



FLEXION

Flexion Mobile Plc

Q3 Report - 30 September 2025

FLEXION'S CORE DISTRIBUTION BUSINESS CONTINUES TO GROW REVENUE IN USD. TOTAL REVENUE IS DOWN DUE TO WEAKER THAN EXPECTED CONTRIBUTION FROM INFLUENCER MARKETING IN Q3.

July-September 2025 performance

- Total revenue decreased by 7% to GBP 16.5m (17.8m)*
- Distribution revenue increased by 2% in constant currency terms (USD)
- Total gross profit decreased by 54% to GBP 1.8m (3.9m)
- Adjusted EBITDA† decreased by 140% to GBP -0.6m (1.4m)
- Amortisation decreased to GBP 0.4m (1.7m)*
- Operating result amounted to GBP -0.7m (-0.6m)
- EPS amounted to GBP -1.60 pence (-2.12 pence)
- Operating cash flow amounted to GBP 0.8m (-0.8m)
- Cash and cash equivalents increased to GBP 13.7m (12.4m)‡

January-September 2025 performance

- Total revenue decreased by 6% to GBP 51.5m (54.6m)*
- Distribution revenue increased by 2% in constant currency terms (USD)
- Total gross profit decreased by 34% to GBP 7.4m (11.3m)
- Adjusted EBITDA† decreased by 97% to GBP 0.1m (3.9m)
- Operating result amounted to GBP -2.1m (-2.1m)

Important events during the quarter

- Launch of Realms of Pixel from NovaSonic Games PTE
- Launch of a Top 5 Grossing game
- Signing of Seaside Escape from Microfun

Important events after the quarter

- Strategic partnership entered into with Xsolla

* Comparative figures for the year-earlier period in brackets.

† The Group defines adjusted EBITDA as earnings before interest, tax, depreciation, amortisation, finance costs, impairment losses, foreign exchange gains/losses, corporate acquisitions costs, fair value gains/losses and other exceptional costs.

The total amortisation of GBP 372,662 (1,739,269) includes GBP 65,959 (1,455,112) related to game distribution rights, GBP 134,595 (131,172) related to Brand, GBP 56,977 (85,404) related to customer relationships, GBP 114,969 (67,581) related to capitalised development costs and GBP 163 (Nil) related to computer software.

‡ A net cash payment of GBP 0.4m was reserved in relation to a developer agreement. The amount has been accrued as a liability in the quarter-end balance sheet but is not reflected in the quarter-end cash balance.

Chairman's Statement

I am honoured to have joined the Board of Flexion as Chairman following the Annual General Meeting in June 2025. Over the past few months, I have had the privilege of working closely with Jens (CEO), Per (COO), Victor Horbach (GM of Distribution), Ross (CFO), and the rest of the Board as we refine and execute a clear and disciplined strategy for the company. We have a program in place, and we are working through it step by step. We have a plan, and now it is about focused execution — with our north star being the number of games on our platform. By the end of FY2026, we are targeting a portfolio of 50 games, representing a greater than 40% increase from today. This transformation will not be completed overnight, but management is aligned and being held accountable for consistent, measurable progress toward this goal.

The third quarter represented an important period of alignment and strategic recalibration for Flexion. We made key decisions to focus the company on building a more scalable platform and evolving our commercial model toward that of a true technology platform. With the ongoing opening of alternative app stores and new distribution models, our priority is to ensure that Flexion's offering is operationally efficient and commercially scalable — positioning us to serve a broader range of developers and partners globally.

By broadening our reach beyond the largest developers to include the broader universe of mobile games, we are positioning Flexion to serve a much larger total addressable market. This evolution enhances the scalability of our business, deepens our partner network, and strengthens our long-term strategic position in the mobile ecosystem.

Alongside this shift, we have refocused management's resources on driving forward the business while maintaining financial discipline. We have initiated a comprehensive review of our cost structure, with a focus on improving unit economics and reducing non-essential general and administrative expenditure. This disciplined approach will allow us to reinvest in areas that directly support our growth ambitions and the scalability of the platform.

We have also undertaken a fulsome review of our capital allocation strategy and Flexion's return on equity. As part of that process, we have examined ways to return capital to long-term shareholders — including through share buybacks and dividends — and will continue to assess these options into 2026 to ensure we have the appropriate toolkit in place to deliver value to our long term shareholders responsibly.

Our core distribution business continues to grow revenue in USD terms. However, Audiency is now a weaker-performing part of the business. We are taking a measured approach to cost management and refocusing within this segment. While this may impact top-line performance, we are putting greater emphasis on contribution margin in this business line. The management team has been active in Düsseldorf, and we expect to share more on this as we further dissect and optimise this business line in the quarters ahead.

Flexion's opportunity remains significant. The Board has therefore asked management to fully focus on operational execution and delivery against our strategic objectives. Accordingly, if shareholders have questions regarding the business, I will be the best point of contact and welcome direct engagement. We have a clear direction, a strong platform, and a management team committed to disciplined execution as we work to deliver sustainable long-term value for shareholders.

Andrew Shen
Chairman

Financial Development

JULY – SEPTEMBER 2025

REVENUE

Total revenue decreased by 7% year-on-year to GBP 16,529,286 (17,771,843), of which Distribution revenue was flat year-on-year at GBP 15,165,140 (15,158,305) and Marketing Services revenue which decreased by 47% to GBP 1,363,134 (2,591,877). The strengthening of GBP compared to USD and EUR has also negatively impacted the year-on-year growth numbers presented in GBP. In constant currency (USD), underlying Distribution revenue increased by 2% year-on-year.

Total revenue for the quarter decreased by 3% compared with the preceding quarter to GBP 16,529,286 (17,084,997) as per usual cyclical patterns.

GROSS PROFIT

Cost of sales increased by 6% year-on-year to GBP 14,740,228 (13,870,182).

Total gross profit decreased by 54% year-on-year to GBP 1,789,058 (3,901,661) of which Distribution gross profit decreased by 52% year-on-year to GBP 1,492,830 (3,079,727), mainly driven by the expected reduction in gross margin as a result of the contractual shift with our largest developer. Marketing Services gross profit decreased by 63% to GBP 295,216 (800,273).

Total gross profit margin decreased from 22% to 11% year-on-year, driven by a decrease in Distribution gross profit margin from 20% to 10% and a decrease in Marketing Services profit margin from 31% to 22%.

Total gross profit decreased by 28% to GBP 1,789,058 compared with the preceding quarter. Distribution gross profit decreased by 8% to GBP 1,492,830 and Marketing services decreased by 65% to GBP 295,216 compared with the preceding quarter. Total gross profit margin decreased from 15% to 11%, with Marketing services gross profit margin decreasing from 54% to 22% and Distribution gross profit margin remaining at 10% compared with the preceding quarter.

GENERAL AND ADMINISTRATIVE EXPENSES AND FAIR VALUE GAINS

The total headcount decreased by 11 year-on-year to 155 (166) of which, Distribution's headcount represented 105 (115) and Marketing service's headcount represented 50 (51). Adjusted staff cost for Distribution decreased by 4% from GBP 1,369,415 to GBP 1,309,618 and Marketing services staff cost increased by 19% from GBP 442,280 to GBP 527,799.

Group staff and contractor costs increased by 1% year-on-year to GBP 1,837,416 (1,811,694).

Other overheads decreased year-on-year to GBP 281,329 (900,498), mainly driven by a decrease in legal fees and consulting fees and favourable foreign exchange movement of GBP 91,339.

The total amortisation of GBP 372,662 (1,739,269) includes GBP 65,959 (1,455,112) related to game distribution rights, GBP 134,595 (131,172) related to Brand, GBP 56,977 (85,404) related to customer relationships, GBP 114,969 (67,581) related to capitalised development costs and GBP 163 (Nil) related to computer software.

As a result of these movements, total group general and administrative expenses decreased year-on-year by 44% to GBP 2,529,876 (4,483,806).

Total staff and contractor costs for Distribution increased by 1% compared with the preceding quarter. Staff costs for Marketing services, as reported in the KPI section, increased by 1% compared with the preceding quarter. Other overheads decreased by 61% to GBP 281,329 compared with the preceding quarter, driven by a favourable foreign exchange movement of GBP 255,773 and decreased UA costs of GBP 66,591.

ADJUSTED EBITDA AND NET EARNINGS

Adjusted EBITDA for the quarter amounted to GBP -550,718 (1,379,777) mainly driven by the expected reduction in gross margin as a result of the contractual shift with our largest developer. Operating result decreased to GBP -740,818 (-582,145) and the result after tax for this quarter amounted to GBP -709,805 (-710,529).

CASH FLOW

Operating cash flow was GBP 782,657 (-835,272), the difference being partly due to working capital timing effects on both trade payables and trade receivables. Net cash flow was GBP 748,157 (-1,345,106).

FINANCIAL POSITION

Cash amounted to GBP 13,658,940 (12,405,385) and there were no interest-bearing liabilities. During the quarter, cash increased by GBP 364,323. Trade and other receivables amounted to GBP 11,565,863 (10,297,491). Trade and other payables amounted to GBP 18,840,975 (14,971,020).

CHANGES IN THE NUMBER OF GAMES DURING THE QUARTER

The average monthly revenue for top-tier games past the ramp-up period decreased to USD 624,399 (700,719) compared to the preceding quarter and the number of top-tier games past ramp-up increased by 1 to 9 titles when compared to the preceding quarter.

The average monthly revenue for mid-tier games past ramp-up remained flat at USD 76,517 (76,762) compared to the preceding quarter and the number of mid-tier games past ramp-up increased by 3 to 13 titles.

During the quarter, the number of live top-tier games decreased to 9 titles. The number of live mid-tier games increased to 13 titles.

YTD 2025 vs YTD 2024

The first nine months of the financial year ending December 2025 showed a 6% decrease in total revenue, resulting in GBP 51,508,527 (54,610,421). Distribution revenue decreased 1% to GBP 46,626,090 (47,277,208) and Marketing services revenue decreased by 34% to GBP 4,854,555 (7,359,585). Gross profit decreased by 34% to GBP 7,431,929 (11,306,361) during the period. General and administrative expenses decreased by 29% to GBP 9,554,414 (13,369,110). Adjusted EBITDA decreased by 97% to GBP 104,791 (3,915,860). The result after tax improved to GBP -2,117,033 (-2,528,238).

Ross Logan
CFO

Other information

SEGMENTAL INFORMATION

DISTRIBUTION revenue

Flexion's focus is on growing its business by signing free-to-play games with In-App Purchases (IAP), integrating more channels and increasing the monetisation of existing games. IAP revenue is revenue receivable from end-user transactions where in-application items are sold within the games. Revenue represents revenue receivable by the company from end-user transactions involving the sale of in-application items managed by the Company less VAT, bad debt/refunds and discounts.

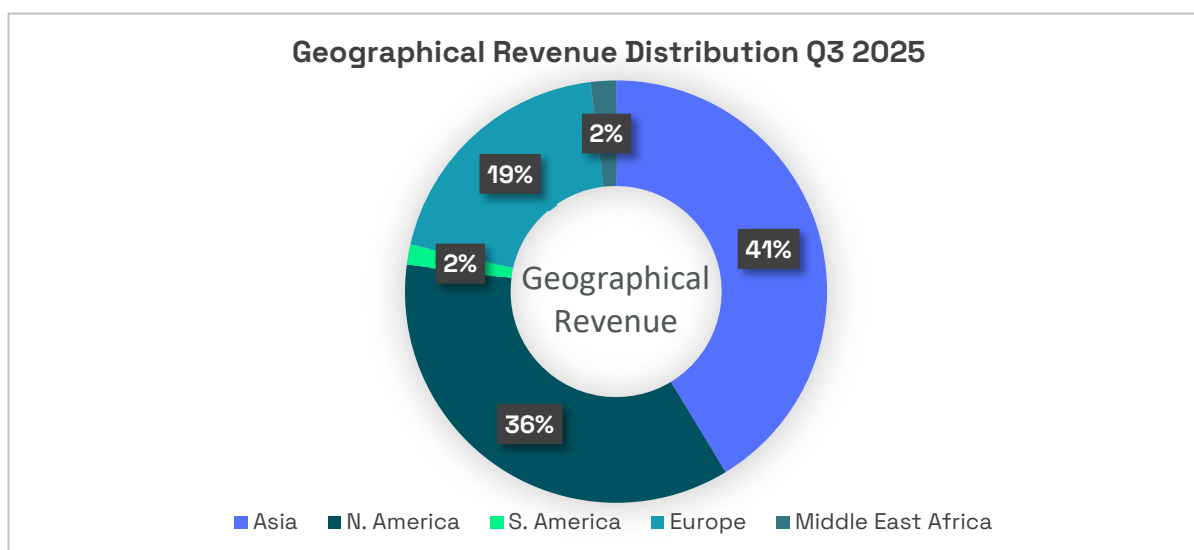
Non-IAP revenue includes revenue from integration fees and minimum guarantees and other revenue that is non-recurring. It includes recurring revenue share from in-game advertising, historical subscription revenue and legacy revenue.

MARKETING SERVICES revenue

Marketing services revenue includes all marketing campaigns generated as part of the influencer marketing service offered.

GEOGRAPHICAL revenue

The geographical breakdown of group revenue for the quarter ending 30 September 2025 is presented below.



The main market for group revenue during the quarter was Asia with 41% market share, followed by N. America with 36% market share. Europe accounted for 19%, Middle East and Africa for 2% and South America for 2%.

TIER-GAMES

On a quarterly basis, Flexion's Board of Directors defines and reviews the number of live top-tier and mid-tier games based on each game's revenue potential. The key factor is each game's actual performance (or overall Android performance if not yet launched by Flexion) compared to: i) a standard six-month revenue ramp-up period for each tier class; ii) the long-term minimum revenue requirement for each tier class (USD 140,000 per month for top-tier games and USD 40,000 per month for mid-tier games); iii) contractual terms that have an impact; and iv) any future events that could affect the revenue potential of a game. A game will be redefined if its performance over a period of six consecutive months, excluding the first three months after launch, does not qualify for a specific tier class. The number of tier games and their average revenue per month is reported in the Main KPI section.

REVIEW

This interim report has not been reviewed by the company's auditor.

NUMBER OF EMPLOYEES AND LONG-TERM CONTRACTORS

At the end of the reporting period the group had 155 employees and long-term contractors.

MATERIAL RISKS AND UNCERTAINTIES

The company's material risks and uncertainties include, but are not limited to, risks related to market, technology, contracts, regulatory requirements, key staff, financial requirements and counterparties. A detailed risk description of the Company is given in the audited financial statements for the year ended 31 December 2024.

FINANCIAL CALENDAR

Q4 report - 2025 financial year	31 Mar. 2026
Q1 report - 2026 financial year	20 May. 2026
Q2 report - 2026 financial year	28 Aug. 2026
Q3 report - 2026 financial year	18 Nov. 2026

CERTIFIED ADVISER

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FURTHER INFORMATION

For further information please visit the company's website: www.flexion.games

MAR PUBLISHING STATEMENT

This statement is information that Flexion Mobile Plc is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 8:00 am CET on 19 November 2025.

Financial reports in brief

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE QUARTERLY PERIOD ENDED 30 SEPTEMBER 2025

		QTD Sep-25 3 months Unaudited GBP	QTD Sep-24 3 months As reported*	QTD Sep-24 3 months Restated*	YTD Sep-25 9 months Unaudited GBP	YTD Sep-24 9 months As reported*	YTD Sep-24 9 months Restated*	FY Dec-24 12 months Audited GBP
	Notes							
Total revenue	3	16,529,286	17,771,843	17,576,971	51,508,527	54,610,421	54,704,640	76,754,313
Cost of sales		(14,740,228)	(13,870,182)	(13,870,182)	(44,076,598)	(43,304,060)	(42,971,098)	(62,850,071)
Total gross profit	4	1,789,058	3,901,661	3,706,789	7,431,929	11,306,361	11,733,542	13,904,242
General and administrative expenses	5	(2,529,876)	(4,483,806)	(4,550,671)	(9,554,414)	(13,369,110)	(13,532,392)	(20,586,461)
Adjusted EBITDA[‡]		(550,718)	1,379,777	1,190,811	104,791	3,915,860	4,340,939	4,233,932
Depreciation of tangible assets		38,469	32,345	32,345	118,854	97,768	97,768	166,022
Amortisation of intangible assets		372,662	1,739,269	1,739,269	2,415,257	5,097,399	5,097,399	6,831,568
Impairment losses		-	-	-	-	-	-	1,994,345
Foreign exchange loss / (gain)		(221,031)	(129,692)	(56,921)	(306,835)	(56,096)	105,084	326,048
Corporate acquisition related costs		-	-	-	-	-	-	-
Other exceptional costs		-	320,000	320,000	-	839,538	839,538	1,598,168
Fair value gains		-	-	-	-	-	-	3,653,668
Operating loss for the period		(740,818)	(582,145)	(843,882)	(2,122,485)	(2,062,749)	(1,798,850)	(3,028,551)
Finance income		54,521	-	61,889	157,284	-	137,379	208,360
Finance costs		(4,489)	(73,083)	(134,978)	(15,334)	(326,848)	(464,232)	(555,381)
Loss before tax for the period		(690,786)	(655,228)	(916,971)	(1,980,535)	(2,389,597)	(2,125,703)	(3,375,572)
Tax		(19,020)	(55,301)	(46,541)	(136,498)	(138,641)	(105,103)	641,733
Loss for the period		(709,806)	(710,529)	(963,512)	(2,117,033)	(2,528,238)	(2,230,806)	(2,733,839)
Other comprehensive income								
Foreign exchange differences		(197,855)	(482,251)	(105,730)	(191,860)	(583,376)	(266,232)	(162,976)
Total comprehensive loss for the period		(907,661)	(1,192,780)	(1,069,242)	(2,308,893)	(3,111,614)	(2,497,038)	(2,896,815)

[‡] The Group defines adjusted EBITDA as earnings before interest, tax, depreciation, amortisation, finance costs, impairment losses, foreign exchange gains/losses, corporate acquisitions costs, fair value gains/losses and other exceptional costs.

* The restatement relates to timing adjustments of revenue and costs made relating to the prior year as a result of information identified during the finalisation of the accounts.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2025

	Notes	Sep-25 Unaudited GBP	Sep-24 As reported* GBP	Sep-24 Restated* GBP	Dec-24 Audited GBP
Assets					
Non-current assets					
Property, plant and equipment	7	227,674	159,893	159,893	323,931
Intangible assets	8	13,011,816	17,593,671	17,593,671	14,782,601
Total non-current assets		13,239,490	17,753,564	17,753,564	15,106,532
Current assets					
Trade and other receivables	9	11,565,863	10,297,491	11,150,459	14,070,494
Cash and cash equivalents		13,658,940	12,405,385	12,404,914	13,112,701
Total current assets		25,224,803	22,702,876	23,555,373	27,183,195
Total assets		38,464,293	40,456,440	41,308,937	42,289,727
Equity and liabilities					
Equity					
Share capital		113,742	113,508	112,633	113,742
Share premium		17,374,546	17,373,671	17,374,546	17,374,546
Other reserves		5,405,504	4,780,831	5,078,210	5,552,889
Retained earnings		(5,019,052)	(2,708,594)	(2,460,924)	(2,914,196)
Total equity		17,874,740	19,559,416	20,104,465	20,126,981
Non-current liabilities					
Deferred Tax liabilities		1,506,466	2,224,386	2,193,155	1,576,025
Lease liabilities		147,632	62,064	62,064	217,363
Contingent consideration		-	-	3,284,773	-
Total non-current liabilities		1,654,098	2,286,450	5,539,992	1,793,388
Current liabilities					
Trade and other payables	10	18,840,975	14,971,020	15,309,693	20,248,582
Lease liabilities		94,480	93,395	93,401	120,776
Contingent consideration		-	3,546,160	261,387	-
Total current liabilities		18,935,455	18,610,575	15,664,481	20,369,358
Total liabilities		20,589,553	20,897,025	21,204,473	22,162,746
Total equity and liabilities		38,464,293	40,456,441	41,308,938	42,289,727

* The restatement relates to timing adjustments of revenue and costs made relating to the prior year as a result of information identified during the finalisation of the accounts.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE QUARTERLY PERIOD ENDED 30 SEPTEMBER 2025

	QTD Sep-25 3 months	QTD Sep-24 3 months	QTD Sep-24 3 months	YTD Sep-25 9 months	YTD Sep-24 9 months	YTD Sep-24 9 months	FY Dec-24 12 months
	Unaudited	As reported*	Restated*	Unaudited	As reported*	Restated*	Audited
Cash flow from operating activities							
Loss before tax for the period	(690,786)	(655,228)	(916,971)	(1,980,535)	(2,389,597)	(2,125,703)	(3,375,573)
Adjustments for:							
Foreign exchange losses	(221,031)	107,421	(56,921)	(306,835)	49,153	105,084	326,048
Impairment losses	-	-	-	-	-	-	1,994,345
Share based payments	13,532	54,357	50,105	30,872	183,433	179,181	225,213
Depreciation of tangible assets	38,469	32,345	32,345	118,854	97,768	97,768	166,022
Amortisation of intangible assets	372,662	1,739,269	1,739,269	2,415,257	5,097,399	5,097,399	6,831,568
Fair value gains	-	-	-	-	-	-	(3,653,668)
Interest expense	4,489	134,500	134,506	15,289	407,941	407,947	553,241
Working capital:							
Change in trade and other receivables	475,262	(133,149)	(34,194)	2,504,631	3,165,521	3,859,421	1,537,921
Change in trade and other payables	790,060	(2,114,787)	(1,769,580)	(1,645,188)	(4,133,799)	(5,148,714)	(554,351)
Net cash flow from operating activities	782,657	(835,272)	(821,441)	1,152,345	2,477,819	2,472,383	4,050,766
Cash flow from investing activities							
Expenditure on property, plant and equipment	-	1,209	-	(14,774)	4,252	(19,544)	(14,677)
Expenditure on intangible assets	-	(510,483)	(510,483)	(6,209)	(906,234)	(906,234)	(1,155,537)
Capitalised development cost	-	-	-	-	-	-	(354,049)
Net cash flow from investing activities	-	(509,274)	(510,483)	(20,983)	(901,982)	(925,778)	(1,524,263)
Cash flow from financing activities							
Issue of ordinary shares, net of issue costs	-	33,200	-	-	33,200	-	33,200
Payment of lease liabilities	(34,500)	(33,761)	(3,032)	(111,315)	(103,251)	(40,812)	(167,438)
Net cash flow from financing activities	(34,500)	(561)	(3,032)	(111,315)	(70,051)	(40,812)	(134,238)
Net change in cash and cash equivalents	748,157	(1,345,105)	(1,334,954)	1,020,048	1,505,787	1,505,794	2,392,266
Cash and cash equivalents at beginning of period	13,294,616	13,916,157	13,906,012	13,113,668	11,084,799	11,084,321	11,084,799
Effect of exchange rate fluctuations on cash held during the period	(383,833)	(165,667)	(166,144)	(474,776)	(185,201)	(185,201)	(364,364)
Cash and cash equivalents at end of period	13,658,940	12,405,385	12,404,914	13,658,940	12,405,385	12,404,914	13,112,701

* The restatement relates to timing adjustments of revenue and costs made relating to the prior year as a result of information identified during the finalisation of the accounts.

FLEXION

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 30 SEPTEMBER 2025

	Share capital	Share premium	Share based payment reserve	Foreign currency translation reserve	Merger reserve	Retained earnings	Total
	GBP	GBP	GBP	GBP	GBP	GBP	GBP
Balance at 1 January 2024	112,467	17,341,512	816,935	375,824	3,992,894	(180,356)	22,459,276
Adjustments to opening retained earnings	-	-	-	(13,207)	-	(49,762)	(62,969)
Loss for the period	-	-	-	(266,232)	-	(2,230,806)	(2,497,038)
Total comprehensive income	112,467	17,341,512	816,935	96,385	3,992,894	(2,460,924)	19,899,269
Transactions with owners, recorded directly in equity							
Share based payments	166	33,034	179,181	-	-	-	212,381
Deferred tax on share options	-	-	(7,185)	-	-	-	(7,185)
Issue of share capital	-	-	-	-	-	-	-
Balance at 30 September 2024 Restated*	112,633	17,374,546	988,931	96,385	3,992,894	(2,460,924)	20,104,465
Balance at 1 January 2025	113,742	17,374,546	1,031,912	212,848	4,308,128	(2,914,196)	20,126,980
Adjustments to opening retained earnings	-	-	-	15,572	-	12,177	27,749
Loss for the period	-	-	-	(191,860)	-	(2,117,033)	(2,308,893)
Total comprehensive income	113,742	17,374,546	1,031,912	36,560	4,308,128	(5,019,052)	17,845,836
Transactions with owners, recorded directly in equity							
Share based payments	-	-	30,872	-	-	-	30,872
Deferred tax on share options	-	-	(1,968)	-	-	-	(1,968)
Issue of share capital	-	-	-	-	-	-	-
Balance at 30 September 2025	113,742	17,374,546	1,060,816	36,560	4,308,128	(5,019,052)	17,874,740

* The restatement relates to timing adjustments of revenue and costs made relating to the prior year as a result of information identified during the finalisation of the accounts.

Notes

1. BASIS OF PREPARATION

The condensed financial statements for the three months ended 30 September 2025 have not been prepared in accordance with IAS 34 Interim Financial Reporting. The annual financial statements of the Group are prepared in accordance with applicable UK law and UK-adopted international accounting standards and as applied in accordance with the provisions of the Companies Act 2006. The Company's offices are in London and the registered number of Flexion Mobile is 04306881. The interim condensed consolidated financial statements are presented in GBP and have been prepared using historical cost accounting. After making appropriate enquiries, the directors have a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. For these reasons, the board of directors continue to adopt the going concern basis in preparing the interim reports.

The financial information presented herein does not constitute full statutory accounts under Section 434 of the Companies Act 2006 and was not subject to a review by the auditors. The financial information in respect of for the 6-months ended 30 September 2025 is unaudited.

The interim report does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's financial statements for the year ended 31 December 2024.

2. SIGNIFICANT ACCOUNTING POLICIES

Except where disclosed below, the accounting policies adopted in the preparation of the interim condensed financial statements for the Group are consistent with those followed in the preparation of the Company's annual financial statements for the year ended 31 December 2024. The accounting policies applied herein are consistent with those expected to be applied in the annual financial statements for the year ended 31 December 2025. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

3. REVENUE

Revenue disclosed in the statement of profit or loss is analysed as follows:

	Sep-25	Sep-24	Sep-24
	Unaudited	As reported	Restated
Revenue breakdown			
IAP Revenue	15,165,140	15,158,305	14,963,598
Non-IAP Revenue	1,012	21,661	21,661
Marketing services	1,363,134	2,591,877	2,591,712
Total Revenue	16,529,286	17,771,843	17,576,971

4. GROSS PROFIT

Gross profit disclosed in the statement of profit and loss is analysed as follows:

	Sep-25	Sep-24	Sep-24
	Unaudited	As reported	Restated
Gross profit breakdown			
IAP gross profit	1,492,830	3,079,727	2,885,019
Non-IAP Revenue	1,012	21,661	21,661
Marketing services	295,216	800,273	800,109
Total gross profit	1,789,058	3,901,661	3,706,789

5. GENERAL AND ADMINISTRATIVE EXPENSES

General and administrative expenses disclosed in the statement of profit or loss is analysed as follows:

	Sep-25	Sep-24	Sep-24
	Unaudited	As reported	Restated
General and administrative expenses			
Staff and contractor costs	1,837,416	1,811,694	1,900,988
Depreciation	38,469	32,345	32,345
Amortisation	372,662	1,739,269	1,739,269
Other overheads	281,329	900,498	878,069
Total	2,529,876	4,483,806	4,550,671

6. RELATED PARTY TRANSACTIONS

The Company is not aware of any significant related party transactions during the quarter excluding PDMR share transactions which are reported separately on the Company's website.

7. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment comprises of office equipment and right-to-use assets according to below carrying value analysis:

	Sep-25	Sep-24	Sep-24
	Unaudited	As reported	Restated
Property, plant and equipment			
Office Equipment	7,185	8,180	8,180
Leasehold improvements	2,137	4,468	4,468
Right-to-use assets	218,352	147,245	147,245
Total	227,674	159,893	159,893

In the third quarter for the year ending 31 December 2025 depreciation for property, plant equipment amounted to GBP 38,469.

8. INTANGIBLE ASSETS

Intangible assets comprise of goodwill, capitalised development costs for internally generated software, game distribution rights, computer software, customer relationships and brand according to below carrying value analysis:

	Sep-25	Sep-24	Sep-24
	Unaudited	As reported	Restated
Intangible asset			
Goodwill	7,745,320	7,407,159	7,407,159
Capitalised development costs	450,210	425,815	425,815
Game distribution rights	65,958	3,618,581	3,618,581
Computer software	6,168	-	-
Customer relationships	1,219,862	2,259,647	2,259,647
Brand	3,524,298	3,882,469	3,882,469
Total	13,011,816	17,593,671	17,593,671

In the third quarter for the year ending 31 December 2025 amortisation amounted to GBP 372,662.

9. TRADE AND OTHER RECEIVABLES

	Sep-25	Sep-24	Sep-24
	Unaudited	As reported	Restated
Trade receivables	1,358,127	1,858,392	1,850,346
Other receivables	2,492,205	(312,516)	1,200,460
Prepayments and accrued income	7,715,531	8,751,615	8,099,653
Trade and other receivables	11,565,863	10,297,491	11,150,459

10. TRADE AND OTHER PAYABLES

	Sep-25	Sep-24	Sep-24
	Unaudited	As reported	Restated
Trade payables	5,383,383	2,897,139	3,267,941
Social security and other taxes	(232,565)	(125,910)	(119,302)
Accrued expenses	11,872,083	10,070,450	10,238,714
Other payables	1,818,074	2,105,790	1,918,837
Corporate tax payable	-	23,551	3,503
Trade and other payables	18,840,975	14,971,020	15,309,693

The Flexion share

THE SHARE

The share was listed in Nasdaq First North on 13 June 2018 under the trading symbol (ticker) FLEXM.

OWNERSHIP TABLE

Top 10 shareholders as of 30 September 2025	N. of shares and votes	%	Aggregated %
LLC Pershing	11,342,667	19.9%	20%
Morgan Stanley Smith Barney LLC	4,696,622	8.3%	28%
Palmstierna Invest AB	3,465,780	6.1%	34%
The Bank Of New York Mellon Sa/nv	2,376,889	4.2%	38%
Clearstream Banking S.A.	2,243,508	3.9%	42%
S2 Capital L.P.	2,237,899	3.9%	46%
IBRK Financial Services AG	1,824,899	3.2%	50%
Fredrik Palmstierna	1,803,000	3.2%	53%
Without Bank Julius Baer & co LTD	1,604,000	2.8%	56%
The Bank Of New York Mellon	1,581,512	2.8%	58%
Other shareholders	23,694,089	41.7%	100%
Total number of shares	56,870,865	100%	

	QTD Sep-25 Unaudited 3 months	QTD Sep-24 As reported 3 months	QTD Sep-24 Restated 3 months	FY Dec-24 Audited 12 months
Number of shares at period end (adjusted for share split and bonus issue)	56,870,865	56,316,265	56,316,265	56,870,865
Amount of weighted average shares outstanding for the period (adjusted for share split and bonus issue)	56,870,865	56,238,950	56,238,950	56,303,934
Profit / (Loss) per share				
– basic attributable to ordinary equity holders of the parent (pence) °	(1.60)	(2.12)	(1.90)	(5.14)
– diluted, attributable to ordinary equity holders of the parent (pence) °	(1.60)	(2.12)	(1.90)	(5.14)

° Basic and diluted earnings are considered the same where a loss has been incurred. The effect of outstanding share options and warrants is considered anti-dilutive and is ignored for the purpose of the loss per share calculation. The adjusted share options outstanding as at 30 September 2025 totalled 3,283,412 (2,936,485) and are potentially dilutive.

Main KPI numbers

SUMMARY OF THE COMPANY'S KEY PERFORMANCE INDICATORS

		QTD Sep-25 3 months	QTD Jun-25 3 months	QTD Mar-25 3 months	QTD Dec-24 3 months	QTD Sep-24 3 months
Top-tier games pending launch	No.	0	2	0	2	1
Mid-tier games pending launch	No.	1	0	0	2	0
Total top-tier games live	No.	9	10	10	9	11
Total mid-tier games live	No.	13	12	15	12	15
Top-tier games average monthly gross revenue	USD	624,399	700,719	702,229	921,718	535,890
Number of games live past ramp-up period	No.	9	8	8	7	11
Mid-tier games average monthly gross revenue	USD	76,517	76,762	64,385	55,396	38,272
Number of games live past ramp-up period	No.	13	10	13	10	10
Total number of games	No.	36	34	34	30	30
Total revenue growth - YoY	%	(7%)	(5%)	(7%)	(7%)	20%
Total revenue growth - QoQ	%	(3%)	(5%)	(18%)	23%	0%
IAP gross profit growth - YoY	%	(52%)	(50%)	(21%)	(15%)	51%
IAP gross profit growth - QoQ	%	(8%)	(36%)	(10%)	(9%)	1%
IAP gross profit margin	%	9.8%	10.4%	16%	(15.6%)	20.3%
Total gross profit margin	%	10.8%	14.5%	17.7%	(16.5%)	22%
Adjusted EBITDA margin	%	(3.3%)	(0.3%)	3.9%	(6%)	7.8%
Operating (loss) / profit margin	%	(4.5%)	(2.6%)	(5.2%)	(0.4%)	3.3%
Average monthly operational cashflow	GBP	(334,563)	(385,041)	536,872	453,652	(314,231)
Headcount for Distribution services	No.	105	106	112	113	115
Headcount for Marketing services	No.	50	49	51	50	51
Adjusted staff cost for Distribution services	GBP	1,309,618	1,302,172	1,368,196	1,354,901	1,369,415
Staff cost for Marketing services	GBP	527,799	522,940	491,715	483,271	442,280
Number of shares at period end	No.	56,870,865	56,870,865	56,870,865	56,870,865	56,316,265
Amount of weighted average shares outstanding for period	No.	56,870,865	56,870,865	56,870,865	56,360,329	56,238,950
Loss per share (pence)	GBPp	(1.60)	(0.58)	(1.88)	(1.62)	(2.12)

DEFINITIONS

Number of top-tier games pending launch	Number of games generating at least USD 140,000 per month for which a contract has been signed but which are not live yet.
Number of mid-tier games pending launch	Number of games generating at least USD 40,000 per month for which a contract has been signed but which are not live yet. Minor games that are part of multi-games distribution contracts are also classified as mid-tier games.
Number of total top-tier games live	Number of games generating at least USD 140,000 per month, live in at least one of our distribution channels, including games in ramp-up period.
Number of total mid-tier games live	Number of games generating at least USD 40,000 per month, live in at least one of our distribution channels, including games in ramp-up period. Minor games that are part of multi-games distribution contracts are also classified as mid-tier games.
Average monthly gross revenue	Average monthly IAP revenue generated over the quarter - excluding games in initial six months ramp-up period and games not qualifying as tier games. Average number based on sales data and excluding settlement reconciliation adjustments.
Ramp-up period	Six-month period from launch date to reach a stable revenue inflow level.
Growth rates - YoY	Rates measured to the comparable period in the previous financial year.
Growth rates - QoQ	Rates measured to the comparable period in the previous quarter.
IAP gross profit margin	IAP revenue gross profit to total revenue.
Total gross profit margin	Total revenue (IAP and non-IAP) gross profit to total revenue (IAP and non-IAP).
Adjusted EBITDA margin	Adjusted EBITDA to total revenue (IAP and non-IAP).
Operating profit / (loss) margin	Operating profit/(loss) to total revenue (IAP and non-IAP).
Average monthly operational cashflow	Average operational cashflow (excl. effects of exchange rate fluctuations on cash held) divided by number of months in the measured period.
Headcount	Number of all staff plus all long-term contractors as at the end of the period.
Adjusted staff cost	Total cost of all staff and long-term contractors before any deduction for capitalised development cost.
Number of shares at period end	Number of shares at period end adjusted for share split and bonus issue.
Amount of weighted average shares outstanding for the period	Amount of weighted average shares outstanding for period, adjusted for share split and bonus issue.
Profit/(Loss) per share (pence)	Basic and diluted earnings are considered the same where a loss has been incurred. The effect of outstanding share options and warrants is considered anti-dilutive and ignored in the calculation