more cash into the company as Nodwin builds for the future, and we have everyone who's still believing in it. The other part is every company that we are acquiring, we have now built the discipline of it being very valuable to external investors, both financial and founders who stock swap with us their entire companies to the tune of 80%, 90% or even 100%. And that's the belief of Nodwin providing liquidity to them and growth to them and the group's synergies to them. As far as our investment, our 1.5-year-old raise with Sony was at a pre money valuation of \$349 million. And then everything else has been on top of that. The total amount of money we've raised in the last 1.5 years at that pre-money valuation sits at about \$30 million.

Jinesh Joshi:

Sorry, I'm harping on this issue again. This is the last question from my side. Just wanted to check from whatever you have mentioned - apparently, it appears that the post-money valuation has not changed that much. But there has been a revaluation gain in the books of Nazara to the extent of INR 1,098 crores. So, I just wanted to understand that bit.

Nitish Mittersain:

So I will answer that. So basically, from a Nazara perspective, since we had originally acquired a 51% stake in Nodwin and made subsequent investments, the carrying value in our books at a consolidated level was at the investment value. And it had never been marked up on the different fundraises done by Nodwin since the time of our original investment. And now post de-subsidiarization, as per the Ind AS accounting standards, as an associate, we had to value Nodwin at a fair value, which we have taken as the last round of funding value, which was done two, three months back.

Jinesh Joshi:

Perfect. Thank you so much, sir. Thank you and all the best.

Moderator:

Thank you. The next question is from the line of Sachin Dixit from JM Financial. Please go ahead.

Sachin Dixit:

Good morning. Thanks for the opportunity. I had a couple of questions. The first one was on basically two of our key properties, Kiddopia and Sportskeeda. Both have been struggling or seeing headwinds in the recent times. How do you think their recovery will happen if you see that there will be a recovery at some point? And when will that point come, if you can talk about that, especially from the Kiddopia side, where the average paying users numbers have been declining?

Nitish Mittersain:

Sure. So let me take the Kiddopia answer first. Actually, as you know, Kiddopia has struggled for quite some time post IDFA, maybe even a couple of years now. But we do now see light at the end of the tunnel. We really beefed up the team at Kiddopia, brought in a new business head, Manish. And I think the team, along with our centers of excellence, in the last few months has

done some very good work. And we are finally starting to see positive growth in subscriber numbers. We believe at this point of time Q4 should be able to deliver positive growth in subscriber numbers. Alongside increasing ARPUs, reducing churn, etc. So I think work all around is starting to show results and hopefully Q4 we will have positive news for you. In terms of Sportskeeda, obviously it has taken a large Google algorithm hit. We were hoping that it would have recovered by now because usually in our past experiences with ourselves as well as other partners, it takes a few months to come back. But that hasn't happened yet. We do have Ajay, the CEO of Sportskeeda, who can share more light on this.

Ajay Pratap Singh: Thanks, Nitish. As Nitish mentioned, we were hit by a Google Core update which negatively impacted our organic traffic in March this year. We've seen this happen across publishers with one of our companies also, which is Pro Football Network, which took around 3 quarters to come back. We should see a Google Core update again in the month of November or December. That's how the trend continues. So we're hopeful that we will bounce back soon and once we do that, our numbers will go up again.

Sachin Dixit: So basically, we should expect something happening in Q4, if that's the right way to think?

Ajay Pratap Singh: Yes, we're hopeful. So different publishers take different times to bounce back. It also depends on what Google is releasing in their Google Core update. PFN took around three quarters. It has been two quarters for us now. So another couple of updates, we should be good.

Nitish Mittersain: Just to add to that, I think that while the large impact is on the parent site, which is Sportskeeda, the other sites like Pro Football Network, etc. continue to do quite well. Ajay, do you want to share something?

Ajay Pratap Singh: Just to add, if you look at overall ASPL numbers, Sportskeeda is one of our flagship properties, which contributes around 85% of overall revenue and 90% of EBITDA and hence, the impact is more. But if you talk about the other sites, be it ITRWrestling, TJRWrestling, Prime Timer, Soap Central, Deltia's, or Pro Football Network for that matter, in this H1 they grew 83% Y-o-Y in terms of revenues. So all of them have done really, really well. It's just Sportskeeda which has been negatively impacted. And once the Google Core update is fixed for us, we should see it bounce back as well.

Sachin Dixit: Sure. Thanks so much for that. My second question is again a bit high level. So across businesses, you see quite a lot of volatility in how the growth rates tend to happen for you. Obviously, there are certain businesses which have done quite well this quarter in terms of how they've grown. So, if you can talk about the sustainability of some of these growth rates, shed some light on how we should think about it from a forecasting perspective, what is the right way to think about growth rate across these segments? Thank you.

Nitish Mittersain: Sure. I think if you focus on our core gaming business, what we find is that with improved efficiencies across user acquisition and also with a lot more detailed data analytics and CRM work that we are doing, we should be able to deliver more predictive growth. We are targeting

to grow our core gaming business at 20-25% year-on-year. We're also aiming for an EBITDA margin in the 20-25% range for the core gaming business. I think that is what should be achievable, and that's what we are going to focus on driving going forward.

Sachin Dixit:

Sure. Just one housekeeping question, if I may. On Smaaash's side, while last quarter you reported revenue and EBITDA only for the acquired period, it looks like while revenue has tripled this quarter, EBITDA remains flat. Is there something incorrect that I'm looking at?

Nitish Mittersain:

I will have to double check internally on that. For us, before I jump into that, let me just give you a perspective of what is happening on the offline gaming side. We have two offline properties right now, Funky Monkeys and Smaaash. Funky Monkeys is on quite an active growth path because the core format is working quite well and we are expanding now to multiple stores in many cities. We are launching one to two stores every month, which is going to compound. So I think we are quite excited about that and there's huge scalability. We believe the current 14 centers can get to 100 centers in the next couple of years. So that's what we are going after.

In terms of Smaaash, after acquiring it from NCLT, we are doing two things. One, of course, we are cleaning up and getting proper grip on the existing business. Acquiring any business from NCLT requires some optimization and we've also made new hires over there. The second thing is Smaaash 2.0, which is completely reimagining Smaaash with what Nazara can really bring to the table and that is what we are going to try aggressively once we do our first or second POC launch.

Coming back to your housekeeping question, in Q1 FY26, we had INR 8 crores of revenue and we reported INR 3 crores of EBITDA. In Q2 FY26, we had INR 24 crores of revenue and we reported INR 3.5 crores of EBITDA. That's because Smaaash was consolidated from June. In terms of your question on why the EBITDA is lower this quarter, to be honest, I will have to double-check on that, so we'll put this information out later.

Sachin Dixit:

Sure. Thank you. Thanks a lot and all the best.

Moderator:

Thank you. The next question is from the line of Abhisek Banerjee from ICICI Securities. Please go ahead.

Abhisek Banerjee:

Hi, good morning and thank you for the opportunity. Just a couple of questions from my side. Firstly, I saw the game that you put out on Bigg Boss. It seemed like a good proposition. So any thought process on what can be the potential revenue from this game going forward and how are the early signs of traction?

Nitish Mittersain:

Yes, it's a very early days. We've just kind of soft-launched it. We are finetuning the initial KPIs before we start user acquisition, etc. I will ask Terry, who's the CEO of Fusebox to jump in. I think the bigger picture here is that through the Fusebox acquisition that we did, we found that the engine that they have made works really well with IP for these narrative-based story games and Love Island has already proved that at scale. So what we've really done over the last year

working with the team is to acquire other IPs that we think can do very well and launch games around that. So we acquired the Big Brother global license. The game has already been launched and the second season of Big Brother has just been launched a couple of weeks back. Then we launched Bigg Boss in India because we also want to make sure that we are translating all our studios into from an India context. And I think Bigg Boss has been a good launch towards that. And we also acquired the global license for the Traitors IP. So the studio has really moved from a one-game studio to a four-game studio in one year. And I think that should drive substantial growth overall into FY27. Bigg Boss -- a little early to comment at this point of time, but given India's large userbase, and with the right IPs and the right quality of games and content, we should do very well. Terry, you want to add to that?

Terry Lee: Yes, thanks, Nitish. Yes, as Nitish mentioned it's still very early. We only launched Bigg Boss last week, Thursday last week. So we're still in the early launch and only starting to engage with user acquisition now. However, we're very excited about such a huge IP. And in general, from our experience these games take several seasons to compound players and it makes UA cheaper such that we can keep growing at scale, but we're very excited about the addressable market for Bigg Boss and it's just another IP along the route. And we will continue to grow in this way.

Abhisek Banerjee: Understood. So Terry, just one follow-up on that. I played the Bigg Boss game a little bit. It seemed like it was attuned for the India context. So trying to understand was it developed in India or was it developed outside?

Terry Lee: It was developed both in the UK and India. So we partnered with a trusted partner of Nazara. And so, yes, we were working with the UK team and with an Indian partner to make sure that it was culturally relevant. And actually, we have some Indian employees as well. So yes, it's a mixture of both.

Abhisek Banerjee: Great. And Nitish, just back to you for one last question, which is on Moonshine. So we have seen that in the RMG space, some of the outside players have now pivoted into other business offerings. So anything like that on the horizon for Moonshine as well?

Nitish Mittersain: Definitely. The team there is very hungry to do a lot. Like I was saying earlier, they have a fantastic platform. At a global stage, their platform can compete very well. So I think there are two broad areas of thinking. One is they have a large and high-paying consumer base in India, which is quite loyal to their brand. And how can they leverage that in making other offerings that would be relevant to that user base. That's one area.

The second is, of course, taking their platform global, both from a direct-to-consumer perspective and working with existing RMG platforms globally, and kind of being a B2B offering for that. So I think multiple areas are being worked upon by the team. We'll come back with a lot more specifics on that in Q3.

Moderator: The next question is from the line of Kunal Bajaj from Choice Institutional Equities.

Kunal Bajaj: Congratulations on a good set of results. So firstly, my question was on Nodwin. So we have seen that Nodwin has been continuously raising funds. So what is the focus area for growth over here? And secondly, on the strategy and status of the Nazara publishing business? So if you can briefly give a highlight on that.

Nitish Mittersain: Yes. Akshat, do you want to take the first one?

Akshat Rathee: Of course. Look, Nodwin has been raising money for some time now, and we continue to raise and we have believers in us. This is the last quarter when we were part of the Nazara family till our August numbers. And we've loved this journey. But one of the big things is that Nodwin is growing up, right? We are a company that is now considered one of the best in the world in youth media. In emerging markets, we are literally number one or number two in the world. And our idea is to keep on building that. And my stated vision is Nodwin wants to be a \$1 billion revenue company in the next five to seven years. We want to be wherever the youth are. We want to have content. We have four legs – Live, Content, eSports, and Influencers. And these are the ones that kind of all come together. And whether it's Comic Con, that is a property that we have in India, and we are now taking to multiple parts of the world. Or we are having global IPs that come to India, or we have our eSports tournaments happening in Budapest in December, of it's the World Championship of Counter Strike or we have the BGMS activity happening in India, or Playground, which is the most watched youth show in India that's being exported to different parts of the world with Banijay or Endemol. Those are all strong verticals for us. And we will continue to go ahead and invest in all of these as we go forward. And all the markets that we stated are our ramp. And everyone across the world now recognizes that. And that's why they invest into us. We have founders who come join us, and there's more ships that join our flotilla to keep on becoming better because these are all great founders. And sometimes those founders will fail. We'll never have a 100% success rate. We are blessed if we have a 50% success rate. But those founders who will try will go ahead and build value for us. And sometimes when those ventures fail, the idea will fail, but the founders never fail. And those founders will always try to go ahead and start new businesses and new ventures for us. And we have already started seeing that with some of our founders launching new ventures that are now creating a lot of value for us. Nodwin will remain an IP company where bulk of the cash flows will be done through agency and white label work. And long-term value will be through IP monetization and global growth in emerging markets.

Nitish Mittersain: Thanks, Akshat. I will answer the second question around Nazara Publishing briefly. So our plan really is to build a large direct-to-consumer network of users based on first-party data, based on cross-promotion, based on our ability to monetize better, and a loyalty platform. And what we have just completed is a large project with Google that's going to allow us to have one Nazara ID across all the games that we publish. And this will enable all the features that I just spoke about and more. I think this will become quite a strong platform for us going forward. And initially, we are launching it with our existing games, whether it's World Cricket Championship, Bigg Boss, etc. Over the next couple of quarters, we'll build out the network using that. Thereafter, our idea really is to work with some of the global players, help them publish their games in India and monetize better, as well as work with local Indian developers. So

basically, think of it becoming a very sizable consumer network. Today, India has 500 million gamers. Can we get 50 million, 100 million gamers on our network and service them better? I think that's really the larger vision that we are working on as far as Nazara Publishing is concerned.

Kunal Bajaj: Sure, that helps. Thank you.

Moderator: Thank you. Ladies and gentlemen, as there are no further questions, I would now like to hand the conference over to the management for closing comments.

Nitish Mittersain: Sure. I have Stuart Dinsey, who's the CEO of Curve Games on the call, and he's woken up at 3 o'clock in the morning to join the call. So maybe he can just quickly use this opportunity to introduce himself and speak for a couple of minutes on what Curve is up to. Stuart?

Stuart Dinsey: Thank you, Nitish. Good morning, everybody. We're very pleased to have joined the group. Curve has got a long history of profitability. We're well established in the console and PC market. I think we're just coming up to 6 months since the acquisition. We've gone through a period of transition without it materially affecting the business. We're continuing to work with Nitish and Rohit to leverage the Nazara ecosystem to further benefit Curve. We're signing games and looking to grow the business going forward.

Nitish Mittersain: Thank you, Stuart. I will hand over the call to Rohit Sharma, who's our Executive Director, for closing remarks. Rohit, over to you.

Rohit Sharma: Thank you, Nitish, and thanks, everybody, for joining the call and all the questions. As Nitish and most of our team members have mentioned, in the last couple of quarters, Nazara has been strongly focused on building IPs, building synergies with all our studios. Our centers of excellence have really worked well for us and will continue to scale up. I think we're very excited about what we've built and the way we are scaling things up. Thanks a lot, everybody. Once again, thanks for the nice, relevant questions.

Nitish Mittersain: Okay. Thank you, everyone, for the call. Have a good day.

Moderator: Thank you very much, sir. On behalf of Spark Institutional Equities Private Limited, that concludes this conference. Thank you for joining us today and you may now disconnect your lines.