



G5 Entertainment AB

# Year-end Report 2025



G5

# YEAR-END REPORT 2025

## October-December 2025

- During the fourth quarter of 2025, revenue amounted to SEK 221.1 M (279.4), representing a 21% year-over-year decline in SEK terms. In USD terms, revenue decreased 9% year-over-year and 2% sequentially.
- Gross margin increased to 71.6% (69.1%), primarily driven by a higher share of revenue via G5's direct-to-consumer channel, resulting in a lower effective commission rate.
- EBIT amounted to SEK -6.0 M (32.8), corresponding to an EBIT margin of -2.7% (11.8%). EBIT was negatively impacted by revaluations related to fx, primarily the USD, recorded in other income and expense amounting to SEK -7.9 M (5.9). Adjusting for the negative impact from other income and expense the EBIT margin would be 0.8% (9.6%). Compared to Q4 2024, EBIT was impacted negatively as user acquisition has been increased from 17% to 23% of gross revenue.
- The net result for the period was SEK -2.2 M (33.5), positively impacted by tax income primarily related to deferred tax effects SEK 4.3 M (-1.4) and negatively impacted by finance net of SEK -0.5 M (2.0).
- Cash flow for the period amounted to SEK -31.1 M (18.9), negatively impacted by changes in the working capital of SEK -26.4 M (-21.5).
- G5 Store gross revenue increased 20.1% year-over-year and 2.7% sequentially in USD terms, reflecting continued progress in direct-to-consumer initiatives.
- Average Monthly Active Users (MAU) declined 13% year-over-year to 3.8 million, while Average Daily Active Users (DAU) decreased 16% year-over-year to 1.1 million. Average Monthly Unique Payers (MUP) declined 15% year-over-year to 108.6 thousand, while Average Monthly Gross Revenue per Paying User (MAGRPPU) increased 9% year-over-year to USD 71.7, indicating improved monetization efficiency.

## Full Year 2025

- Revenue for the year was SEK 941.6 M (1,134.5), a decrease of 17 % compared to 2024 in SEK terms. In USD terms revenue declined by 11%.
- Gross profit amounted to SEK 664.9 M (776.1), corresponding to a gross margin of 70.6 % (68.4%). This was primarily driven by a higher share of revenue via G5's direct-to-consumer channel.
- EBIT for the year was SEK 23.0 M (116.8), a decrease of 80 %. Revaluations related to fx, mainly the USD, recorded in other income and expense amounted to SEK -32.9 M (11.6). Adjusting for the negative impact from other income and expense the EBIT margin would be 5.9% (9.3%).
- Earnings per share for the year were 3.87 SEK (15.22), a decrease of 75%.
- The Board proposes a dividend of 2.0 SEK/share (8.0) approximately equal to SEK 15.3 M (62.4).

## FINANCIAL KEY RATIOS

| KSEK   | Oct-Dec<br>2025 | Oct-Dec<br>2024 | Change<br>%  | 2025           | 2024           | Change %    |
|--|-----------------|-----------------|--------------|----------------|----------------|-------------|
| Revenue  | 221,092         | 279,337         | -21%         | 941,583        | 1,134,529      | -17%        |
| Commission to distributors <sup>1</sup>              | -42,347         | -59,110         | -28%         | -185,727       | -245,935       | -24%        |
| Royalty to external developers <sup>2</sup>          | -20,497         | -27,251         | -25%         | -90,991        | -112,497       | -19%        |
| <b>Gross profit</b>                                  | <b>158,248</b>  | <b>192,977</b>  | <b>-18%</b>  | <b>664,864</b> | <b>776,097</b> | <b>-14%</b> |
| Gross margin   | 71.6%           | 69.1%           |              | 70.6%          | 68.4%          |             |
| Operating costs excluding costs for user acquisition | -114,328        | -113,112        | 1%           | -463,134       | -461,085       | 0%          |
| EBIT excluding costs for user acquisition            | 43,919          | 79,865          | -45%         | 201,730        | 315,012        | -36%        |
| <b>EBIT margin before costs for user acquisition</b> | <b>20%</b>      | <b>29%</b>      |              | <b>21%</b>     | <b>28%</b>     |             |
| Costs for user acquisition <sup>3</sup>              | -49,953         | -47,016         | 6%           | -178,760       | -198,235       | -10%        |
| Costs for user acquisition as percentage of revenue  | -23%            | -17%            |              | -19%           | -17%           |             |
| <b>EBIT</b>  | <b>-6,034</b>   | <b>32,849</b>   | <b>-118%</b> | <b>22,970</b>  | <b>116,778</b> | <b>-80%</b> |
| EBIT margin (%)                                      | -2.7%           | 11.8%           |              | 2.4%           | 10.3%          |             |
| <b>Earnings per share before dilution</b>            | <b>-0.28</b>    | <b>4.28</b>     | <b>-107%</b> | <b>3.87</b>    | <b>15.22</b>   | <b>-75%</b> |
| Cash flow before financing activities                | -28 172         | 19 591          |              | 45 199         | 164 009        |             |
| Cash and cash equivalents                            | 216,245         | 275,539         |              | 216,245        | 275,539        |             |

1 Variable costs paid to distributors. Main stores have the following fees: Apple App Store, Google Play, Amazon Appstore etc. have a fee of 30 percent, Microsoft Store has 12 percent, G5 Store has single digit percent.

2 Royalties to external developers are costs to third party developers when there is a contractual obligation to pay royalty.

3 User acquisition is a marketing cost for acquiring new users. The costs are fully variable and are spent on advertising campaigns that are targeted at acquiring loyal players. The campaigns can be stopped at a very short notice.

# Comment from the CEO: Strategic progress and record gross margin



The fourth quarter of 2025 was a period of mixed performance where we saw strong strategic progress and record gross margins, but also continued pressure on our top-line revenue.

In USD terms, which better reflects the underlying performance of our business, revenue for the quarter decreased 9% year-over-year and 2.2% sequentially. In the first half of the year, we saw a decline of revenue in USD terms of 13.0%, and in the second half - a decline of 8.5%, so we believe we continue to see the slowing down of the decline and we work towards the strategic goal of stabilizing the top-line revenue.

As we communicated in advance in the previous quarter, the level of UA spend in Q4 reached 23% (17%) of revenue as we pursued stabilization of

revenue for Sherlock and Hidden City and put some additional marketing spend behind the final test stages of Twilight Land. Going forward, we intend to remain at the high bracket of the previously communicated range of 17-22% of UA reinvestment as a percentage of Gross Revenue.

From the product perspective, there are three main pillars of our revenue generation with about

## We achieved progress in stabilizing Sherlock and Hidden City, but Jewels family of games continued to slide

equal share in the total revenue. One is our game Sherlock, another is our licensed game Hidden City, and the third is what we call Jewels family of games, consisting of six games which are managed by the same team. In the second half of 2025, we achieved progress in stabilizing the performance of Sherlock and Hidden City: in USD terms in Q4 Hidden City grew 8.3% sequentially from Q3. While Sherlock declined sequentially in Q4 by 5.3% after a strong development in Q2 and Q3, year-over-year it only declined by 5%, which is way less than before. Also, Sherlock was negatively impacted by specific events in November, but outside of November the game continued to perform better than previously. However, Jewels family of games continues to slide substantially,

with Q4 YoY performance of -19.3%, and sequential dynamic of -12.4% Q3 to Q4. This dynamic of Jewels family of games remains the main impediment to the stabilization of the group revenue. The game team has identified a number of changes to attempt in order to fix the performance of the games. The implementation will take until the end of the second quarter, at which point we will have to decide whether we want to continue trying to revive these games.

The stabilization of Sherlock and Hidden City can be seen in the sequential development of our audience metrics where MAU and MUU grew 1% and 2% respectively whilst DAU and MUP declined 1 and 2% respectively, all in all a stable sequential performance, which is a significant improvement compared to previous years. Our monetization continues to be strong and increased 1% sequentially and 9% year-over-year to USD 71.7 monthly average gross revenue per paying user (MAGRPPU).

The growing sales through the G5 Store played an important role in the stabilization of Sherlock and Hidden City. 23.4% (16.0%) of the group's gross revenue in Q4 was generated through the G5 Store, and in USD terms G5 Store grew 20% year-over-year. Group's Gross Margin increased to a record 71.6% (69.1%) due to the growth of the G5 Store, and also because direct payment processing on mobile platforms, including through the web-shop, more than doubled from 3% in Q3 to 6.4% in Q4, as a percentage of total net revenue.

While we are working on stabilizing our main game revenue streams, we are also finding opportunities to

create new revenue streams through new games and new business opportunities. G5 never stops evolving, and historically we have achieved success through the evolution of platforms and business models, by regularly trying things in a new way.

As outlined in previous quarters, we have opened the G5 Store for 3rd party game distribution. We launched the first such games late in the fourth quarter and are seeing strong enough initial results that we consider it proven that distribution through the G5 Store creates a very attractive incremental revenue stream for mobile developers. Based on what we see so far, quality games can expect to make an additional 15% to their mobile revenues through the G5 Store. We will scale this initial success both through acquiring users into the distributed games, and through bringing more great 3rd party games to the G5 Store.

## We launched first 3rd party games on the G5 Store and are seeing strong initial results

We have agreements in place with developers to bring more high quality games to the G5 Store soon, and negotiations are ongoing with many more developers and publishers. We want to expand the G5 Store catalogue in a curated way, keeping the quality bar high. The timing can hardly be better to offer mobile developers and publishers a substantial incremental revenue opportunity. It is a difficult time in the mobile

games market to acquire players profitably: something we are experiencing firsthand. And from the players' perspective, while there is an over-abundance of high quality casual F2P games on mobile, there is a lack of a dedicated PC destination for casual players where they can download high quality free-to-play games and enjoy them on large screens. Existing PC game stores historically shift towards serving traditional gamers of younger age, and our older casual players feel alien in these stores. On the other hand, while browser-based casual game portals exist and grow, web games still provide lower quality and more shallow experience compared to native PC games we offer. We believe that the growth of the G5 Store and its outstanding player metrics are a sign of a strong demand for such a destination from the players. We therefore have the ability to use our mastery of profitable user acquisition in the PC environment, and our track record as a trusted partner for 3rd party developers, to connect players with an increased selection of games through G5 Store as a distribution platform. Encouraged by the outstanding metrics in the G5 Store and the early success with 3rd party games distribution, we want to transform G5 Store into a top destination to download high quality free-to-play casual games on PC. If we are successful, 3rd party game distribution through G5 Store can become our fourth revenue pillar in the following quarters.

During the fourth quarter, a new game we mentioned in earlier reports has successfully cleared another stage of our Soft Launch process - monetization test - and has advanced to the development phase of the next and final stage we call Scalability testing. We are cautiously optimistic about this development and are eagerly waiting to see how the game is going to perform in the market. Meanwhile, work is also ongoing on another promising new game in a new genre for G5 but a popular one for

## We want to expand the G5 Store catalogue in a curated way, keeping the quality bar high to create a dedicated PC destination with high quality free-to-play games

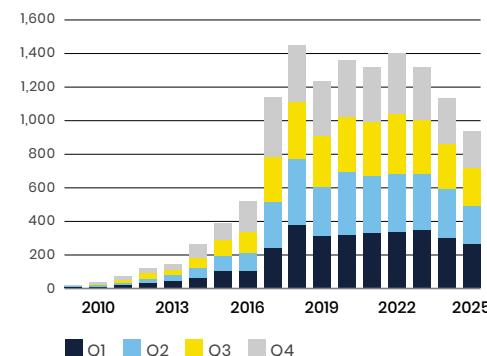
mobile players. This game should enter the early Soft Launch stage in the first quarter.

During the second half of 2025 we have decided to form several additional game teams, very small and very agile, that would pursue more innovative game ideas with much shorter ideation and development cycles. It is essentially an approach you can see in so-called hyper-casual and hybrid-casual games. These teams are now making and testing about 6 new concepts every 4 months. We are excited to see what will come out of this initiative over time.

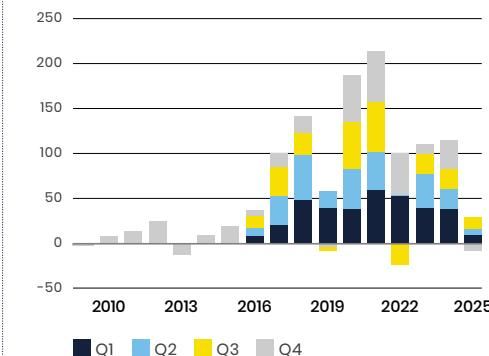
Shortly after the end of the fourth quarter, we have made the decision to put our game Twilight Land into "harvest mode" and abandon attempts to scale it. The team worked with passion and the game brought joy to players, had positive reviews and outstanding early metrics. Despite this, after a lot of work, long-term metrics were still not where they had to be for the game to be scalable in the current market environment. We expect some number of redundancies in connection with the decision, but the majority of the team will strengthen other projects and push forward strategic initiatives.

The Board has proposed a dividend of SEK 2 per share (8) corresponding to approximately 50% of our net profit, in line with the average level of distribution we have had in the last five years. G5 is currently in an

### Revenue (MSEK)



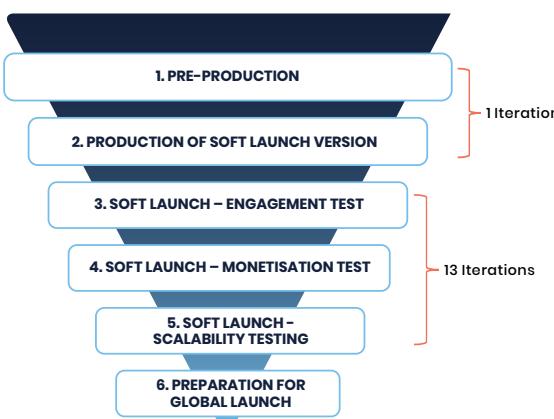
### EBIT (MSEK)



investment phase and it is our belief that the company is best served by retaining our strong balance sheet and flexibility in pursuing opportunities in new games and business initiatives. This approach historically has led to some significant capital returns over the years. To date, G5 has paid SEK 45.5 in dividends per share and executed share repurchases amounting to SEK 320 M, or approximately SEK 41 per share. In total, this represents a return of SEK 86.5 per share to our shareholders, underscoring our commitment to value creation and distribution of earnings to the shareholders in the long run.

I would like to thank our team for their resilience and hard work, and our shareholders and players for their continued trust as we execute on our strategy.

### Development funnel



## October – December

### Revenue and gross profit

Revenue for the period amounted to SEK 221.1 million (279.4), representing a 21% decrease year-over-year. In USD terms, revenue declined 9% compared to the same period in 2024.

Cost of revenue decreased to SEK 62.8 million (86.4). Cost of revenue primarily consists of platform distribution commissions, with most distributors charging up to 30% of gross revenue. Exceptions include Microsoft Store, which applies a 12% commission, and G5 Store, where commission fees are in the single-digit percentage range, reflecting third-party payment processing costs. Cost of revenue also includes royalties payable to external developers, which decreased by 25% year-over-year, in line with lower revenue levels.

Gross margin for the period increased to 71.6% (69.1%), mainly due to the increasing share of revenue coming from the G5 Store. Gross profit for the quarter amounted to SEK 158.3 million (192.9), representing an 18% decrease compared to the fourth quarter of 2024.

### Operational Costs

Research and development costs amounted to SEK 70.3 million (75.9) during the period, with net capitalization of SEK 0.8 million (-3.6).

Sales and marketing expenses increased slightly to SEK 61.3 million (60.3), primarily reflecting user acquisition costs of SEK 49.9 million (47.0), representing 23% of revenue (17% in the same period in 2024). Excluding user acquisition, sales and marketing costs were SEK 11.4 million (13.2).

General and administrative costs amounted to SEK 24.8 million (29.9). Other operating income and other operating expenses together amounted to SEK -7.9 million (5.9), primarily driven by currency effects on operational assets and liabilities.

### EBIT

Earnings before interest and taxes (EBIT) amounted to SEK -6.0 million (32.9).

Depreciation and amortization decreased to SEK 23.1 million (30.1), reflecting the decision to no longer capitalize unreleased games.

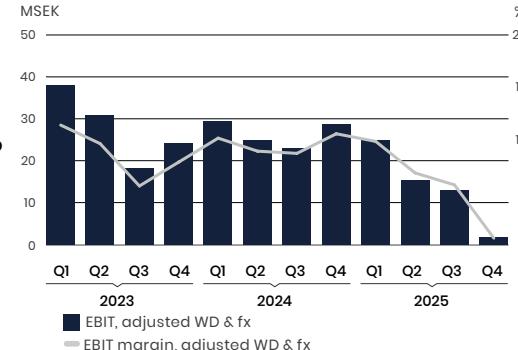
Capitalization of intangible assets amounted to SEK 23.4 million (25.5), resulting in a net positive impact of SEK 0.8 million on EBIT from capitalization and amortization of intangible assets (-3.6).

### Net profit

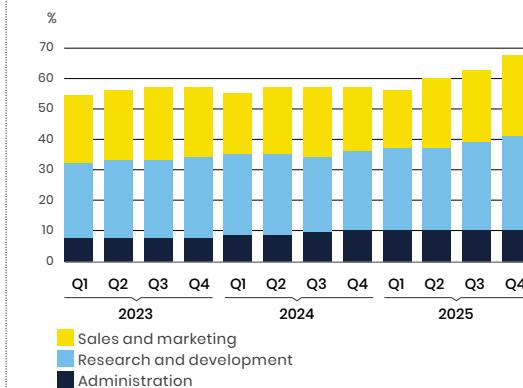
Net profit was affected by financial items of SEK -0.5 million (2.0), primarily related to fair value losses on financial assets amounting to SEK 2 million and interest income amounted to SEK 1.5 million (2.2). Tax contributed SEK 4.3 million (-1.4) to the result. The positive tax is related to deferred tax assets booked in the fourth quarter.

Net profit for the period amounted to SEK -2.2 million (33.5), corresponding to earnings per share, before and after dilution, of SEK -0.28 (4.28).

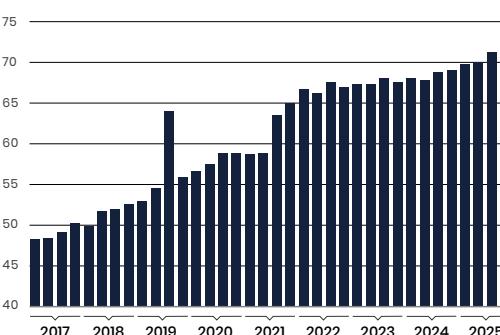
### EBIT (MSEK) | EBIT-margin (%)



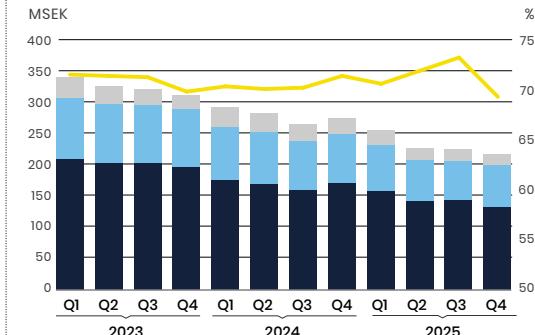
### Costs in % of revenue



### Gross Margin (%)



### Own/licensed revenue (MSEK) share own games (%)



Harvest, MSEK      Active, MSEK  
Licensed, MSEK      Own games, %

## Operational metrics

| F2P                     | Q4'25 | Q4'24 | Change |
|-------------------------|-------|-------|--------|
| Average DAU (mn)        | 1.1   | 1.3   | -16%   |
| Average MAU (mn)        | 3.8   | 4.3   | -13%   |
| Average MUU (mn)        | 2.7   | 3.1   | -14%   |
| Average MUP (thousands) | 108.6 | 128.2 | -15%   |
| Average MAGRPPU (USD)   | 71.7  | 65.7  | 9%     |

For detailed definitions of the operational metrics see the glossary on page 16 of the report.

## January – December

### Revenue and gross profit

Revenue for the 12-month period amounted to SEK 941.6 million (1,134.5), representing a 17% decline year-over-year. In USD terms, revenue decreased 11%.

The group's cost of revenue totaled SEK 276.7 million (358.4), resulting in gross profit of SEK 664.9 million (776.1) and a gross margin of 70.6% (68.4%).

### Operating Costs

Operating costs, excluding other operating income and expenses, decreased 9% compared to 2024. User acquisition expenses declined to SEK 178.8 million (198.2), while operating costs excluding user acquisition totaled SEK 430.3 million (472.7). Operational costs were affected by capitalization of SEK 92.5 million (103.8) and depreciation and amortization of SEK 97.6 million (135.7).

Other operating income and expenses impacted the period by SEK -32.9 million (11.6), primarily reflecting currency effects on operational assets and liabilities of the parent company.

### EBIT

EBIT for 2025 amounted to SEK 23.0 million (116.8), corresponding to an EBIT margin of 2.4% (10.3%).

### Net profit

Financial items affected net profit by SEK 5.4 million (9.2), while tax contributed SEK 1.6 million (-6.9), corresponding to an effective tax rate of 6% (-6%).

Net profit for the year totaled SEK 30.0 million (119.0), resulting in earnings per share before dilution of SEK 3.9 (SEK 15.2).

### Cash flow

During Q4 2025, the group generated operating cash flow before changes in working capital of SEK 23.8 million (67.3). Taxes contributed SEK 1.5 million (-1.7) positively to cash flow, while changes in working capital had a negative impact of SEK -26.4 million (-21.5).

Capitalized development expenses reduced cash flow by SEK 23.4 million (25.5). As a result, cash flow before financing activities totaled SEK -28.2 million (19.6). Financing activities were affected by IFRS 16 lease bookings of SEK -0.2 million (0.6) and share repurchases of SEK -2.7 million (0.0).

For the full year 2025, cash flow before changes in working capital amounted to SEK 140.1 million (264.7), and net cash flow for the year totaled SEK -31.0 million (87.4).

Available cash as of December 31, 2025, was SEK 216.2 million (SEK 275.5 million).

## Financial position

The publishing strategy is to have a portfolio of different games in order to maximize the potential and reduce risk. Multiple games are developed at any given point in time, some of these games become very successful and extremely profitable, some of these games do not become big breakthroughs but pay for themselves and are stable earners over a long period of time, while the majority of games that go into production will be cancelled at an early stage as the market potential is not significant enough.

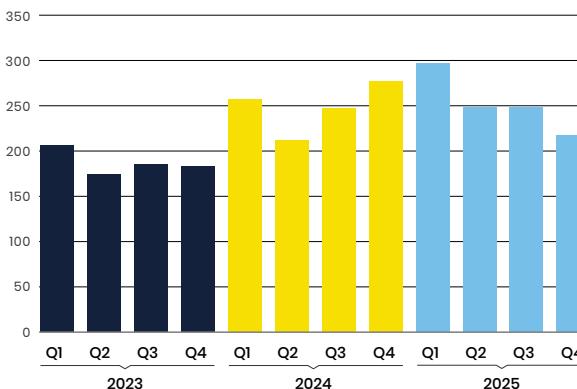
As the majority of games that are produced are cancelled during the soft launch, the company does not capitalize development expenses on games until they reach global launch.

Capitalized development expenses for unsuccessful games will be written down. Development for games only released in soft launch will be expensed as they are incurred. Over time, the company expects write-offs and expenses to be more than compensated for by the revenue and profits produced by successful games in the portfolio.

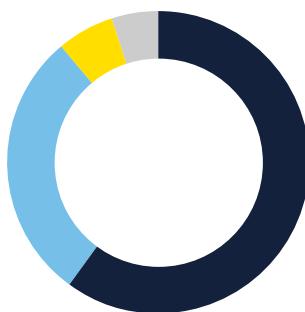
Capitalized development expenses amounted to SEK 173.6 million (SEK 210.4 million). Impairment needs are assessed quarterly, with a comprehensive review of input parameters performed annually. No write-offs were recorded during the quarter (-2.2).

Consolidated equity totaled SEK 457.0 million (SEK 554.3 million), equivalent to SEK 59.7 per share (SEK 71.1), with an equity-to-asset ratio of 84% (83%). Cash on hand was SEK 216.2 million (SEK 275.5 million). Other long- and short-term debt relates solely to IFRS 16 lease obligations.

## Cash Position (MSEK)



## Revenue breakdown by geography Fourth Quarter 2025



■ North America 60% ■ Asia 6%  
■ Europe 29% ■ ROW 5%

## Parent company

The parent company revenue has performed in line with the group. The parent company is the counterpart for all application stores where G5 sells its products. The costs consist mainly of payments to one of the subsidiaries in Malta, which holds the rights to the games in the portfolio and is also where the senior management overseeing the games and studios is based. Over time, the transactions should generate a surplus for the parent company, but during shorter periods some imbalances may occur.

As for the group, the financial position of the parent company is solid.

## Other disclosures

### Dividend

G5 Entertainment is active in a fast-moving growing market. In order to benefit from this growth, the company intends to continue reinvesting the majority of the profits in activities that promote organic growth, such as product development and marketing. With this taken into account the Board proposes a dividend of SEK 2.0 per share (8.0) corresponding to 52% (53) of net profit for the year.

### Outlook

G5 Entertainment does not publish forecasts.

### Risk assessment

G5 Entertainment is, like all companies, exposed to various kinds of risks in its operations. Among the most notable are risks related to the dependency on certain strategic partners, delays in the release of new games, currency exchange risks, changes in technology, dependency on key employees, and tax as well as political risks due to the multinational nature of the group's operations. Risk management is an integral part of G5 Entertainment's management.

### Related-party transactions

During the period no significant related-party transactions have taken place except the ongoing transactions highlighted in the annual report 2024.

## Presentation currency

G5 will during the first quarter evaluate a change in presentation currency for the consolidated accounts from SEK to USD. The company's operations are mainly denominated in USD, a change in presentation currency therefore provides a better overview of the company's development.

## Upcoming report dates

Annual Report 2025  
Interim report Jan-March 2026  
Annual General Meeting 2026  
Interim report Jan-Jun 2026  
Interim report Jan-Sep 2026

April 29, 2026  
May 6, 2026  
June 15, 2026  
August 12, 2026  
November 4, 2026

## Teleconference

On February 17th, 2026 at 08.00 CET, CEO Vlad Suglobov and CFO Stefan Wikstrand will present the interim report in a conference call. For dial-in details please visit: <https://corporate.g5.com/investors/calendar>

## Forward-looking statements

This report may contain statements concerning, among other things, G5 Entertainment's financial position and performance as well as statements on market conditions that may be forward-looking. G5 Entertainment believes that the expectations reflected in such forward-looking statements are based on reasonable assumptions. However, forward-looking statements involve inherent risks and uncertainties and actual results or outcomes may differ materially from those expressed. Forward-looking statements relate only to the date they were made and, other than as required by applicable law, G5 Entertainment undertakes no obligation to update any of them in light of new information or future events.

## Inquiries

Vlad Suglobov, CEO  
Stefan Wikstrand, CFO

investor@g5.com  
+46 76 001115

# Assurance

The Board of Directors and the CEO declare that the interim report provides a true and fair overview of the Parent Company's and the Group's operations, financial position and results of operations as well as describing the material risks and uncertainties facing the Parent Company and other companies in the Group.

Stockholm February 17th, 2026

Petter Nylander  
Chairman of the Board

Johanna Fagrell Köhler  
Board member

Jeffrey Rose  
Board member

Sara Börsvik  
Board member

Joel Fashingbauer  
Board member

Vlad Suglobov  
CEO, Board member

## INCOME STATEMENT - GROUP

| KSEK  | Oct-Dec<br>2025 | Oct-Dec<br>2024 | 2025           | 2024           |
|---|-----------------|-----------------|----------------|----------------|
| Net turnover                                  | 221,092         | 279,337         | 941,583        | 1,134,529      |
| Cost of revenue                               | -62,844         | -86,360         | -276,718       | -358,432       |
| <b>Gross profit</b>                           | <b>158,248</b>  | <b>192,977</b>  | <b>664,864</b> | <b>776,097</b> |
| Research and Development expenses             | -70,288         | -75,915         | -276,601       | -311,993       |
| Sales and Marketing expenses                  | -61,307         | -60,240         | -226,586       | -254,786       |
| General and administrative expenses           | -24,819         | -29,879         | -105,822       | -104,109       |
| Other operating income                        | 0               | 6,994           | 0              | 16,422         |
| Other operating expenses                      | -7,867          | -1,088          | -32,886        | -4,854         |
| <b>Operating result</b>                       | <b>-6,034</b>   | <b>32,849</b>   | <b>22,970</b>  | <b>116,778</b> |
| Financial income                              | 1,529           | 2,193           | 7,697          | 9,544          |
| Financial expenses                            | -2,041          | -150            | -2,264         | -354           |
| <b>Operating result after financial items</b> | <b>-6,546</b>   | <b>34,892</b>   | <b>28,403</b>  | <b>125,967</b> |
| Taxes   | 4,342           | -1,424          | 1,614          | -6,993         |
| <b>Net result for the year</b>                | <b>-2,203</b>   | <b>33,468</b>   | <b>30,017</b>  | <b>118,974</b> |

## Attributed to:

|                               |        |        |        |         |
|-------------------------------|--------|--------|--------|---------|
| Parent company's shareholders | -2,203 | 33,468 | 30,017 | 118,974 |
|-------------------------------|--------|--------|--------|---------|

## Earnings per share

|   |       |       |       |       |
|---|-------|-------|-------|-------|
| Weighted average number of shares (thousands)                 | 7,749 | 7,815 | 7,749 | 7,815 |
| Weighted average number of shares after dilution, (thousands) | 7,749 | 7,815 | 7,749 | 7,815 |
| Earnings per share (SEK) before dilution                      | -0.28 | 4.28  | 3.87  | 15.22 |
| Earnings per share (SEK) after dilution                       | -0.28 | 4.28  | 3.87  | 15.22 |

## STATEMENT OF COMPREHENSIVE INCOME - GROUP

| KSEK   | Oct-Dec<br>2025 | Oct-Dec<br>2024 | 2025           | 2024           |
|--|-----------------|-----------------|----------------|----------------|
| <b>Net result for the period</b>                       | <b>-2,203</b>   | <b>33,468</b>   | <b>30,017</b>  | <b>118,974</b> |
| <b>Items that later can be reversed in profit</b>      |                 |                 |                |                |
| Revaluation long-term investments                      | -3,618          | -20,647         | -4,137         | -10,824        |
| Foreign currency translation differences               | -3,058          | 26,484          | -53,972        | 21,049         |
| <b>Total other comprehensive income for the period</b> | <b>-6,676</b>   | <b>5,837</b>    | <b>-58,109</b> | <b>10,225</b>  |
| <b>Total comprehensive income for the period</b>       | <b>-8,880</b>   | <b>39,306</b>   | <b>-28,092</b> | <b>129,199</b> |
| <b>Attributed to:</b>                                  |                 |                 |                |                |
| Parent company's shareholders                          | -8,880          | 39,306          | -28,092        | 129,199        |

## BALANCE SHEET - GROUP

| KSEK                                      | Dec 31 2025    | Dec 31 2024    |
|---|----------------|----------------|
| <b>Fixed assets</b>                       |                |                |
| <b>Intangible fixed assets</b>            |                |                |
| Capitalized development expenses (Note 2) | 173,632        | 210,386        |
| Intangible assets                         | 2,613          | 2,613          |
|   | <b>176,244</b> | <b>212,998</b> |
| <b>Tangible fixed assets</b>              |                |                |
| Equipment                                 | 6,867          | 9,154          |
|   | <b>6,867</b>   | <b>9,154</b>   |
| Long term Investments                     | 25,988         | 37,475         |
| Deferred tax receivable                   | 140            | 150            |
| <b>Total non-current assets</b>           | <b>209,239</b> | <b>259,777</b> |
| <b>Current assets</b>                     |                |                |
| Accounts receivable                       | 15,919         | 18,835         |
| Tax receivable                            | 6 444          | 1 659          |
| Other receivables (Note 3,4)              | 2,298          | 1,756          |
| Prepaid expenses and accrued income       | 85,307         | 109,142        |
| Short-term investments                    | 8,530          | -              |
| Cash and cash equivalents                 | 216,245        | 275,539        |
| <b>Total current assets</b>               | <b>334 743</b> | <b>406 930</b> |
| <b>Total assets</b>                       | <b>543 983</b> | <b>666 707</b> |

| KSEK                                | Dec 31 2025    | Dec 31 2024    |
|-------------------------------------|----------------|----------------|
| <b>Equity</b>                       |                |                |
| <b>Total shareholders' equity</b>   | <b>457 036</b> | <b>554 322</b> |
| <b>Long-term liabilities</b>        |                |                |
| Deferred tax liabilities            | 8,758          | 1,475          |
| Long-term liabilities               | 0              | 1,118          |
| <b>Total long-term liabilities</b>  | <b>8,758</b>   | <b>2,593</b>   |
| <b>Current liabilities (Note 5)</b> |                |                |
| Short-term liabilities              | 1 282          | 685            |
| Accounts payable                    | 33 517         | 44 254         |
| Other liabilities                   | 4 898          | 6 267          |
| Tax liabilities                     | 0              | 9 213          |
| Accrued expenses                    | 38 492         | 49 372         |
| <b>Total current liabilities</b>    | <b>78 188</b>  | <b>109 792</b> |
| <b>Total equity and liabilities</b> | <b>543 983</b> | <b>666 707</b> |

## CHANGES IN SHAREHOLDERS' EQUITY – GROUP

| KSEK  | Share capital | Other capital contribution | Other reserves | Profit/loss brought forward | Shareholders' equity |
|---|---------------|----------------------------|----------------|-----------------------------|----------------------|
| <b>Shareholders' equity 2024-01-01</b>                                  | 928           | -243,733                   | 63,358         | 670,848                     | 491,401              |
| Net result for the year   |               |                            |                | 118,974                     | 118,974              |
| Revaluation long-term investments                                       |               |                            | -10,824        |                             | -10,824              |
| Other comprehensive income  |               |                            | 21,049         |                             | 21,049               |
| <b>Total comprehensive income</b>                                       |               |                            | 10,225         | 118,974                     | 129,199              |
| Dividend  |               |                            |                | -62,392                     | -62,392              |
| Repurchase of shares  |               | -12,941                    |                |                             | -12,941              |
| IFRS2 – Employee share schemes  |               |                            | 9,055          |                             | 9,055                |
| <b>Total transactions with the owners recognized directly in equity</b> |               | -12,941                    | 9,055          | -62,392                     | -66,278              |
| <b>Shareholders' equity as of 2024-12-31</b>                            | 928           | -256,674                   | 82,638         | 727,430                     | 554,322              |
| <br><b>Shareholders' equity 2025-01-01</b>                              | <br>928       | <br>-256,674               | <br>82,638     | <br>727,430                 | <br>554,322          |
| Net result for the year   |               |                            |                | 30,017                      | 30,017               |
| Revaluation long-term investments                                       |               |                            | -4,137         |                             | -4,137               |
| Other comprehensive income  |               |                            | -53,972        |                             | -53,972              |
| <b>Total comprehensive income</b>                                       |               |                            | -58,109        | 30,017                      | -28,092              |
| Dividend  |               |                            |                | -62,232                     | -62,232              |
| Repurchase of shares  |               | -13,147                    |                |                             | -10,483              |
| IFRS2 – Employee share schemes  |               |                            | 6,184          |                             | 6,184                |
| <b>Total transactions with the owners recognized directly in equity</b> | 0             | -13,147                    | 6,184          | -62,232                     | -69,195              |
| <b>Shareholders' equity as of 2025-12-31</b>                            | 928           | -269,821                   | 30,713         | 695,215                     | 457,035              |

## CASH FLOW STATEMENT - GROUP

| KSEK   | Oct-Dec<br>2025 | Oct-Dec<br>2024 | 2025           | 2024            |
|--|-----------------|-----------------|----------------|-----------------|
| <b>Cash flow from operating activities</b>         |                 |                 |                |                 |
| Profit after financial items                       | -6 543          | 34 892          | 28 403         | 125 967         |
| Adjusting items not included in cash flow          | 28 881          | 34 102          | 114 745        | 147 024         |
|  | <b>22 338</b>   | <b>68 994</b>   | <b>143 148</b> | <b>272 991</b>  |
| Taxes paid   | 1 447           | -1 717          | -3 070         | -8 332          |
| <b>Cash flow before changes in working capital</b> |                 |                 |                |                 |
|  | <b>23 785</b>   | <b>67 277</b>   | <b>140 078</b> | <b>264 659</b>  |
| <b>Cash flow from changes in working capital</b>   |                 |                 |                |                 |
| Change in operating receivables                    | 709             | -8 398          | 26 209         | 24 245          |
| Change in operating liabilities                    | -27 059         | -13 130         | -22 986        | -5 575          |
| <b>Cash flow from operating activities</b>         | <b>-2 565</b>   | <b>45 749</b>   | <b>143 301</b> | <b>283 329</b>  |
| <b>Investing activities</b>                        |                 |                 |                |                 |
| Investment in fixed assets                         | -1 084          | -586            | -2 062         | -1 355          |
| Capitalized development expenses                   | -23 347         | -25 541         | -92 486        | -103 800        |
| Long term investments                              | -1 176          | -31             | -3 554         | -14 165         |
| <b>Cash flow from investing activities</b>         | <b>-25 607</b>  | <b>-26 158</b>  | <b>-98 102</b> | <b>-119 320</b> |

| KSEK                                       | Oct-Dec<br>2025 | Oct-Dec<br>2024 | 2025           | 2024           |
|--|-----------------|-----------------|----------------|----------------|
| <b>Financing activities</b>                |                 |                 |                |                |
| Lease financing                            | -241            | -597            | -781           | -1 307         |
| Dividend                                   | 0               | 0               | -62 232        | -62 392        |
| Repurchase shares                          | -2 664          | 0               | -13 147        | -12 941        |
| <b>Cash flow from financing activities</b> | <b>-2 905</b>   | <b>-597</b>     | <b>-76 160</b> | <b>-76 640</b> |
| <b>Cash flow</b>                           |                 |                 |                |                |
| <b>Cash at the beginning of the period</b> | <b>247 209</b>  | <b>245 552</b>  | <b>275 539</b> | <b>182 332</b> |
| Cash flow                                  | -31 077         | 18 994          | -30 961        | 87 369         |
| Exchange rate differences                  | 112             | 10 993          | -28 333        | 5 838          |
| <b>Cash at the end of the period</b>       | <b>216 245</b>  | <b>275 539</b>  | <b>216 245</b> | <b>275 539</b> |

**Note 1****Accounting principles**

G5 Entertainment's consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS). This report was prepared for the group in accordance with the IAS 34 Interim Financial Reporting and the Annual Accounts Act.

The accounting and calculation principles used in the report for the group are identical to those used in the Annual Report 2024.

The interim report is on pages 1–16, and pages 1–8 are thus an integrated part of this financial report.

**Note 2****Capitalized development expenses**

| KSEK                                  | Oct-Dec<br>2025 | Oct-Dec<br>2024 | 2025           | 2024           |
|---------------------------------------|-----------------|-----------------|----------------|----------------|
| <b>At the beginning of the period</b> | <b>176,739</b>  | <b>197,896</b>  | <b>210,386</b> | <b>220,411</b> |
| Investments                           | 23,348          | 25,541          | 92,487         | 103,800        |
| Write-offs                            | 0               | -2,196          | 0              | -2,196         |
| Amortization                          | -22,545         | -29,118         | -95,045        | -131,955       |
| <b>Net change during the period</b>   | <b>803</b>      | <b>-5,773</b>   | <b>-2,558</b>  | <b>-30,350</b> |
| Currency exchange differences         | -3,910          | 18,262          | -34,196        | 20,325         |
| <b>At the end of the period</b>       | <b>173,632</b>  | <b>210,386</b>  | <b>173,632</b> | <b>210,386</b> |

**Note 3****Other receivables**

Other receivables mainly consist of input VAT and other tax receivables.

**Note 4****Pledged assets and contingent liabilities**

G5 Entertainment has no pledged assets. G5 Entertainment does not have any contingent liabilities.

**Note 5****Fair value**

G5 group has long and short term financial instruments that are accounted for at fair value. The carrying amount for financial instruments correspond to fair value.

## INCOME STATEMENT – PARENT COMPANY

| KSEK  | Oct-Dec<br>2025 | Oct-Dec<br>2024 | 2025           | 2024           |
|---|-----------------|-----------------|----------------|----------------|
| Net turnover                                  | 221,083         | 279,337         | 941,570        | 1,134,529      |
| Cost of revenue                               | -166,657        | -222,290        | -740,610       | -909,910       |
| <b>Gross profit</b>                           | <b>54,426</b>   | <b>57,047</b>   | <b>200,960</b> | <b>224,619</b> |
| Research and development expenses             | -449            | -167            | -1,193         | -594           |
| Sales and Marketing expenses                  | -50,905         | -48,098         | -183,538       | -202,884       |
| General and administrative expenses           | -4,872          | -10,491         | -23,572        | -27,657        |
| Other operating income                        | 0               | 2,417           | 0              | 11,445         |
| Other operating expenses                      | -6,649          | 0               | -22,561        | -5,359         |
| <b>Operating result</b>                       | <b>-8,449</b>   | <b>708</b>      | <b>-29,903</b> | <b>-429</b>    |
| Financial income                              | 134,711         | 1,924           | 309,495        | 9,619          |
| Financial expenses                            | -1,985          | 0               | -2,031         | -2             |
| <b>Operating result after financial items</b> | <b>124,276</b>  | <b>2,632</b>    | <b>277,560</b> | <b>9,188</b>   |
| Taxes   | 4,756           | -268            | 5,789          | -1,191         |
| <b>Net result for the period</b>              | <b>129,033</b>  | <b>2,364</b>    | <b>283,349</b> | <b>7,997</b>   |

## STATEMENT OF COMPREHENSIVE INCOME – PARENT COMPANY

| KSEK   | Oct-Dec<br>2025 | Oct-Dec<br>2024 | 2025           | 2024           |
|--|-----------------|-----------------|----------------|----------------|
| <b>Net result for the period</b>                       | <b>129,033</b>  | <b>2,364</b>    | <b>283,349</b> | <b>7,997</b>   |
| Items that later can be reversed in profit             |                 |                 |                |                |
| Revaluation long-term investments                      | -3,618          | -20,647         | -4,137         | -10,824        |
| <b>Other comprehensive income</b>                      | <b>-3,618</b>   | <b>-20,647</b>  | <b>-4,137</b>  | <b>-10,824</b> |
| <b>Total other comprehensive income for the period</b> | <b>125,414</b>  | <b>-18,283</b>  | <b>279,212</b> | <b>-2,827</b>  |

## BALANCE SHEET - PARENT COMPANY

| KSEK                                | Dec 31<br>2025 | Dec 31<br>2024 |
|-------------------------------------|----------------|----------------|
| Fixed assets                        |                |                |
| <b>Intangible fixed assets</b>      | <b>2,613</b>   | <b>2,613</b>   |
| <b>Financial fixed assets</b>       |                |                |
| Shares in group companies           | 118            | 130            |
| Financial assets                    | 25,988         | 37,475         |
| <b>Total fixed assets</b>           | <b>28,719</b>  | <b>40,217</b>  |
| <b>Current assets</b>               |                |                |
| Account receivables                 | 15,919         | 18,835         |
| Receivables from group companies    | 104,072        | 204,318        |
| Tax receivables                     | 7,508          | 1,561          |
| Other receivables                   | 1,411          | 325            |
| Prepaid expenses and accrued income | 73,053         | 100,819        |
| Short term investment               | 8,530          | 0              |
| Cash and cash equivalents           | 140,502        | 47,325         |
| <b>Total current assets</b>         | <b>350,995</b> | <b>373,183</b> |
| <b>Total assets</b>                 | <b>379,714</b> | <b>413,400</b> |
| <b>Restricted equity</b>            |                |                |

| KSEK                                | Dec 31<br>2025 | Dec 31<br>2024 |
|-------------------------------------|----------------|----------------|
| Share capital                       | 928            | 928            |
| <b>Non-restricted equity</b>        |                |                |
| Share premium reserve               | 55,163         | 54,530         |
| Profit/Loss carried forward         | 1,877          | 80,961         |
| Net result for the period           | 283,349        | 7,997          |
| <b>Total equity</b>                 | <b>341,318</b> | <b>144,417</b> |
| <b>Current liabilities</b>          | <b>0</b>       | <b>0</b>       |
| Accounts payable                    | 31,779         | 32,117         |
| Tax Liability                       | 0              | 0              |
| Liability to group companies        | 0              | 226,165        |
| Other liability                     | 3,371          | 5,244          |
| Accrued expenses                    | 3,246          | 5,458          |
| <b>Total current liabilities</b>    | <b>38,396</b>  | <b>268,984</b> |
| <b>Total equity and liabilities</b> | <b>379,714</b> | <b>413,400</b> |

# Glossary

## Financial statement

**Cost of revenue** consists of direct expenses incurred in order to generate revenue from the company's games. This primarily includes commission to distributors and royalties to external developers.

**Research and Development** expenses primarily consist of salaries, bonuses and benefits for the company's developers. In addition, research and development expenses include outside services, as well as allocated facilities and other overhead costs. Costs associated with maintaining the company's computer software and associated infrastructure are expensed as incurred. Development costs that are directly attributable to the design and testing of the company's identifiable and unique games are recognized as intangible assets, and amortized within research and development expense over a 24-month period.

**Sales and Marketing** expenses primarily consist of user acquisition expenses and related software. Sales and marketing also includes salaries, bonuses, and benefits for the company's sales and marketing staff, as well as consulting fees. In addition, sales and marketing expenses include general marketing, branding, advertising and public relations costs.

**General and Administrative** expenses primarily consist of salaries, bonuses, and benefits for the company's executive, finance, legal, information technology, human resources and other administrative employees, as well as support staff. It also includes outside consulting, legal and accounting services, insurance as well as facilities and other overhead costs not allocated to other areas across the business. In addition, general and administrative expenses include all of the company's depreciation expenses.

## Use of key ratios not defined in IFRS

The G5 Group's accounts are prepared in accordance with IFRS. See page 13 for more information on accounting principles. Only a few key ratios are defined in IFRS. As of the second quarter 2017, G5 is applying the Alternative Performance Measures issued by ESMA (European Securities and Markets Authority). Briefly, an alternative key ratio is a financial measurement of historical or future earnings development, financial position or cash flow, not defined or specified in IFRS. To assist Group Management and other stakeholders in their analysis of the Group's performance, G5 is reporting certain key ratios not defined by IFRS. Group Management believes that this information will facilitate an analysis of the Group's performance. This data supplements the IFRS information and does not replace the key ratios defined in IFRS. G5's definitions of measurements not defined in IFRS may differ from definitions used by other companies. All of G5's definitions are included below.

**EBIT excluding costs for user acquisition** consists of reported EBIT adjusted for costs for user acquisition.

## Operational terms

**Monthly Active Users (MAU)** is the number of individuals who played a G5 game in a calendar month. An individual who plays two different games in the same month is counted as two MAUs. Numbers presented in the report are the average of the three months in any given quarter.

**Daily Active Users (DAU)** is the number of individuals who played a G5 game in a day. An individual who plays two different games in the day is counted as two DAUs. Numbers presented in the report are the average of the three months in any given quarter.

**Monthly Unique Payers (MUP)** is the number of individuals who made a payment in a G5 game at least once during a calendar month. An individual who pays in two G5 games is counted as one MUP. Numbers presented in the report are the average of the three months in any given quarter.

**Monthly Unique Users (MUU)** is the number of individuals who played a G5 game at least once during a calendar month. An individual who plays two different games during the month is counted as one MUU. Numbers presented in the report are the average of the three months in any given quarter.

**Monthly Average Gross Revenue Per Paying User (MAGRPPU)** is the average gross revenue received from a Monthly Unique Payer during a calendar month. MAGRPPU is calculated by dividing the gross revenue during the calendar month by the number of Monthly Unique Payers in the same calendar month. The numbers presented in the report are the average of the three months in any given quarter.

## Portfolio definitions

**Active Games** are the games G5 owns and is actively supporting through its development and marketing capacity.

**Licensed Games** are games that G5 license from 3rd party developers and thereby act as a publisher. Licensed games are not split into active and harvest games.

**Harvest Games** are games that G5 owns but are not profitable to run as active games. The games are technically supported by a central team.

## About G5 Entertainment

G5 Entertainment AB (publ) (G5) develops and publishes high quality free-to-play games for G5 Store, Apple App Store, Google Play, Microsoft Store, Amazon Appstore etc. The games are easy to learn and targeted at the widest audience of experienced and novice players. G5's portfolio includes a number of popular games like Jewels of Rome®, Sherlock Hidden Match-3 cases, Hidden City, Mahjong Journey®, Homicide Squad®, The Secret Society® Wordplay: Search Word Puzzle™ and Jewels of the Wild West™. G5 Entertainment AB (publ) is listed on Nasdaq Stockholm since 2014.

# **G5 Entertainment AB (publ)**

NYBROGATAN 6, 5TH FLOOR  
114 34 STOCKHOLM | SWEDEN

PHONE: +46 84 11111 5  
E-MAIL: [CONTACT@G5.COM](mailto:CONTACT@G5.COM)  
Org.nr. 556680-8878  
[WWW.G5.COM](http://WWW.G5.COM)

