

STARBREEZE

ENTERTAINMENT

Q2

Interim Report

April – June 2025



Second quarter 2025

- Net sales amounted to SEK 53.8 million (40.2). PAYDAY 2 accounted for SEK 8.0 million (9.2). PAYDAY 3 accounted for SEK 17.7 million (22.0). Third-party publishing accounted for SEK 6.7 million (8.8). Work-for-hire accounted for SEK 19.6 million (0).
- EBITDA* amounted to SEK 5.9 million (8.1). Taking into account items affecting comparability for the current period, EBITDA amounted to SEK 13.3 million.
- Cash flow from operating activities amounted to SEK 39.2 million (2.7).
- Depreciation, amortization and impairment amounted to SEK 30.8 million (78.9).
- Profit/loss before taxes amounted to SEK -25.4 million (-70.6).
- Basic and diluted earnings per share amounted to -0.02 SEK (-0.05).

The period January-June 2025

- Net sales amounted to SEK 121.5 million (96.8). PAYDAY 2 accounted for SEK 20.4 million (20.1). PAYDAY 3 accounted for SEK 50.8 million (45.3). Third-party publishing accounted for SEK 10.1 million (26.2). Work-for-hire accounted for SEK 37.2 million (0).
- EBITDA* amounted to SEK 21.6 million (56.6). Taking into account items affecting comparability for the current period and the comparative period, EBITDA amounted to SEK 42.5 million (36.7).
- Cash flow from operating activities amounted to SEK 27.4 million (81.1).
- Depreciation, amortization and impairment amounted to SEK 75.3 million (150.7).
- Profit/loss before tax amounted to SEK -54.9 million (-91.5).
- Basic and diluted earnings per share amounted to -0.03 SEK (-0.06).
- Cash and cash equivalents amounted to SEK 156.4 million (334.6).

Significant events during and after the quarter

- On May 6, Starbreeze entered into an agreement for the publishing rights for PAYDAY™ 3 and carried out a private placement.
- On May 15, the Starbreeze Annual General Meeting 2025 was held.
- On May 22, 'Out of Sight' launched on PC, console and VR platforms
- On May 26, 'Party Powder' was launched for PAYDAY™ 3, a DLC with a new heist, content, functionality and improvements.
- On May 27, Roboquest launched on PlayStation® 5 and 4.
- On June 25, 'Smash & Grab' was launched for PAYDAY™ 3, a DLC with new game mode, content, functionality and improvements.

KEY FIGURES	2025	2024	2025	2024	2024
SEKk	Q2	Q2	JAN-JUN	JAN-JUN	JAN-DEC
Net sales	53,784	40,198	121,457	96,808	185,851
EBITDA*	5,935	8,066	21,627	56,563	97,644
Profit (-loss) before tax	-25,437	-70,555	-54,885	-91,523	-317,667
Earnings per share, SEK	-0.02	-0.05	-0.03	-0.06	-0.22
Cash flow from operations	39,152	2,722	27,442	81,104	64,870
Net sales per employee	338	209	736	504	983

*For definitions of performance measures, see page 24

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CEO's message

Sharper Focus, Stronger Future

During the second quarter we have taken important steps and achieved continued progress on our journey to strengthen Starbreeze. Our strategic focus on the PAYDAY franchise, proactive organizational changes, and emphasis on sustainable growth have started bearing fruit, guiding us on our path towards becoming an agile, profitable, and a proven leader in building and sustaining world-class IP.

FINANCIAL PERFORMANCE

Our revenue in the quarter was robust, driven by strategic promotional activities and increased player engagement with the PAYDAY franchise. Combined with our work-for-hire-collaboration with KRAFTON to bring PAYDAY to PUBG, this contributed to revenue growth and demonstrated the enduring appeal of our core franchise. Notably, our focused approach on enhancing player experience in PAYDAY 3 continues to show incremental improvements in both player numbers and community sentiment – vital

indicators for long-term franchise growth.

STREAMLINING OUR FOCUS

During the quarter, we published two significant titles within our third-party publishing division: Roboquest on PlayStation®4 & 5 and Out of Sight across multiple platforms including Steam, Nintendo Switch, and VR. The global games market is more competitive than ever, with thousands of new releases each year. Third-party publishing demands substantial resources but delivers limited impact compared to our core franchises.

With the global games market becoming increasingly crowded, successfully reaching and resonating with the intended audience requires a blend of expertise, timing, and often a degree of luck. Crucially, it highlights the tremendous value of having an established and beloved IP like PAYDAY to consistently break through the noise. And it invariably takes a lot of time and resources. Going forward,

we have decided to refocus our ambitions on PAYDAY, our own internal projects and work-for-hire, sharpening operational clarity and ensuring optimal use of our internal resources.

CULTURE, PEOPLE & ORGANIZATION

This quarter marked significant steps in simplifying our organizational structure, enhancing transparency, and empowering faster decision-making. Core studio functions now report directly to the CEO, aimed to streamline operations and align our internal processes closely with strategic priorities. We have established three dedicated teams running PAYDAY, our work-for-hire projects, and Baxter. These are now fully accountable for their respective financial performance, fostering a culture of ownership, agility, and creativity throughout the organization.



ELEVATING PAYDAY

We remain deeply committed to the continuous improvement and evolution of PAYDAY 3. The recent introduction of the game mode “Smash & Grab” exemplifies our approach of reducing complexity in onboarding while enhancing gameplay dynamics for all players. Our community has responded positively.

To continue to drive both the franchise and PAYDAY 3's transformation, we have hired a new franchise lead who joined us in August and are expanding the PAYDAY 3 development team. This strategic addition reinforces our ambitions for the franchise; emphasizing meaningful content, increasing replayability, and major improvements to onboarding, progression, and game systems will be our focus for the remainder of the year. By prioritizing player feedback, we aim to significantly increase engagement and ensure PAYDAY continues to deliver exceptional value.

PARTNERSHIPS & BRAND EXTENSION

Leveraging the full potential of the PAYDAY IP continues to be a key strategic priority. Our PUBG project continues to perform ahead of expectations and stands as a testament to the strength of our internal development capabilities. During the quarter, it was our single largest revenue contributor, demonstrating both commercial viability and production excellence. With a seasoned team in place and strong operational execution, it showcases our ability to deliver high-quality original content alongside our flagship franchises.

PROJECT BAXTER

Creative development on Baxter took an exciting step forward this quarter with the launch of our “Game Masters” program. These small-group tests are helping us explore player agency and validate the unique gameplay dynamics that set Baxter apart. By incorporating structured feedback loops directly into

development, we're building momentum toward a distinctive and compelling fantasy co-op experience. Early reactions are promising and reaffirm our commitment to delivering something truly special – in a space where we see a clear market gap for a game like ours.

CLOSING REMARKS

This quarter's steps represent deliberate choices to enhance efficiency, focus, and profitability. Our refined organizational structure, clear strategic priorities, and commitment to delivering engaging gaming experiences position us strongly for sustainable success. I remain confident in our direction and deeply appreciative of the team's relentless passion, creativity, and determination.

Together, we're building a Starbreeze poised for long-term success, growth and sustainability.

ADOLF KRISTJANSSON, CEO



Significant events during the quarter

Starbreeze enters into an agreement on publishing rights for PAYDAY™ 3 and carries out a private placement of Class B shares for SEK 33 million

Starbreeze has entered into an agreement with PLAION, allowing Starbreeze to fully acquire the publishing rights for PAYDAY 3 from PLAION. In connection with this and within the framework of the authorization from the Annual General Meeting on May 15, 2024, Starbreeze's Board of Directors has decided to carry out a private placement of 147,676,204 Class B shares, corresponding to approximately SEK 33 million. The subscription price for the Private Placement was set at SEK 0.2235 per share. The Private Placement has been subscribed for by PLAION's parent company Embracer Group AB (publ). [Read more here.](#)

Annual General Meeting 2025

On May 15, the Starbreeze Annual General Meeting 2025 was held. Among other things, Jürgen Goeldner was re-elected as chairman, and Michael Hjorth, Stefano Salbe and Cecilia Tosting were newly elected. [Read more here.](#)

“Out of Sight” was launched

On May 22, 'Out of Sight' was launched on PC, console and VR platforms. [Read more here.](#)

“Party Powder” DLC was launched to PAYDAY™ 3.

On May 26, 'Party Powder' was launched for PAYDAY™ 3, a DLC with a new heist, content, functionality and improvements. [Read more here.](#)

Roboquest was launched on PlayStation® 5 and 4

On May 27, Roboquest launched on PlayStation® 5 and 4. [Read more here.](#)

“Smash & Grab” DLC was launched for PAYDAY™ 3

On June 25, 'Smash & Grab' was launched for PAYDAY™ 3, a DLC with new game mode, content, functionality and improvements. [Read more here.](#)

Significant events after the quarter

No significant events after the quarter.





Net sales and
earnings

02

Net sales and earnings

For net sales and earnings, the comparative period refers to the corresponding period of the previous year.

Second quarter 2025

Net sales

Net sales for the quarter amounted to SEK 53.8 million (40.2). Game sales amounted to SEK 26.1 million (31.4), Third-party publishing amounted to SEK 6.7 million (8.8) and Licensing deals to SEK 1.4 million (0.0). Other revenue amounted to SEK 19.6 million (0.0) and relates to work-for-hire.

Starbreeze's reported revenue attributable to PAYDAY 3 amounted to SEK 17.7 million (22.0). All revenue is related to the platforms Steam, Xbox Game Pass, Xbox X|S, Playstation 5, and Epic Games Store. Sales consist of sales of different editions of the base game, license versions, and sales of DLC.

PAYDAY 2 sales amounted to SEK 8.0 million (9.2) and relate to sales via Steam, Epic Games Store, and console platforms.

Costs

Direct costs amounted to SEK 49.7 million (82.8) and consist of costs related to game production and game development. Direct costs include amortization of intangible assets of SEK 27.2 million (74.1), server costs of SEK 2.2 million (4.8) and revenue sharing linked to third-

party publishing of SEK 3.3 million (4.0). Costs related to Work-for-hire amount to SEK 7.3 million (0).

Capitalized development expenditure reduced direct costs by SEK 39.8 million (50.7) and relates to the games PAYDAY 3, Baxter, and development of new IPs.

Sales and marketing costs amounted to SEK 12.9 million (9.3) and relate to market activities and personnel costs.

Administrative expenses during the quarter amounted to SEK 16.5 million (16.7) and relate to, among other things, expenses linked to offices, salaries to personnel who do not work in game production or marketing, and other external costs.

Administrative expenses include depreciation of SEK 3.6 million (4.7). Capitalized development expenditure reduced administrative expenses by SEK 8.3 million (10.0) and relates to the games PAYDAY 3, Baxter, and other IPs.

Other revenue amounted to SEK 1.8 million (-2.1).

Other costs amounted to SEK 1.3 million (0) and relate to exchange rate effects relating to the revaluation of assets and liabilities in foreign currency. In the comparative period, the company had positive currency effects and they are recorded under other income.

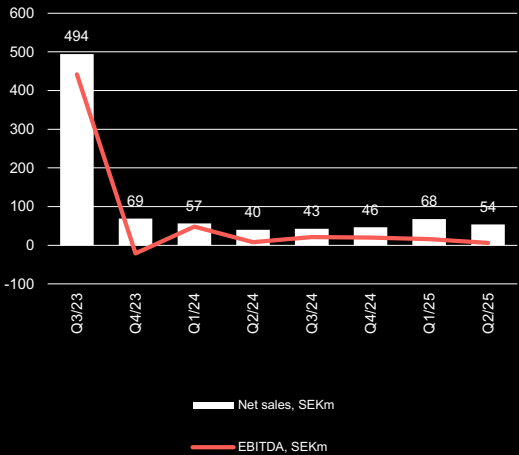
Earnings

Operating profit before depreciation, amortization and impairment, (EBITDA), amounted to SEK 5.9 million (8.1).

Net sales and earnings

SEKk	2025 Q2	2024 Q2	2025 JAN-JUN	2024 JAN-JUN
Net sales	53,784	40,198	121,457	96,808
EBITDA *	5,935	8,066	21,627	56,563
Profit (-loss) before tax	-25,437	-70,555	-54,885	-91,523
Net profit (-loss) for the period	-26,044	-70,705	-52,414	-91,728
Earnings per share, SEK	-0.02	-0.05	-0.03	-0.06
Net sales growth, %	33.8	-7.0	25.5	38.5
EBITDA margin, %	11.0	20.1	17.8	58.4

*See page 24 for the definitions of key figures



Taking into account items affecting comparability for the current period, EBITDA amounted to SEK 13.3 million.

Net financial income/expense

Net financial income/expense amounted to SEK -0.6 million (0.3).

During the quarter, interest expenses on lease liabilities of SEK -0.6 million (-0.6) were charged to net financial income/expense.

Profit/loss before taxes and profit/loss for the quarter

Profit/loss before taxes amounted to SEK -25.4 million (-70.6).

Profit/loss amounted to SEK -26.0 million (-70.7).

Basic and diluted earnings per share amounted to -0.02 SEK (-0.05).

The period January–June 2025

Net sales

Net sales for the period amounted to SEK 121.5 million (96.8). Game sales amounted to SEK 71.6 million (65.7), Third-party publishing amounted to SEK 10.1 million (26.2) and Licensing deals to SEK 2.5 million (0.5). Other revenue amounted to SEK 37.2 million (4.4) and relates to work-for-hire.

Starbreeze's reported sales attributable to PAYDAY 3 amounted to SEK 50.8 million (45.3). In February, PAYDAY 3 was game of the month on PlayStation Plus, which partly explains the increase in revenue. All revenue is related to the platforms Steam, Xbox Game Pass, Xbox X|S, Playstation 5, and Epic Games Store. Sales consist of sales of different editions of the base game, license versions, and sales of DLC.

PAYDAY 2 sales amounted to SEK 20.4 million (20.1) and relate to sales via Steam, Epic Games Store, and console platforms.

Costs

Direct costs amounted to SEK 94.9 million (169.3) and consist of costs linked to game production and game development. Direct costs include amortization of intangible assets of SEK 51.2 million (142.0), server costs of SEK 5.8 million (11.3) and revenue sharing linked to third-party publishing of SEK 5.1 million (14.3). Expenses related to Work-for-hire amounted to 15.1 (0).

Capitalized development expenditure has reduced direct costs by SEK 76,6 million (86.0) and relates to the games PAYDAY 3, Baxter, and development of new IPs.

Sales and marketing costs amounted to SEK 21,3 million (16.8) and relate to market activities and personnel costs.

Administrative expenses during the period amounted to SEK 45.6 million (12.0). Adjusted for items affecting comparability, the administrative expense for the corresponding period last year amounted to 29.7, Administrative expenses for the corresponding period of the preceding year amounted to SEK 29.7 million. The costs relate in part to costs linked to offices, salaries to personnel not working in game production or marketing, as well as other external costs. The increased costs are mainly due to increased depreciation of SEK 15.4 million relating to the company's previous office, for which the contract was terminated during the period.

Administrative expenses include depreciation of SEK 24,1 million (8.7). Capitalized development expenditure reduced administrative expenses by SEK 17,0 million (19.4) and relates to the games PAYDAY 3, Baxter, and other IP.

Other revenue amounted to SEK 1.8 million (7.1).

Specification of net financial income/expenses

SEKk	2025 Q2	2024 Q2	2025 JAN-JUN	2024 JAN-JUN
Net profit (-loss) from StarVR Corp.	-	12	-	1,358
Interest bank	-0	884	25	1,923
Interest on lease liability	-570	-602	-1,222	-634
Other items	-24	-19	-25	-19
Total	-594	275	-1,222	2,627

Other costs amounted to SEK -15.2 million (0) and relate to exchange rate effects relating to the revaluation of assets and liabilities denominated in foreign currencies. In the comparative period, the company had positive currency effects and they are recorded under other income.

Earnings

Operating profit before depreciation, amortization and impairment (EBITDA), amounted to SEK 21.6 million (56.6). Taking into account items affecting comparability for the current period and the comparison period, EBITDA amounted to SEK 42.5 million (36.7).

Net financial income/expense

Net financial income/expense amounted to SEK 1.2 million (2.6).

During the period, interest expenses on lease liabilities of SEK 1.2 million (-0.6) were charged to net financial income/expense.

Profit before tax and net profit

Profit/loss before tax amounted to SEK -54.9 million (-91.5).

Profit/loss amounted to SEK -52.4 million (-91.7).

Basic and diluted earnings per share amounted to -0.03 SEK (-0.06).



Other financial
information



03

Other financial information

For financial information, the comparative period refers to the corresponding period of the previous year.

Second quarter 2025

Cash flow

Cash flow from operating activities before changes in working capital amounted to SEK 4.8 million (-13.6) with negative operating profit amounting to SEK -24.8 million (-70.8) and adjustments for items not included in cash flow amounting to SEK 30.6 million (57.3). Adjustments for items not included in cash flow consist of the depreciation of assets of SEK 30.8 million (78.9) and exchange rate effects of SEK -0.1 million (0.4).

Cash flow from operating activities after changes in working capital amounted to SEK 39.2 million (2.7). Working capital is positively affected by settled receivables linked to PAYDAY 3.

Cash flow from investing activities amounted to SEK -51.6 million (-68.1), of which investments in proprietary game development accounted for SEK -48.6 million (-65.1). During the period, the Group's investments in property, plant and equipment amounted to SEK -2.4 million (-0.5).

Cash flow from financing activities amounted to SEK 38.6 million (12.8) and is a result of the game financing received for the development of DLC for PAYDAY 3 of SEK 11.2 million (17.5). Outstanding accounts receivable linked to PAYDAY 3 amount to SEK 17.9 (12.4) million. Leasing expenses amounted to SEK -5.6 million (-4.7). During the quarter, the company conducted a directed new share issue, which generated proceeds of SEK 33 million.

Total cash flow for the quarter was SEK 26.2 million (-52.6). Cash and cash equivalents at the end of the quarter amounted to SEK 156.4 million (334.6).

Cash and cash equivalents as of June 30 2025

SEK 156.4m

The period January - June 2025

Cash flow

Cash flow from operating activities before changes in working capital amounted to SEK 21.1 million (26.8) with negative operating profit amounting to SEK -53.7 million (-94.2) and adjustments for items not included in cash flow amounting to SEK 75.1 million (119.7). Adjustments for items not included in cash flow consist of the depreciation of assets of SEK 75.8 million (150.7) and exchange rate effects of SEK -0.1 million (-4.7).

Cash flow from operating activities after changes in working capital amounted to SEK 27.4 million (81.1). Working capital is positively affected by settled receivables linked to PAYDAY 3.

Cash flow from investing activities amounted to SEK -105.0 million (-117.1), of which investments in proprietary game development amounted to SEK -94.6 million (-115.0). During the period, the Group's investments in property, plant and equipment amounted to SEK -7.2 million (-3.0).

Cash flow from financing activities amounted to SEK 42.2 million (22.7) and is a result of the game financing received for the development of DLC for PAYDAY 3 of SEK 20.7 million (31.2). Outstanding accounts receivable linked to PAYDAY 3 amount to SEK 17.9 (12.4) million. Leasing expenses amount to SEK -11.5 million (-8.6). During the second quarter, the company carried out a private placement, which generated SEK 33 million in cash.

Total cash flow for the period was SEK -35.3 million (-13.3). Cash and cash equivalents at the end of the period amounted to SEK 156.4 million (334.6).



Financial position

Non-current assets

License assets amount to SEK 21.8 million (11.1) and consist of rights to use IP rights.

Intangible assets, consisting mainly of IP rights, amounted to SEK 46.1 million (152.6).

Capitalized expenditure for proprietary game and technology development amounted to SEK 342.3 million (325.2).

Investments in publishing projects amounted to SEK 5.9 million (8.4).

Amortization and impairment relating to intangible assets amounted to SEK 51.3 million (142.1) during the period.

Financial fixed assets amount to SEK 7.3 million (7.4).

Tangible fixed assets amount to SEK 50.2 million (117.3) and relate to right-of-use buildings as well as IT equipment and other inventory.

Current assets

Accounts receivable and other receivables amounted to SEK 32.7 million (33.7), of which accounts receivable for PAYDAY 3 amounted to SEK 17.9 (12.4) million.

Starbreeze receives cash only after Plaion receives cash, and Starbreeze has issued an invoice for the share to which Starbreeze is entitled per agreement.

Prepaid expenses and accrued income at the end of the period amounted to SEK 44.6 million (72.3), of which SEK 21.9 million (34.0) relates to receivables for sales of PAYDAY 2 and PAYDAY 3.

Cash and cash equivalents amounted to SEK 156.4 million (334.6).

Equity

Group equity at the balance sheet date amounted to SEK 567.6 million (800.6). During the period, the company has carried out a direct share issue of Class B shares of SEK 33 million.

Non-current liabilities

Non-current liabilities amounted to SEK 68.0 million (133.2). The non-current portion of lease liabilities amounted to SEK 32.7 million (89.8). Other non-current liabilities amounted to SEK 35.3 million (42.1) and deferred tax liability amounted to SEK 0 million (1.3).

Current liabilities

Current liabilities amounted to SEK 72.2 million (173.1). Accounts payable - trade, and other liabilities at the end of the period amounted to SEK 24.9 million (43.9). Current liabilities for lease contracts amounted to SEK 16.3 million (21.5) and relate to leasing costs for the current office in Stockholm. Accrued expenses and deferred income at the end of the period was SEK 31.0 million (66.2).

Share capital

Share capital at the end of the period amounted to SEK 32,488,765 (29,535,241) divided into 1,624,438,244 shares (1,476,762,040), of which 142,261,919 class A shares (142,303,908) and 1,482,176,325 class B shares (1,334,458,132).

Risks and uncertainties

To prepare interim reports and annual financial statements in accordance with generally accepted accounting principles, management must make assumptions and estimates that affect the assets, liabilities, and income reported in the financial statements. Actual results may differ from these estimates.

Distribution, employees

	2025	2024
	Q2	Q2
Employees	159	192
Men	124	154
Women	35	38

No. of employees

159

The most significant risks and uncertainties are low revenues when launching games and project delays, which can lead to financial risks such as lower cash generation and asset impairments. These and other risks such as copyright infringement, loss of key personnel, and exchange rate fluctuations are described in Starbreeze's Annual Report 2024 in the Management Report on pages 43–44 and in Note 3. Furthermore, the value of certain assets and liabilities is based on an expected outcome, which means that these items must be revalued on an ongoing basis and may therefore affect future earnings.

The short-term impact on earnings from exchange rate fluctuations may be positive or negative, depending on the current currency exposure from trade receivables, bank accounts and other assets and liabilities in foreign currency. In the long term, however, a falling US dollar exchange rate will have a negative impact on profit margins. As the Group has foreign subsidiaries, there is also translation exposure.

Parent company

During the quarter, the Group's operations were conducted by the parent company Starbreeze AB (publ), the subsidiaries Starbreeze Production AB, Starbreeze Studios AB, Starbreeze Publishing AB, New Starbreeze Publishing PD IP AB, Starbreeze VR AB,

Starbreeze Barcelona SL, Starbreeze Paris SAS, New Starbreeze Studios AB, New Starbreeze Publishing AB, Enterspace AB, Starbreeze IP AB and Starbreeze Studios UK Ltd.

The net sales by the parent company during the quarter amounted to SEK 9.5 million (10.9) and for the period SEK 14.7 million (7.8). Sales mainly relate to the allocation of management fees.

Profit before and after tax for the quarter was SEK -7.7 million (-2.9) and for the period SEK -14.3 million (4.8).

At the end of the period, cash and cash equivalents amounted to SEK 60.3 million (128.1) and the parent company's equity was SEK 503.4 million (741.6). During the period, the company has carried out a direct share issue of Class B shares of SEK 33 million.

Related-party transactions

Apart from salaries and benefits, and intra-group transactions, there were no related-party transactions during the period.

Auditor's review

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



The Board of Directors and CEO declare that this interim report gives a true and fair view of the Group's and Parent Company's activities, financial position and

earnings from operations, and describes the material risks and uncertainties facing the Group and the Parent Company.

Stockholm, August 19, 2025

Jürgen Goeldner
Chairman of the Board

Stefano Salbe
Board member

Michael Hjorth
Board member

Cecilia Tosting
Board member

Adolf Kristjansson
CEO



Financial reports



04

Consolidated statement of comprehensive income

SEKk	NOTE	2025 Q2	2024 Q2	2025 JAN-JUN	2024 JAN-JUN	2024 JAN-DEC
Net sales	3	53,784	40,198	121,457	96,808	185,851
Direct costs	4	-49,703	-82,819	-94,922	-169,271	-448,848
Gross profit (-loss)		4,081	-42,621	26,535	-72,463	-262,997
Selling and marketing costs	4	-12,929	-9,322	-21,256	-16,763	-30,166
Administrative expenses	4	-16,527	-16,749	-45,592	-12,014	-28,971
Other revenue		1,832	-2,138	1,832	7,090	8,796
Other expenses		-1,300	-	-15,182	-	-6,376
Operating profit (-loss)		-24,843	-70,830	-53,663	-94,150	-319,714
Financial income		-	884	25	1,923	7,406
Financial expenses		-594	-621	-1,247	-654	-6,717
Share in profit or loss of holdings accounted for using the equity method		-	12	-	1,358	1,358
Profit (-loss) before tax		-25,437	-70,555	-54,885	-91,523	-317,667
Income tax		-607	-150	2,471	-205	-180
Net profit (-loss) for the period		-26,044	-70,705	-52,414	-91,728	-317,847
Other comprehensive income that may subsequently be reclassified to profit and loss						
Exchange differences		-147	799	165	-2,357	10,078
Total comprehensive income for the period		-26,191	-69,906	-52,249	-94,085	-307,769
Total comprehensive income for the period attributable to:						
Owners of the parent		-26,191	-69,906	-52,249	-94,085	-307,769
Earnings per share attributable to owners of the parent during the period (SEK):						
- Basic		-0.02	-0.05	-0.03	-0.06	-0.22
- Diluted		-0.02	-0.05	-0.03	-0.06	-0.22

Consolidated statement of financial position, Group

SEKk	NOTE	2025-06-30	2024-06-30	2024-12-31
ASSETS				
<i>Intangible assets</i>				
Licenses		21,845	11,121	21,845
Other intangible assets		46,142	152,600	65,021
Capitalized development cost for own games and technology development		342,258	325,233	275,039
Investments in publishing projects		5,939	8,417	10,364
<i>Financial assets</i>				
Financial assets		7,281	7,356	4,275
Investments in joint ventures		-	2,595	-
Deferred tax assets		521	-	-
<i>Property, plant and equipment</i>				
IT equipment and other equipment		13,807	6,482	8,276
Right-of-Use asset-Buildings		36,394	110,839	17,652
Total non-current assets		474,187	624,643	402,472
<i>Current assets</i>				
Trades and other receivables		32,701	33,748	43,118
Prepaid expenses and accrued income		44,572	72,313	74,076
Cash and cash equivalents		156,401	334,572	191,906
Total current assets		233,674	440,633	309,100
TOTAL ASSETS		707,861	1,065,276	711,572

Consolidated statement of financial position, Group (cont.)

SEKk	NOTE	2025-06-30	2024-06-30	2024-12-31
EQUITY AND LIABILITIES				
<i>Equity attributable to owners of the parent</i>				
Share capital		32,489	29,535	29,535
Other contributed capital		2,623,408	2,593,362	2,593,362
Reserves		24,393	11,793	24,228
Retained earnings including net profit or loss for the period		-2,112,656	-1,834,123	-2,060,242
Total equity		567,634	800,567	586,883
<i>Non-current liabilities</i>				
Deferred tax liability		-	1,316	2,010
Non-current lease liability		32,683	89,761	-
Other non-current liabilities		35,330	42,086	42,096
Total non-current liabilities		68,013	133,163	44,106
<i>Current liabilities</i>				
Trade and other payables		24,940	43,935	27,185
Current lease liability		16,270	21,461	17,697
Accrued expenses and deferred income		31,004	66,150	35,701
Total current liabilities		72,214	131,546	80,583
TOTAL EQUITY AND LIABILITIES		707,861	1,065,276	711,572

Consolidated statement of changes in equity

SEKk	Share capital	Other contributed capital	Reserves	Retained earnings	Total equity
Balance at 1 January 2025	29,535	2,593,362	24,228	-2,060,242	586,883
Net profit (-loss) for the period	-	-	-	-52,414	-52,414
<i>Other comprehensive income for the period</i>					
Translation differences	-	-	165	-	165
Total comprehensive income	-	-	165	-52,414	-52,249
New issue	2,954	30,046	-	-	33,000
Total contribution from and value transfers to shareholders, recognized directly in equity	2,954	30,046	-	-	33,000
Balance at 30 June 2025	32,489	2,623,408	24,393	-2,112,656	567,634
Balance at 1 January 2024	29,535	2,593,362	14,150	-1,742,395	894,652
Net profit (-loss) for the period	-	-	-	-317,847	-317,847
<i>Other comprehensive income for the period</i>					
Translation differences	-	-	10,078	-	10,078
Total comprehensive income	-	-	10,078	-317,847	-307,769
Balance at 31 December 2024	29,535	2,593,362	24,228	-2,060,242	586,883
				2025	2024
CHANGE IN NUMBER OF OUTSTANDING SHARES				JAN-JUN	JAN-DEC
Number of shares at the beginning of the period				1,476,762,040	1,476,762,040
New issue				147,676,204	-
Total shares outstanding at the end of the period				1,624,438,244	1,476,762,040

Consolidated statement of cash flows, Group

SEKk	NOTE	2025 Q2	2024 Q2	2025 JAN-JUN	2024 JAN-JUN	2024 JAN-DEC
<i>Operating activities</i>						
Cash flow from operations		-24,843	-70,830	-53,663	-94,150	-319,714
Adjustment for non-cash items		30,558	57,269	75,053	119,653	354,407
Interest paid		-22	-	-22	-	-
Interest received		-3	883	22	1,923	5,654
Income taxes paid		-884	-878	-302	-588	109
Cash flow from (-used in) operating activities before changes in working capital		4,806	-13,556	21,088	26,838	40,456
<i>Cash flow from changes in working capital</i>						
Increase (+)/decrease (-) in operating receivables		50,238	17,477	25,298	121,701	123,161
Increase (+)/decrease (-) in operating liabilities		-15,892	-1,199	-18,944	-67,435	-98,747
Cash flow from (-used in) operating activities after changes in working capital		39,152	2,722	27,442	81,104	64,870
<i>Investing activities</i>						
Purchase of property, plant and equipment		-2,411	-521	-7,216	-2,978	-5,852
Sold non-current assets		24	36	527	108	151
Sold intangible assets		-	-	-	5,213	5,213
Divested joint venture		-	-	-	-	2,186
Purchase of intangible assets		-	-	-	-	-10,725
Investments in own games and technology		-48,572	-65,091	-94,605	-115,011	-227,636
Investments in publishing projects		-650	-2,553	-650	-4,453	-8,795
Increase (-) / decrease (+) in short-term investments		-	-	-3,014	-	-
Cash flow from (-used in) investing activities		-51,609	-68,129	-104,958	-117,121	-245,458
<i>Financing activities</i>						
New issue		33,000	-	33,000	-	-
Financing game development		11,249	17,501	20,681	31,241	47,948
Effect of financial lease		-5,636	-4,734	-11,506	-8,555	-23,425
Cash flow from financing activities		38,613	12,767	42,175	22,686	24,523
Cash flow for (-used in) the period		26,156	-52,640	-35,341	-13,331	-156,065
Cash and cash equivalents at the beginning of the period		130,099	387,246	191,906	347,752	347,752
Exchange difference in cash and cash equivalents		146	-34	-164	151	219
Cash and cash equivalents at the end of the period		156,401	334,572	156,401	334,572	191,906

Performance measures, Group

	2025 Q2	2024 Q2	2025 JAN-JUN	2024 JAN-JUN	2024 JAN-DEC
Net sales, SEKk	53,784	40,198	121,457	96,808	185,851
EBITDA, SEKk	5,935	8,066	21,627	56,563	97,644
EBIT, SEKk	-24,843	-70,830	-53,663	-94,150	-319,714
Profit (-loss) before tax, SEKk	-25,437	-70,555	-54,885	-91,523	-317,667
Profit (-loss) after tax, SEKk	-26,044	-70,705	-52,414	-91,728	-317,847
EBITDA margin, %	11.0	20.1	17.8	58.4	52.5
EBIT margin, %	-46.2	-176.2	-44.2	-97.3	-172.0
Profit margin, %	-47.3	-175.5	-45.2	-94.5	-170.9
Equity to assets ratio, %	80.2	75.2	80.2	75.2	82.5
Closing price of A share for the period, SEK *	0.24	0.37	0.24	0.37	0.21
Closing price of B share for the period, SEK *	0.19	0.34	0.19	0.34	0.21
Basic earnings per share, SEK	-0.02	-0.05	-0.03	-0.06	-0.22
Diluted earnings per share, SEK	-0.02	-0.05	-0.03	-0.06	-0.22
Number of shares at end of period before dilution	1,624,438,244	1,476,762,040	1,624,438,244	1,476,762,040	1,476,762,040
Number of shares at end of period after dilution	1,624,438,244	1,476,762,040	1,624,438,244	1,476,762,040	1,476,762,040
Average number of shares before dilution	1,567,639,704	1,476,762,040	1,522,451,915	1,476,762,040	1,476,762,040
Average number of shares after dilution	1,567,639,704	1,476,762,040	1,522,451,915	1,476,762,040	1,476,762,040
Average number of employees	159	192	165	192	189
Number of employees at the end of the period	155	192	155	192	186

Performance measures, Group

EBITDA

Earnings before interest, tax, depreciation, and amortization.

EBIT

Earnings before interest and taxes.

EBITDA margin

Earnings before interest, tax, depreciation, and amortization as a percentage of net sales.

Operating margin

Earnings after depreciation and amortization as a percentage of net sales.

Profit margin

Profit after financial items as a percentage of total net sales.

Equity/assets ratio

Equity as a percentage of capital employed.

Earnings per share

Profit or loss after taxes divided by the average number of shares during the period.

Equity

Reported equity including 79.4 percent of untaxed reserves.

Reconciliation of alternative performance measures

	2025 Q2	2024 Q2	2025 JAN-JUN	2024 JAN-JUN	2024 JAN-DEC
<i>EBITDA</i>					
Operating profit (-loss), SEKk	-24,843	-70,830	-53,663	-94,150	-319,714
Amortization of intangible assets, SEKk	27,256	74,226	51,334	142,117	396,571
Depreciation of property, plant and equipment, SEKk	3,522	4,670	23,956	8,596	20,787
EBITDA	5,935	8,066	21,627	56,563	97,644
<i>EBITDA margin, %</i>					
EBITDA, SEKk	5,935	8,066	21,627	56,563	97,644
Net sales, SEKk	53,784	40,198	121,457	96,808	185,851
EBITDA margin, %	11.0	20.1	17.8	58.4	52.5
<i>EBIT margin, %</i>					
Operating profit (-loss), SEKk	-24,843	-70,830	-53,663	-94,150	-319,714
Net sales, SEKk	53,784	40,198	121,457	96,808	185,851
EBIT margin, %	-46.2	-176.2	-44.2	-97.3	-172.0
<i>Profit margin, %</i>					
Profit (-loss) before tax, SEKk	-25,437	-70,555	-54,885	-91,523	-317,667
Net sales, SEKk	53,784	40,198	121,457	96,808	185,851
Profit margin, %	-47.3	-175.5	-45.2	-94.5	-170.9
<i>Equity to assets ratio, %</i>					
Total equity	567,634	800,567	567,634	800,567	586,883
Total equity and liabilities, SEKk	707,861	1,065,276	707,861	1,065,276	711,572
Equity to assets ratio, %	80.2	75.2	80.2	75.2	82.5

Alternative Performance Measures (APMs) are financial indicators of performance, financial position and cash flow not defined in the applicable reporting framework (IFRS). These are considered to be important additional key figures for the Group's performance. Since not all entities calculate financial measurements in the same way, they are not always comparable to those used by other entities.

Parent company income statement

SEKk	2025 Q2	2024 Q2	2025 JAN-JUN	2024 JAN-JUN	2024 JAN-DEC
Net sales	9,515	10,891	14,725	7,798	17,184
Other operating revenue	-	-678	-	7,192	524
Total sales	9,515	10,213	14,725	14,990	17,708
Other external expenses	-7,390	-5,788	-11,500	-10,525	-27,731
Employee benefit expense	-11,808	-11,370	-18,452	-8,084	-22,341
Depreciation of property, plant and equipment	-5	-3	-5	-5	-12
Other operating expenses	644	-	-1,215	-	-
Operating profit (-loss)	-9,044	-6,948	-16,447	-3,624	-32,376
Profit from holdings in group companies	-	-	-	-	1,679
Other financial income	1,355	4,076	2,109	8,421	14,006
Financial expenses	-2	-	-3	-	-4,733
Profit (-loss) after net financial income/expense	-7,691	-2,872	-14,341	4,797	-21,424
Appropriations	-	-	-	-	-230,593
Profit (-loss) before tax	-7,691	-2,872	-14,341	4,797	-252,017
Income tax	-	-	-	-	-
Net profit (-loss) for the period	-7,691	-2,872	-14,341	4,797	-252,017

For the parent company, net profit or loss for the period corresponds to comprehensive income.

Parent company balance sheet

SEKk	2025-06-30	2024-06-30	2024-12-31
ASSETS			
<i>Non-current assets</i>			
<i>Property, plant and equipment</i>			
Computers and other equipment	77	16	35
<i>Financial assets</i>			
Investments in group companies	367,976	336,059	344,780
Investments in associates	-	4,656	-
Other financial assets	-	2,261	-
Total non-current assets	368,053	342,992	344,815
<i>Current assets</i>			
Trade and other receivables	1,217	1,212	2,941
Receivables from group companies	388,904	737,982	342,602
Prepaid expenses and accrued income	1,756	931	3,628
Cash and cash equivalents	60,330	128,142	106,609
Total current assets	452,207	868,267	455,780
TOTAL ASSETS	820,260	1,211,259	800,595

Parent company balance sheet (cont.)

SEKk	2025-06-30	2024-06-30	2024-12-31
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital	32,489	29,535	29,535
Share premium reserve	2,556,425	2,526,379	2,526,379
Retained earnings	-2,071,170	-1,819,153	-1,819,153
Net profit (-loss) for the period	-14,341	4,797	-252,017
Total equity	503,403	741,558	484,744
<i>Current liabilities</i>			
Trade payables	2,635	537	1,564
Liabilities to group companies	302,259	451,595	304,417
Other liabilities	3,021	3,210	1,912
Accrued expenses and deferred income	8,942	14,359	7,958
Total current liabilities	316,857	469,701	315,851
TOTAL EQUITY AND LIABILITIES	820,260	1,211,259	800,595

Notes

Note 1 Accounting and valuation principles

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting. The accounting principles and calculation methods are consistent with those applied in 2024.

The Parent Company's report has been prepared in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities and in accordance with the same accounting principles and calculation methods as the 2024 Annual Report (Note 2, pages 57-62).

No new or revised IFRS rules have entered into force that are expected to have a significant impact on the Group. For all financial assets and liabilities, the carrying amount is a good approximation of fair value.

Depreciation of intangible assets

For completed in-house game development, depreciation is based on the declining balance method, i.e. a decreasing depreciation amount over the useful life. Intangible assets with finite useful lives are amortized from the date they are available for use. Estimated useful life for in-house game development is 5 years, where depreciation is applied at 2/3 year 1, 33 percent month 1 and 33 percent month 2-12, 15 percent year 2 and 6 percent each year 3-5.

Note 2 Pledged assets

As of June 30 2025, the Company has no pledged assets.

SEKk	2025-06-30	2024-06-30	2024-12-31
Pledged assets	-	239,978	239,978

Note 3 Net sales per category

SEKk	2025 Q2	2024 Q2	2025 JAN-JUN	2024 JAN-JUN	2024 JAN-DEC
Game sales	26,082	31,434	71,643	65,711	125,722
3rd party publishing	6,720	8,764	10,118	26,179	47,729
Licensing	1,420	0	2,533	515	1,731
Other	19,562	0	37,163	4,403	10,669
Total net sales	53,784	40,198	121,457	96,808	185,851

Note 4 Group depreciation by function

SEKk	2025 Q2	2024 Q2	2025 JAN-JUN	2024 JAN-JUN	2024 JAN-DEC
Depreciation and impairment of property, plant and equipment					
Direct costs	-12	-12	-26	-25	-50
Selling and marketing costs	-5	-5	-9	-10	-19
Administrative expenses	-3,505	-4,653	-23,921	-8,561	-20,718
Total depreciation and impairment of property, plant and equipment	-3,522	-4,670	-23,956	-8,596	-20,787
Amortization and impairment of intangible assets					
Direct costs	-27,181	-74,147	-51,183	-141,961	-396,256
Selling and marketing costs	-	-	-	-	0
Administrative expenses	-75	-79	-151	-156	-315
Total amortization and impairment of intangible assets	-27,256	-74,226	-51,334	-142,117	-396,571
Total depreciation and amortization and impairment	-30,778	-78,896	-75,290	-150,713	-417,358

Other information

05



About Starbreeze

Starbreeze is an independent developer, publisher, and distributor of PC and consoles targeting the global market, with studios in Stockholm, Barcelona, Paris and London. Housing the smash hit IP PAYDAY™, Starbreeze develops games based on proprietary and third-party rights, both in-house and in partnership with external game developers. Starbreeze shares are listed on Nasdaq Stockholm under the tickers STAR A and STAR B

Read more on www.starbreeze.com and corporate.starbreeze.com

This information is information that Starbreeze AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication, via the contact persons set out above, at 6:45 am CEST on August 19, 2025.

For more information

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Financial calendar

Interim Report Q3 2025
Year-end Report Q4 2025

Nov 11, 2025
Feb 19, 2026

Presentation

The company will hold a webcast at 10 AM, August 22, 2025. To join the presentation – [click here](#).

STARBREEZE

ENTERTAINMENT

