



Press Release
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G5 ENTERTAINMENT ANNOUNCES A COST REDUCTION PROGRAM WITH THE AIM TO RIGHT-SIZE THE ORGANIZATION.

G5 Entertainment has launched a cost reduction program aimed at reducing the workforce to approximately 635 employees from approximately 815 employees before the program. The program will be executed during the second quarter of 2026. The annual savings from the staff reductions are estimated to be approximately 6.2 MSUD or 57 MSEK annualized. The cost for severance is estimated to be approximately 0.7 MUSD or 6.5 MSEK, a one-off expense that will impact the second quarter of 2026.

"In order to take the organization to the size that corresponds with the size of the business and to protect our margins, we made a difficult but necessary decision to reduce our staff by approximately 180 employees. This will create temporary expenses in Q2 but is essential for long-term financial health and focus. While this reduces the costs for the second half of the year, the continued decline of the revenue in combination with our intention to spend more on UA would still present a challenge for the profit margins in the foreseeable future. The performance of our two new games in development, and the level of support for Jewels and Sherlock games will determine the right size of the team going forward. We remain open to bring the team to the right size for the amount of work at hand depending on these decisions." - said Vlad Suglobov, CEO of G5 Entertainment.

The company does not foresee any significant margin improvements from the cost reduction program in the coming quarters. Annual savings will likely offset margin impact from declining revenue as well as increased investment in user acquisition to stabilize the game portfolio.

The cost reduction program will not impact the roadmap for the first half of 2026. Further reductions can occur tied to the performance of the company's initiatives in game development and support for active games.

This information is information that G5 Entertainment is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2026-05-06 06:50 CEST.

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About Us

About G5 Entertainment

G5 Entertainment AB (Publ) (G5) develops and publishes high quality free-to-play games for smartphones, tablets and personal computers that are family friendly, easy to learn, and targeted at the widest audience of both experienced and novice players. The company distributes its games through the G5 Store, Apple App store, Google Play, Amazon Appstore and Microsoft Store. The company's portfolio includes popular games like Jewels of Rome®, Sherlock: Hidden Match-3 Cases, Jewels of the Wild West®, Hidden City®, Mahjong Journey® and The Secret Society®.

Through its head entity G5 Entertainment AB (Publ), G5 Entertainment Group is publicly listed on Nasdaq Stockholm's main market mid cap segment under trade symbol G5EN.ST.

More information about G5 Entertainment can be found at: <https://corporate.g5.com>