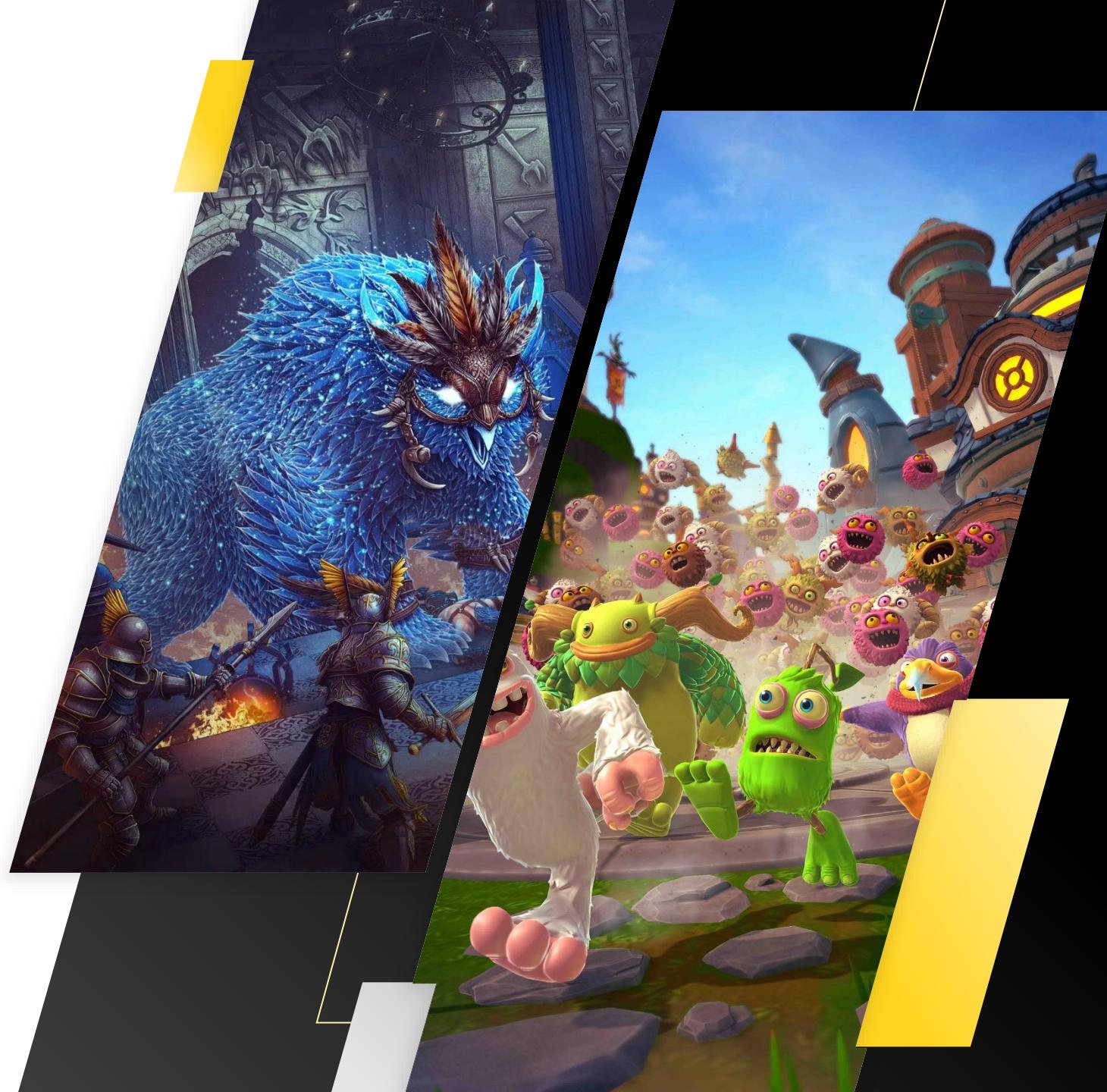




# Investor Presentation

Q3 2025

2025/11/11



# Q3 2025 Key Performance Figures

NET REVENUE

**355**  
MSEK

ADJUSTED EBITDA

**63**  
MSEK

Y-O-Y NET REVENUE DECLINE

**24**  
Percent

ADJUSTED EBITDA MARGIN

**18**  
Percent

- Subdued quarter with mixed results for the group
- 24% Net Revenue decline y-o-y
  - 16% decline, excluding the adverse FX impact
- 18% Adjusted EBITDA margin



# Key Updates – Business Units



- A tough quarter unexpectedly with Net Revenue down 27% y-o-y in local currency (-34% in SEK)
- A larger drop in performance y-o-y for My Singing Monsters (MSM)
  - MSM's 13<sup>th</sup> anniversary content underperformed
- Lower new user acquisition is the primary reason
  - Less organic new user inflow
  - Core KPIs all remain healthy and comparable to last year
- Team actively working on improving organic user acquisition



- Net Revenue declined 7% y-o-y in local currency (-15% in SEK)
- Gross Revenue (total bookings) for Daybreak actually grew in local currency
  - Decline in Net Revenue is due to a combination of the effect from FX conversion to SEK and the difference in revenue recognition accounting y-o-y
- Contribution to growth came from
  - Strong growth in Palia
  - LOTRO, DCUO and DDO all demonstrated growth over last year
- Softer performance in the portfolio:
  - EQ and EQ2 – down from big milestone anniversaries boost in 2024
  - Also, EQ negatively impacted by the unauthorized derivative version of EQ
  - MTGO cardsets performed below expectations



- Strong Net Revenue growth of 112% y-o-y in local currency (+93% in SEK)
- MechWarrior 5: Mercenaries' DLC 7 performed better than expected
  - Best performing DLC so far
- Next DLC is for Clans, coming in December
- Expecting a stable and profitable performance with its content plan for MechWarrior titles



# Key Updates - Products



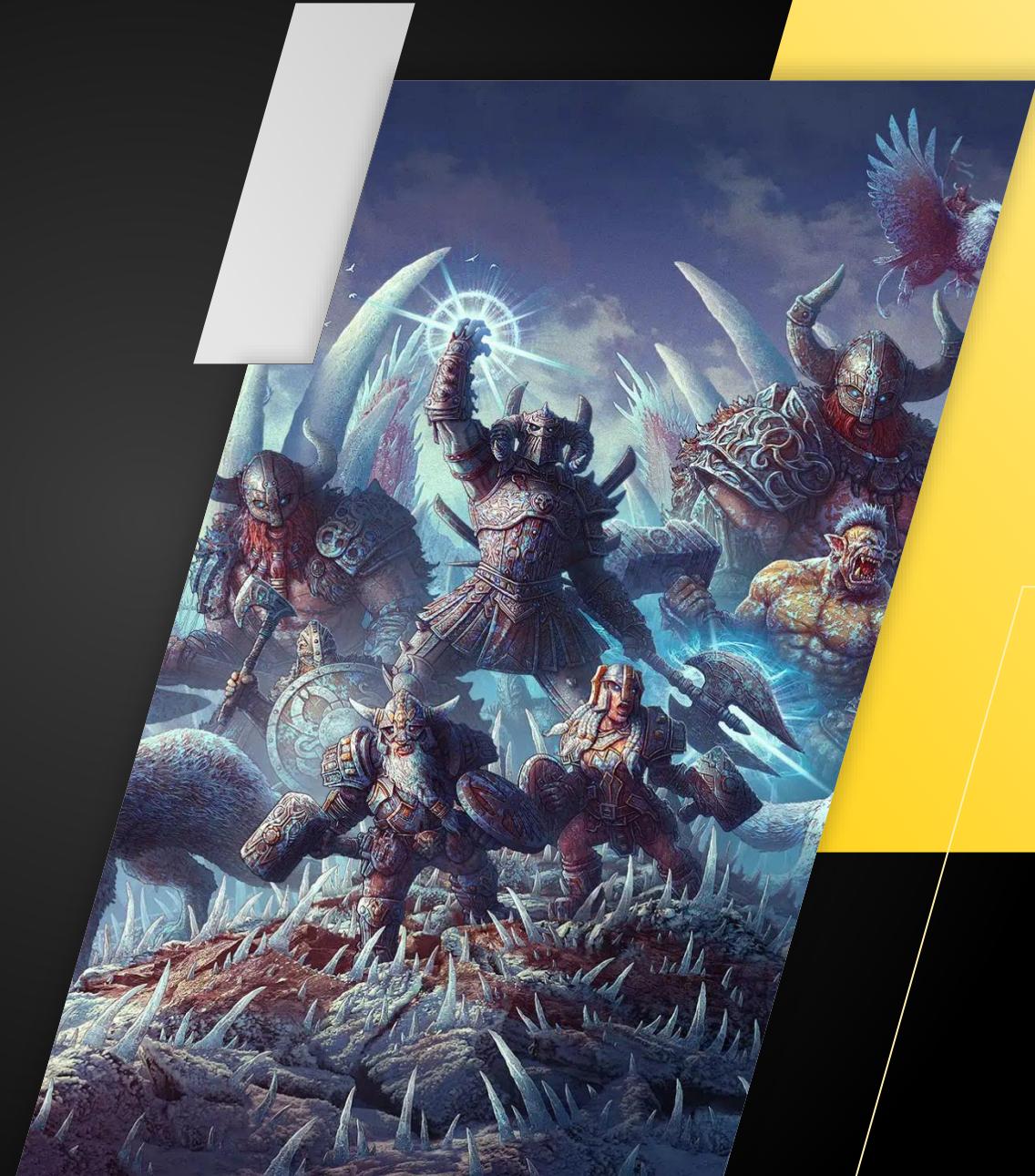
- Solid performance for Q3
  - First seasonal update in September was a nice success
  - Big new feature with Animal Husbandry
  - High player engagement, reaching same level as May when it released on Playstation 5 and Xbox X/S
- Monthly KPI comparison - September vs. April 2025 (before PS5 and Xbox X/S release):
  - MAU: +77%
  - mARPU: +141%
  - Payer conversion rate: +99%
- Excited for Palia's future
  - A chance to establish one of the leading cozy life-sim games
  - Targeting players that love games like Stardew Valley and Animal Crossing
  - Key differentiation as the only larger-scale multiplayer online cozy life-sim



- Cold Iron's game release delayed
  - Target release window now Q3 2026
- Additional time to achieve higher quality
  - Prioritizing quality for completion and release
  - Providing ample time for continuing development and successful completion
- Additional funding up to \$7.7 million expected:
  - Up to \$6.5 million publishing investment planned from Daybreak
  - Cold Iron to co-invest \$1.2 million in-line with prior funding share
- Return on the investment, including the additional funding, is expected to produce returns in excess of our minimum target returns

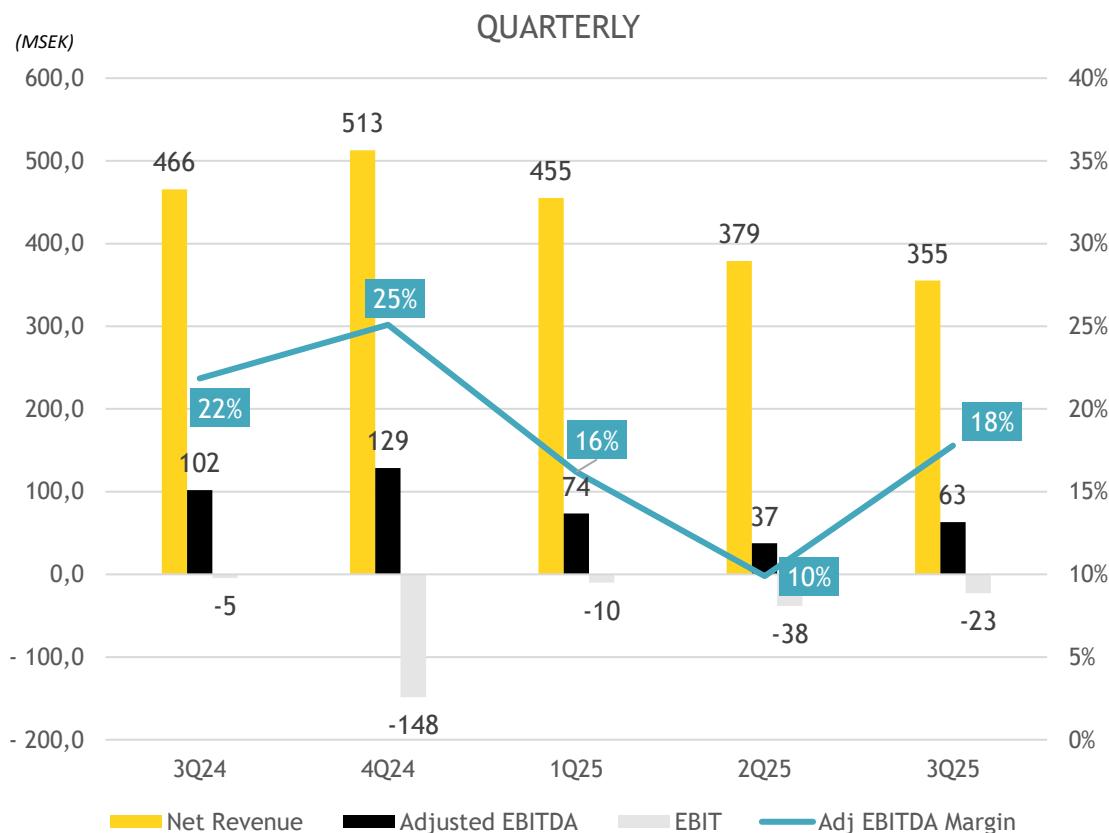


# Financial Discussion

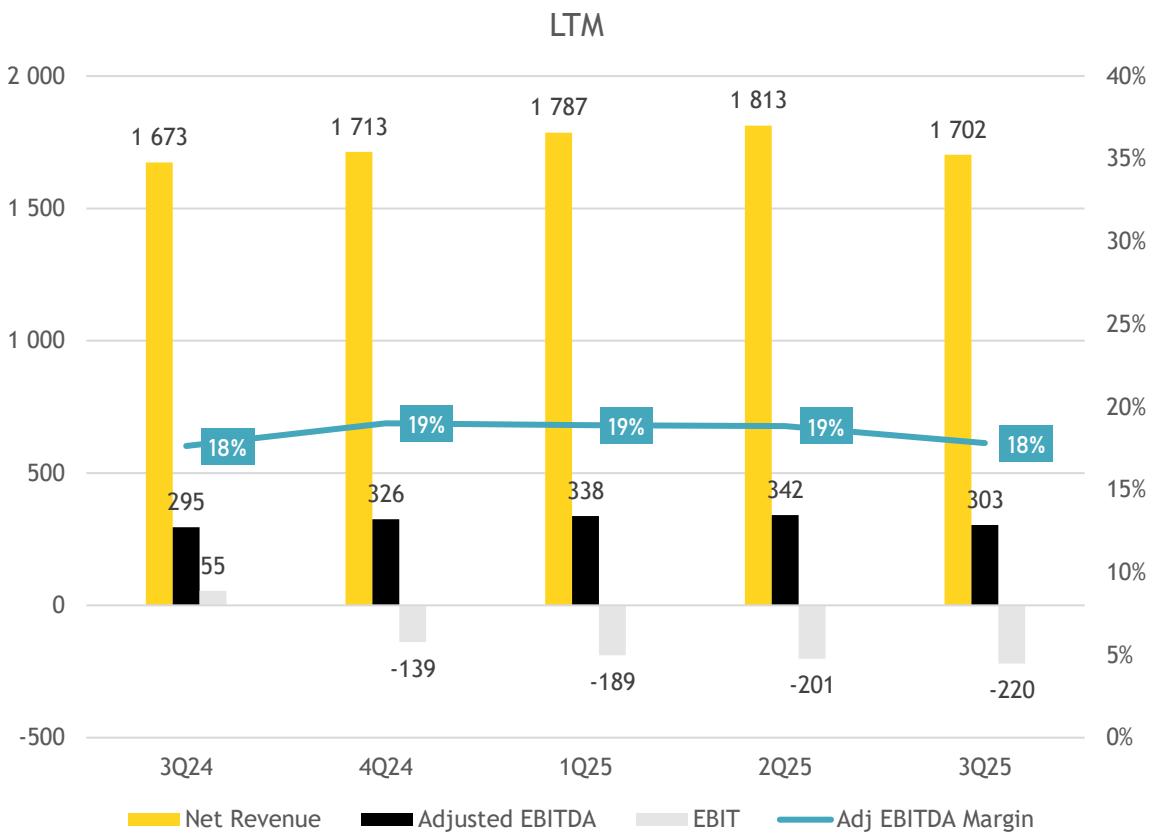


# Net Revenue, Adjusted EBITDA and EBIT

## QUARTERLY

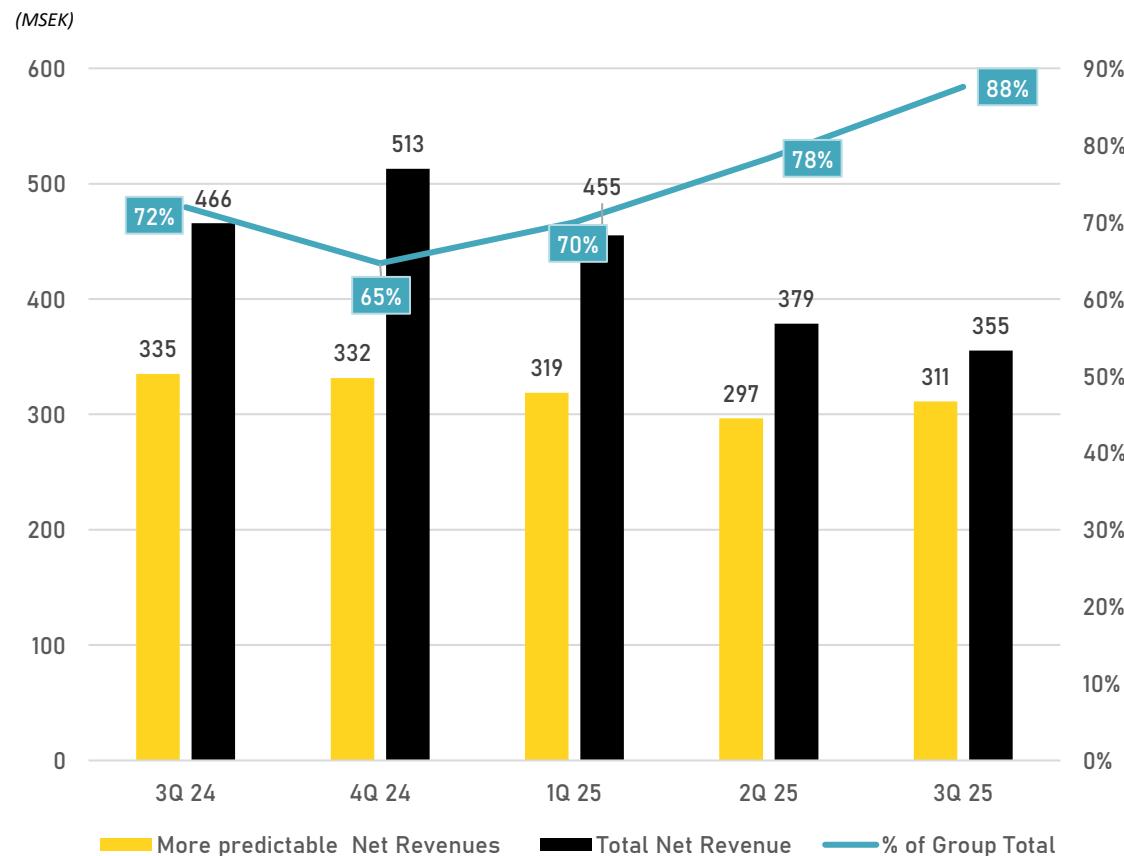


## LTM

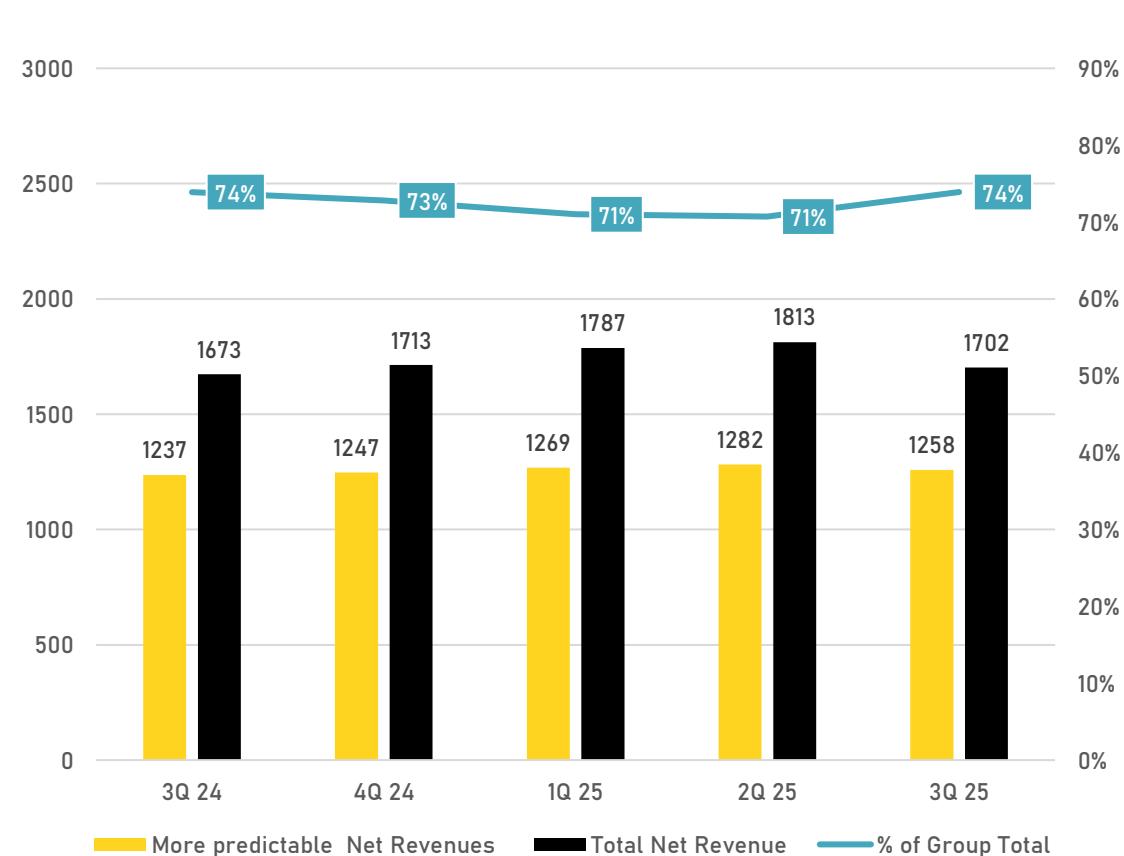


# More predictable part of Net Revenue

## QUARTERLY



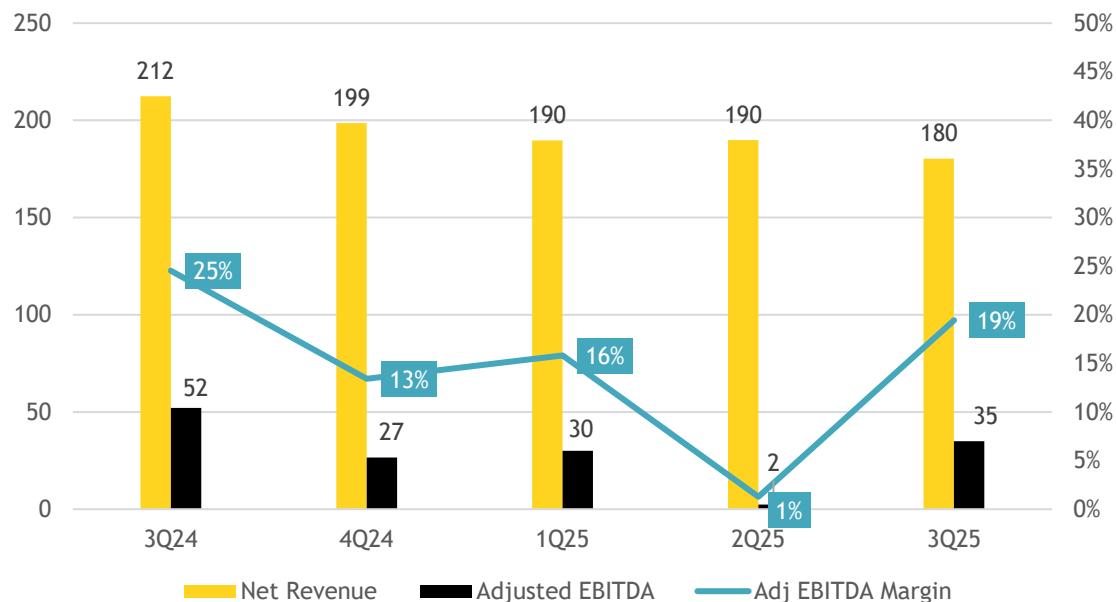
## LTM



# Net Revenue and Adjusted EBITDA Mix

(MSEK)

## DAYBREAK



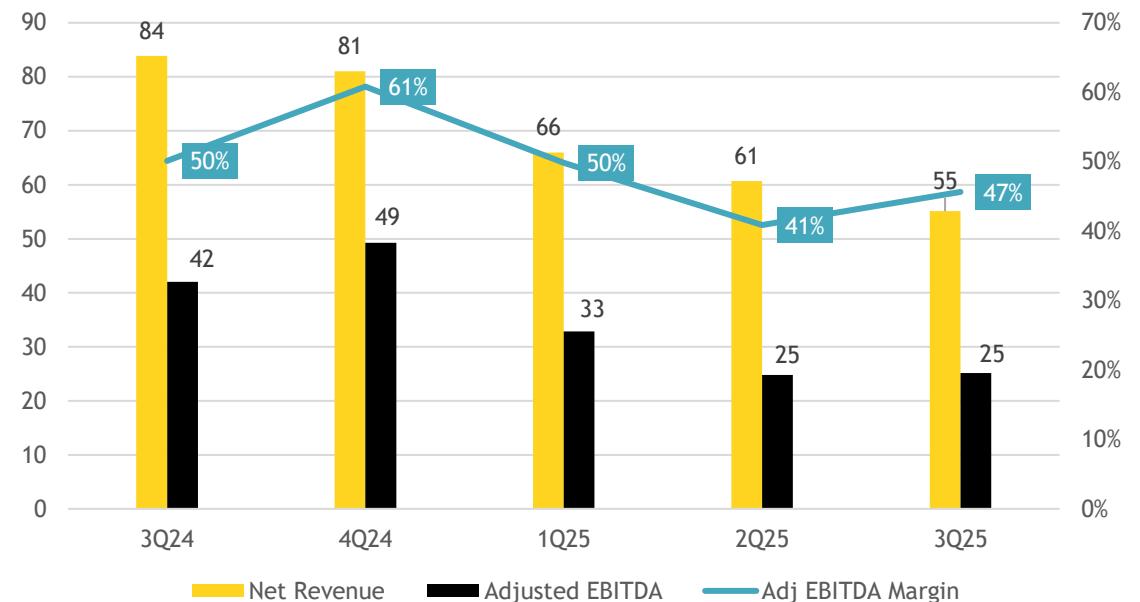
## Q3 NET REVENUE CONTRIBUTION

Daybreak	180	51%
Big Blue Bubble	55	16%
Rest of the group	120	34%
<b>Group Total</b>	<b>355</b>	<b>100%</b>

## Q3 ADJ EBITDA CONTRIBUTION

Daybreak	35	55%
Big Blue Bubble	25	40%
Rest of the group	3	5%
<b>Group Total</b>	<b>63</b>	<b>100%</b>

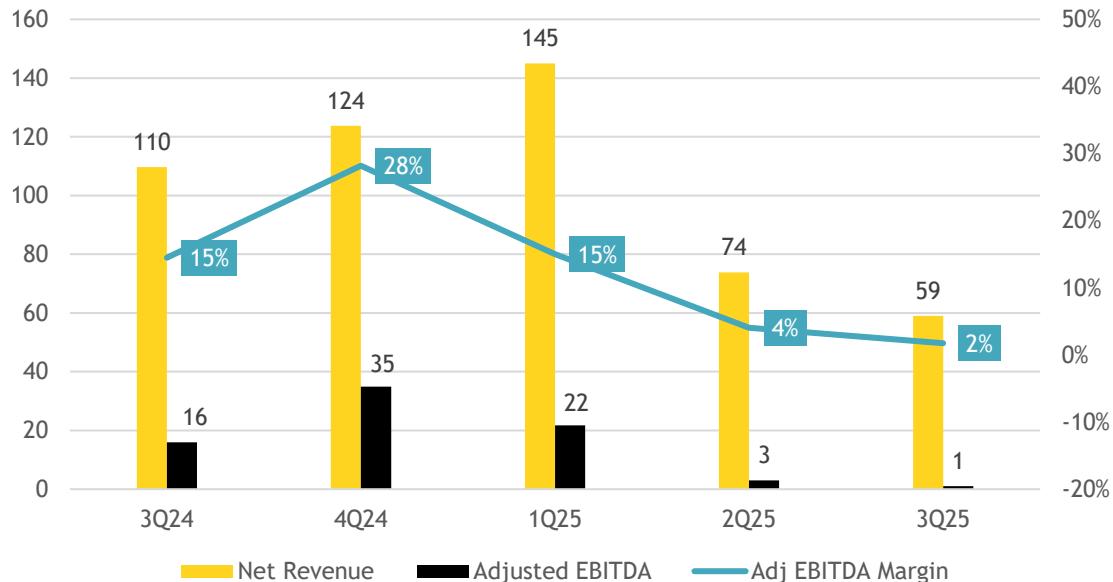
## BIG BLUE BUBBLE



# Net Revenue and Adjusted EBITDA Mix

(MSEK)

## FIRESHINE



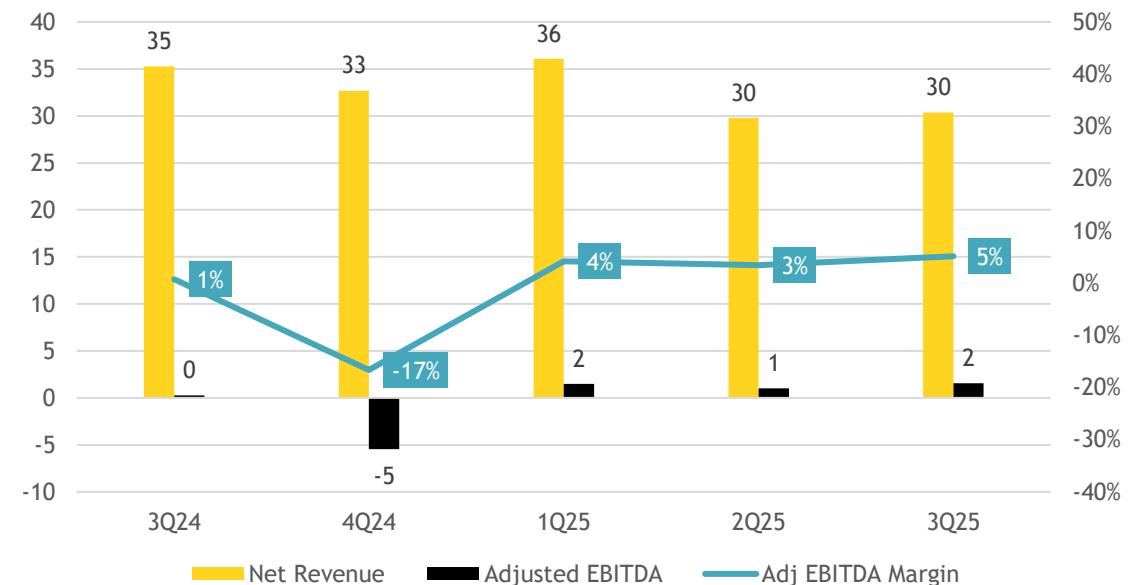
## Q3 NET REVENUE CONTRIBUTION

Fireshine	59	17%
Petrol	30	9%
<i>Rest of the group</i>	266	75%
<b>Group Total</b>	<b>355</b>	<b>100%</b>

## Q3 ADJ EBITDA CONTRIBUTION

Fireshine	1	2%
Petrol	2	2%
<i>Rest of the group</i>	61	96%
<b>Group Total</b>	<b>63</b>	<b>100%</b>

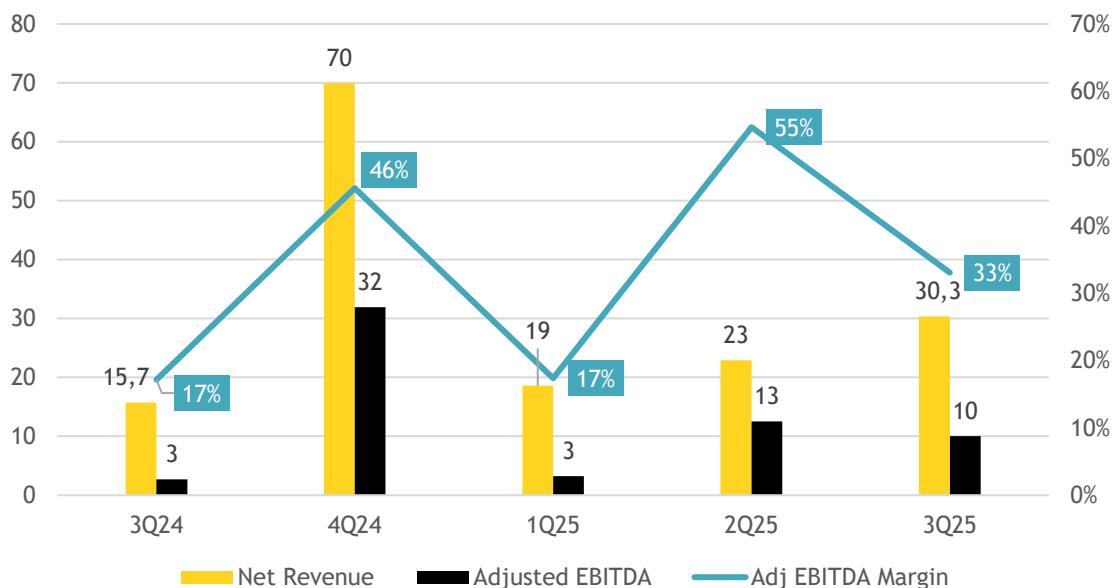
## PETROL



# Net Revenue and Adjusted EBITDA Mix

(MSEK)

## PIRANHA



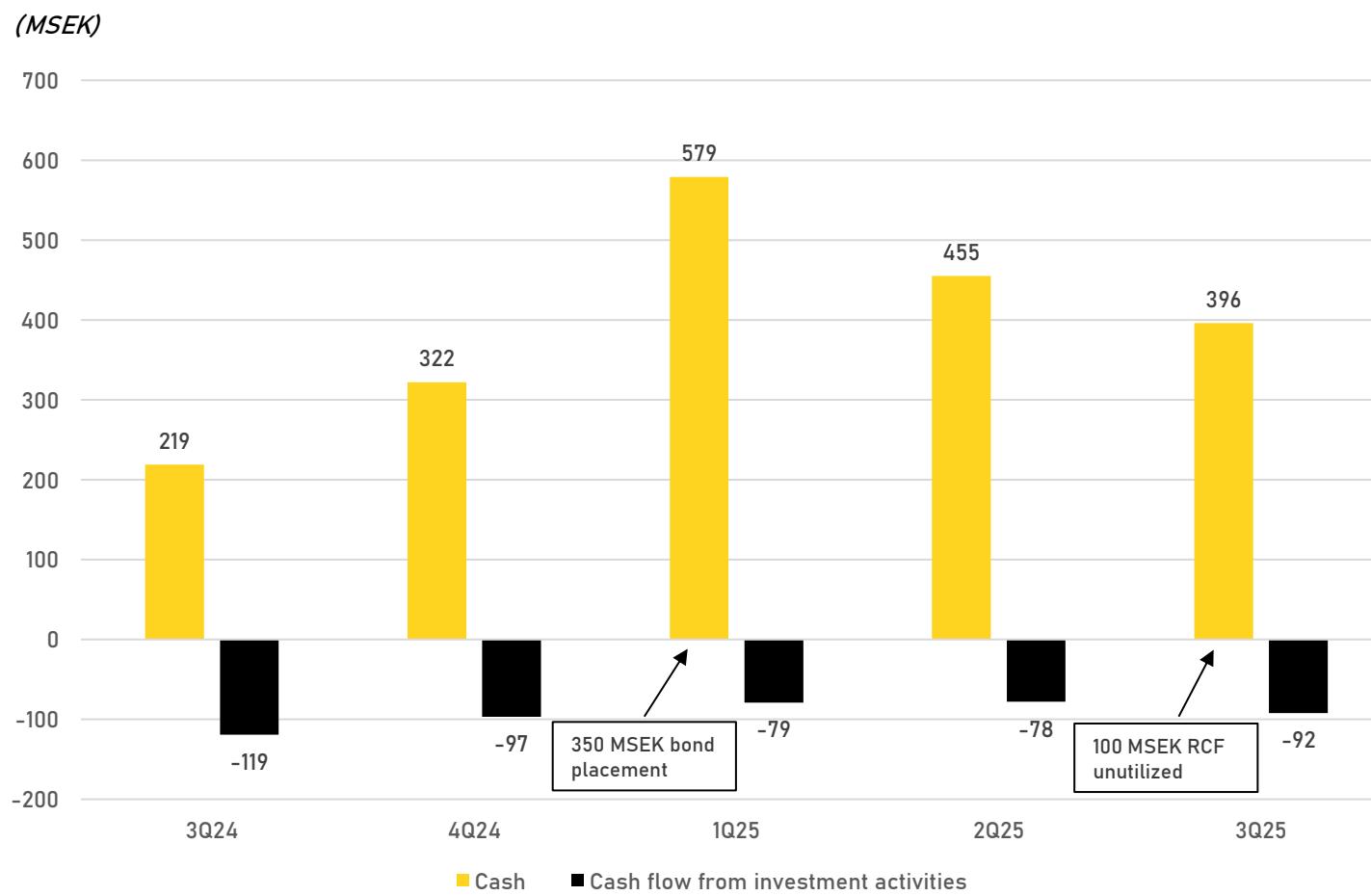
## Q3 NET REVENUE CONTRIBUTION

Piranha	30	9%
<i>Rest of the group</i>	325	91%
<b>Group Total</b>	<b>355</b>	<b>100%</b>

## Q3 ADJ EBITDA CONTRIBUTION

Piranha	10	16%
<i>Rest of the group</i>	53	84%
<b>Group Total</b>	<b>63</b>	<b>100%</b>

# Net Cash Position



The net cash by the end of the quarter amounted to SEK 47.9 million consisting of a cash balance of SEK 395.9 million and a financial debt of SEK 348.0 million

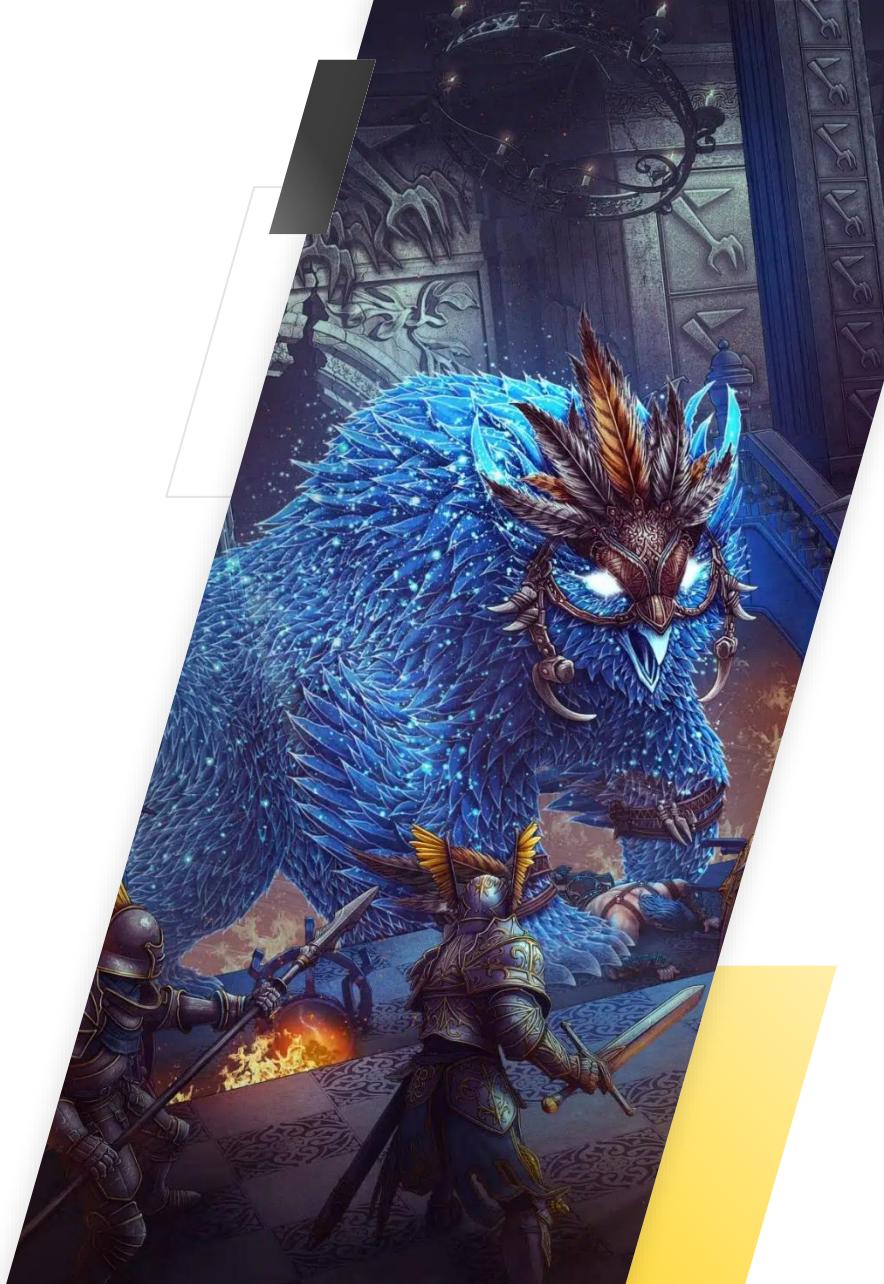
Cash Flow	Q3	YTD
<b>Cash OB</b>	<b>455</b>	<b>322</b>
Operation*	51	47
Investing**	-92	-249
Financing***	-15	309
<b>Delta Cash</b>	<b>-56</b>	<b>107</b>
Currency fluctuations in liquidity	-3	-33
<b>Cash CB</b>	<b>396</b>	<b>396</b>
*Change in Working Capital	13	-64
** New growth investments	-51	-144
**Other publishing Fireshine	-12	-42
**MW5 Clans DLC	-6	-24
**Other Intangibles	-7	-13
**Other	-16	-26
*** Bond	0	345

# Summary



# Summary

- **A slower quarter with some hits and misses**
  - Happy with Palia and plan to continue investing for further growth
  - Cold Iron project delay adversely impacts 2025 results but should provide a solid boost for 2026
  - Providing additional time for quality to maximize returns
- **Continuing to operate cautiously with bias towards capital preservation and risk aversion**
  - Market is still challenging for small to mid-market players
  - Maintaining ample liquidity and strong balance sheet position until market trends further improve
  - Remaining selective in potential deployment of capital for M&A and organic growth opportunities



# Q&A

