

A woman with blonde hair, wearing a dark, ornate crown and a large, white, ruffled collar. She is smiling slightly and looking towards the camera. She is wearing a dark, patterned dress with a large, dark, oval pendant. The background is a solid dark blue.

G5 Entertainment AB

Interim Report Q2 2025

JANUARY – JUNE 2025



INTERIM REPORT JANUARY – JUNE 2025

April – June 2025

- Revenue for the period was SEK 231.6 M (287.9), a decrease of 20 percent compared to the same period in 2024 in SEK terms. In USD terms revenue decreased 11 percent year-over-year. Sequentially revenue decreased 1.7% in USD terms.
- Gross margin increased to 70.0 percent (67.8 percent), as a larger share of revenue is coming from G5's direct to consumer channel.
- EBIT for the period was SEK 5.6 M (21.8), a decrease of 74%, corresponding to an EBIT-margin of 2.4% (7.6). EBIT was negatively impacted by revaluations related to fx, primarily the USD, recorded in other income and expense amounting to SEK -10.0 M (-3.4). Adjusting for the negative impact from other income and expense the EBIT margin would be 6.8 (8.8) percent. Compared to Q1, EBIT was impacted as user acquisition has been increased from 15% to 18%, back in the previously communicated range.
- Net result for the period was SEK 6.9 M (23.5), positively impacted by the finance net of SEK 2.2 M (2.6).
- Earnings per share for the period, before dilution, was SEK 0.88 (3.02).
- Cash flow amounted to SEK -38.8 M (-56.3), impacted negatively by dividends paid during the quarter amounting to SEK 62.2 M (62.4).
- G5 Store grew 38.5% y-o-y and 8.4% sequentially in USD terms in the quarter. Efforts are ongoing to bring 3rd party games for distribution in G5 Store.
- Average Monthly Active Users (MAU) was 3.8 million, a decrease of 20 percent compared to the same period in 2024. Average Daily Active Users (DAU) was 1.2 million, a decrease of 17 percent compared to the same period in 2024. Average Monthly Unique Payers (MUP) was 113.8 thousand, a decrease of 17 percent while Average Monthly Average Gross Revenue Per Paying User (MAGRPPU) was USD 68.9, an increase of 8 percent compared to the same period last year.

FINANCIAL KEY RATIOS

KSEK	Apr-Jun 2025	Apr-Jun 2024	Change %	Jan-Jun 2025	Jan-Jun 2024	Change %	Jul-Jun 24/25	2024	Change %
Revenue	231,633	287,866	-20%	491,906	585,275	-16%	1,041,160	1,134,529	-8%
Commission to distributors ¹	-46,423	-63,494	-27%	-98,379	-128,240	-23%	-216,074	-245,935	-12%
Royalty to external developers ²	-23,013	-29,313	-21%	-49,744	-59,494	-16%	-102,747	-112,497	-9%
Gross profit	162,197	195,059	-17%	343,783	397,540	-14%	722,340	776,097	-7%
Gross margin	70.0%	67.8%		69.9%	67.9%		69.4%	68.4%	
Operating costs excluding costs for user acquisition	-114,289	-123,029	-7%	-245,805	-236,038	4%	-470,852	-461,085	2%
EBIT excluding costs for user acquisition	47,908	72,030	-33%	97,978	161,502	-39%	251,488	315,012	-20%
EBIT margin before costs for user acquisition	21%	25%		20%	28%		24%	28%	
Costs for user acquisition ³	-42,259	-50,199	-16%	-81,623	-100,467	-19%	-179,391	-198,235	-10%
Costs for user acquisition as percentage of revenue	-18%	-17%		-17%	-17%		-17%	-17%	
EBIT	5,649	21,831	-74%	16,355	61,036	-73%	72,097	116,778	-38%
EBIT margin (%)	2.4%	7.6%		3.3%	10.4%		6.9%	10.3%	
Earnings per share before dilution	0.88	3.02	-71%	2.41	7.79	-69%	9.85	15.22	-36%
Cash flow before financing activities	25,653	6,459		58,868	91,109		131,768	164,009	
Cash and cash equivalents	246,963	196,280		246,963	196,280		246,963	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: Improvements in games drive UA spend increase



In the second quarter of 2025, we continued executing on our long-term strategy while navigating a challenging market environment. Revenue amounted to SEK 231.6 M, representing a 20 percent decline in SEK terms and an 11 percent decrease in USD terms compared to the same quarter last year. The quarter-to-quarter decline was marginal in USD terms at 1.7 percent despite the second quarter being a seasonally weaker quarter. This better dynamic (compared to previous quarter) was driven by the improvements in games, especially Sherlock, as well as increased UA spending during the quarter. As a result, in USD terms, sequentially, Sherlock's revenue grew 2.4% from Q1 to Q2. Year-over-year, Sherlock declined only marginally by about 3% in the quarter, also in USD terms.

We are pleased to report an increase in gross margin to 70.0 percent, the highest recorded level yet, driven by the continued growth of our direct-to-consumer channel. The G5 Store grew 38.5 percent year-over-year and 8.4 percent sequentially in USD, now contributing a growing share of our total revenue and supporting both margin expansion and deeper player relationships.

EBIT for the quarter was SEK 5.6 M, corresponding to a margin of 2.4 percent. This was negatively impacted by FX-related revaluations of SEK -10.0 M. Excluding these effects, EBIT margin would have been 6.8 percent, demonstrating

solid operational control despite unfavourable weakening of USD (impacting top-line) and strengthening currencies in which we have our cost base. In addition, we increased our user

G5 Store grew 38.5 percent year-over-year and 8.4% sequentially in USD terms, bringing up the gross margin to 70.0%, the highest recorded level yet.

acquisition spend during the quarter to 18 percent of revenue - back within our communicated range - by expanding the number of UA channels and on the back of the scalability improvements made to the games in the quarter.

The net result came in at SEK 6.9 M, supported by a positive finance net, and earnings per share amounted to SEK 0.88. Cash flow was SEK -38.8 M, impacted primarily by the dividend payout of SEK 62.2 M during the quarter, a reflection of our continued commitment to shareholder returns. Cash flow before financial items was a strong SEK 25.7 M (6.5), positively impacted by movements in

working capital but still showing a good underlying cash conversion.

During the quarter we continued to work on putting together the best management team to take the company into the future. We have made new hires with key expertise in development as well as marketing and managing growth, and have rearranged the reporting structure and the areas of responsibility to give new people the mandate to drive change as well as to improve accountability of their decisions.

We are encouraged by the improvements the teams have made to the games during the second quarter, and the increase in UA spend that we were able to achieve on the back of these improvements. Our teams aim to continue making improvements that can increase the scalability of our core games (Sherlock, the Jewels family of games, and Hidden City), in order to achieve higher UA spend and top line stabilization.

G5 Store is a strategic asset for G5 where we see strong long-term distribution prospects for both own games and also for games of 3rd party developers. During the quarter we have continued preparing the technical framework (SDK) and documentation for 3rd party developers to be able to integrate and distribute their games on G5 Store, with the aim to start distributing some 3rd party games on G5 Store before the end of the year.

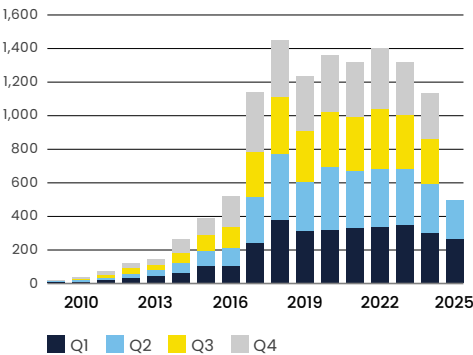
Looking ahead, we are focused on delivering new

Looking ahead, we are focused on delivering new titles from our refreshed development pipeline.

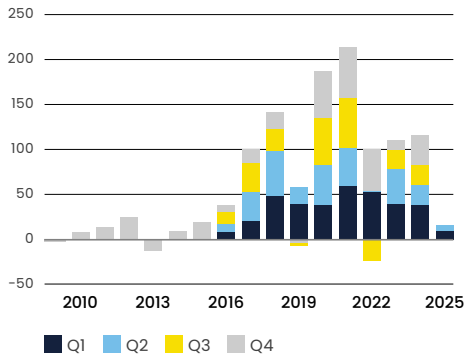
titles from our refreshed development pipeline. For the second half of the year we reiterate our expectation to release Twilight Land globally. The team is also working hard to bring more high-quality games to market, guided by the new development funnel that prioritizes scalability and retention from early stages. We remain confident that this disciplined approach will lay the foundation for future growth.

August 7, 2025
Vlad Suglovov, CEO, co-founder

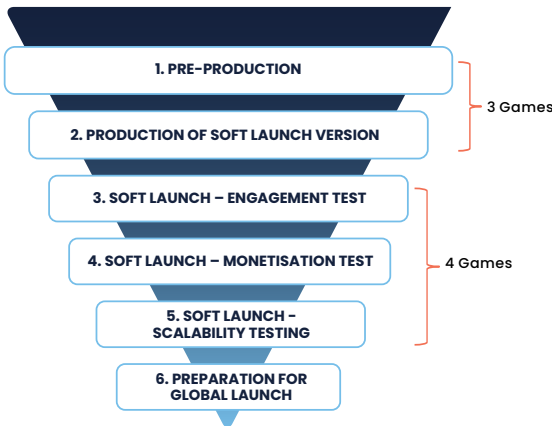
Revenue (MSEK)



EBIT (MSEK)



Development funnel



April – June

Revenue and gross profit

Revenue amounted to SEK 231.6 M (287.9). Revenue decreased by 20 percent compared to the same period in 2024, in USD the revenue decreased by 11%.

Cost of revenue decreased to SEK 69.4 M (92.8). Cost of revenue includes commission to the distributors. Most parties still charge up to 30 percent of gross revenue, except for Microsoft Store with commission fees of 12 percent and G5 Store with commission fees in single digit percent for third-party payment processing. Cost of revenue also includes royalties payable to external developers which decreased 21 percent compared to the same period in 2024.

Gross margin for the period was 70.0 percent (67.8). Gross profit for the quarter decreased by 17 percent compared to the second quarter in 2024 and was SEK 162.2 M (195.1).

Operational Costs

Costs for research and development were SEK 64.7 M (79.3) during the period. Net capitalization was SEK -0.4 M (-8.1). Adjusting for net capitalization the costs decreased by 9 percent compared to the same period in 2024.

Sales and marketing decreased to SEK 55.3 M (65.3). Sales and marketing is primarily affected by the costs for user acquisition. During the quarter the cost for user acquisition was SEK 42.3 M (50.2).

Cost for user acquisition as a percentage of sales was 18 percent, compared to 17 percent in the same

period in 2024. Sales and marketing, excluding user acquisition, decreased to SEK 13.1 M (15.1).

General and administrative costs amounted to SEK 26.6 M (25.3). Other operating income and other operating expenses together amounted to SEK -10.0 M (-3.4), primarily driven by currency effects on operational assets and liabilities.

EBIT

Depreciation and amortization have decreased as the company no longer capitalizes on unreleased games. Depreciation and amortization amounted to SEK 23.5 M (36.1). Capitalization of intangible assets amounted to SEK 22.5 M (27.1). Net effect of capitalization and amortization on intangible assets amounted to SEK -0.4 M (-8.1).

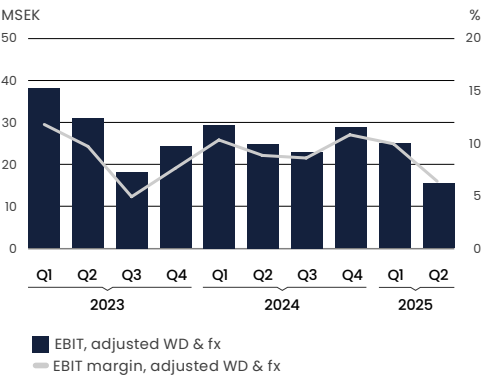
Earnings before interest and taxes (EBIT) amounted to SEK 5.6 M (21.8), corresponding to an EBIT margin of 2.4 percent (7.6).

Net profit

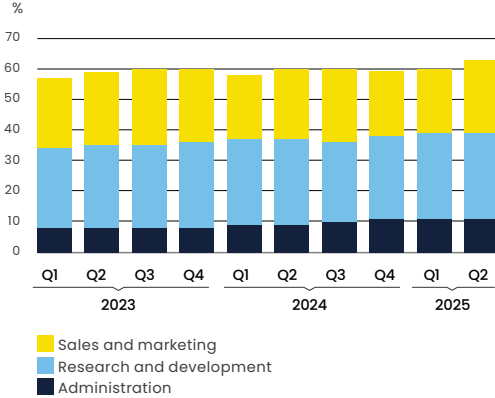
Net profit was affected by financial items with SEK 2.3 M (2.6), primarily related to interest income. Tax affected the result with SEK -1.0 M (-0.9).

Net profit amounted to SEK 6.9 M (23.5) which equals an earnings per share, before and after dilution SEK 0.88 (3.02).

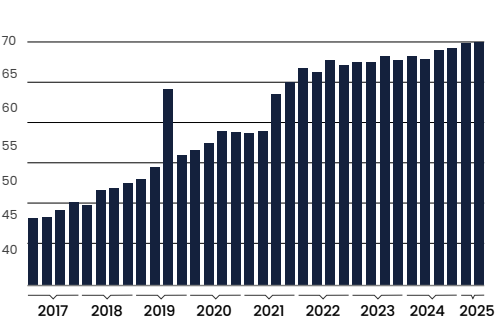
EBIT (MSEK) | EBIT-margin (%)



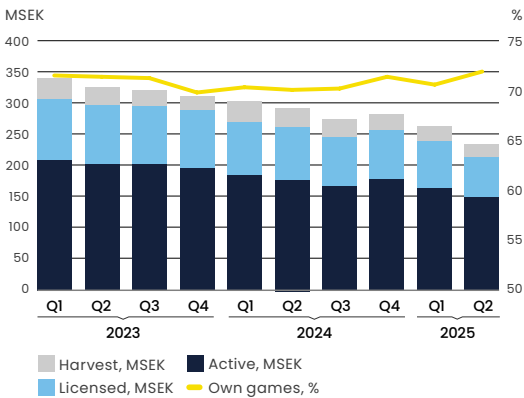
Costs in % of revenue



Gross Margin (%)



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



Operational metrics

F2P	Q2 '25	Q2 '24	Change
Average DAU (mn)	1.2	1.4	-17%
Average MAU (mn)	3.8	4.7	-20%
Average MUU (mn)	2.7	3.5	-22%
Average MUP (thousands)	113.8	137.2	-17%
Average MAGRPPU (USD)	68.9	63.7	8%

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

January – June
Revenue and gross profit

Revenue declined 16 percent compared to the same period in 2024. Growth in USD for the interim period was -13%. Revenue amounted to SEK 492.0 M (585.3).

The group’s cost of revenue was SEK 148.1 M (187.7). Gross profit amounted to SEK 343.8 M (397.5), a decrease of 14 percent compared to the same period in 2024. Gross margin was 69.9 percent (67.9).

Operating Costs

Operating costs decreased 11 per cent compared to the same period in 2024. User acquisition decreased to SEK 81.6 M (100.5). Excluding costs for user acquisition the operating costs amounted to SEK 245.8 M (236.0). The operational costs were impacted by capitalization of SEK 45.9 M (52.8) depreciation and amortization of SEK 51.2 M (-73.9) and write-downs of SEK 0.0 M (0.0).

Other operating income and costs impacted the period negatively with SEK -24.6 M (6.0), primarily attributed to exchange rate differences on operational assets and liabilities related to balance sheet items in the parent company.

EBIT

EBIT was SEK 16.4 M (61.0) and the EBIT-margin was 3.3 percent (10.4) for the period.

Net profit

Net profit was affected by financial items with SEK 4.3 M (4.9), primarily related to interest income. Tax affected the result with SEK -1.8 M (-5.0) corresponding to an effective tax rate of 8 percent (8). Net profit amounted to SEK 18.8 M (61.0) which is corresponding to earnings per share before dilution of SEK 2.40 (7.79).

Cash flow

During the second quarter, the group had an operating cash flow before changes in working capital of SEK 33.4 M (61.7). In the quarter taxes impacted the cash flow positively with SEK 0.5 M (-1.4).

Changes in working capital impacted the cash flow by SEK 16.0 M (17.0). Capitalized development expenses impacted the cash flow negatively by SEK -22.5 M (-27.1).

Cash flow before financing activities amounted to SEK 25.7 M (6.5). Financing activities were impacted by dividends amounting to SEK 62.2 (62.4), repurchases of SEK 2.1 M (0) and IFRS16 bookings related to lease of premises of SEK -0.2 M (-0.3).

For the interim period Jan - Jun cash flow before changes in working capital amounted to SEK 76.2 (142.5). The cashflow for the period amounted to SEK -5.8 (15.1).

Available cash on June 30, 2025 amounted to SEK 247.0 M (196.3).

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 188.0 M (222.7).

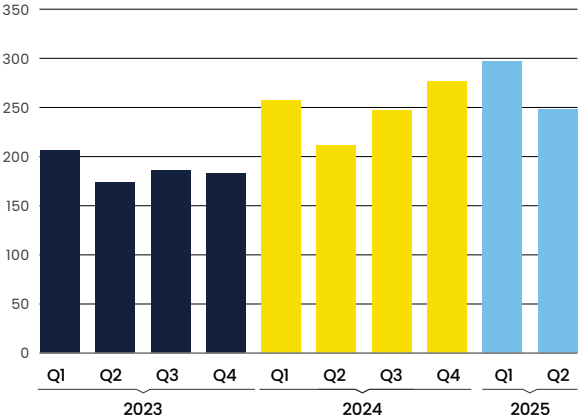
Impairment need in the portfolio is tested every quarter. A thorough review of the input parameters is done on a yearly basis. During the quarter no (0) write-offs were made.

Consolidated equity amounted to SEK 466.8 M (506.4), which equals SEK 59.8 per share (64.9) and the equity/asset ratio is 80 percent (83).

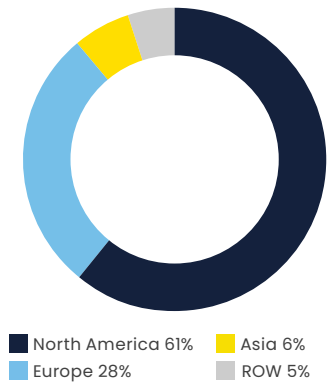
Cash on hand amounted to SEK 247.0 M (196.3).

Other long-term debt and other short term debt are solely related to IFRS16 accounting of lease contracts.

Cash Position (MSEK)



Revenue breakdown by geography
Second Quarter 2025



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

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.

Upcoming report dates

Interim report Jan-Sep 2025	November 5, 2025
Year-end report 2025	February 17, 2026

Teleconference

On August 7th, 2025 at 08.45 CEST, 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	investor@g5.com
Stefan Wikstrand, CFO	+46 76 0011115

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 August 7th, 2025

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

Note:
G5 Entertainment AB (publ) is required to make the information in this interim report public in compliance with the Swedish Securities Market Act. The information was submitted for publication on August 7th, 2025 at 07.00. This interim report has not been subject to review by the company’s auditors. This report is published in Swedish and English. In the event of any difference between the English version and the Swedish original, the Swedish version shall prevail.

INCOME STATEMENT – GROUP

KSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 24/25	2024
Net turnover	231,633	287,866	491,906	585,275	1,041,160	1,134,529
Cost of revenue	-69,436	-92,807	-148,123	-187,734	-318,820	-358,432
Gross profit	162,197	195,059	343,783	397,540	722,340	776,097
Research and Development expenses	-64,669	-79,254	-138,643	-162,891	-287,700	-311,993
Sales and Marketing expenses	-55,315	-65,250	-108,416	-128,838	-234,364	-254,786
General and administrative expenses	-26,559	-25,332	-55,768	-50,811	-109,110	-104,109
Other operating income	0	0	0	6,036	6,620	12,656
Other operating expenses	-10,005	-3,393	-24,601	0	-25,689	-1,088
Operating result	5,649	21,831	16,355	61,036	72,097	116,778
Financial income	2,290	2,616	4,520	5,066	8,997	9,544
Financial expenses	-80	-59	-223	-137	-439	-354
Operating result after financial items	7,859	24,388	20,652	65,965	80,654	125,967
Taxes	-1,001	-863	-1,848	-4,959	-3,881	-6,993
Net result for the year	6,858	23,525	18,804	61,005	76,773	118,974
Attributed to:						
Parent company's shareholders	6,858	23,525	18,804	61,005	76,773	118,974

KSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 24/25	2024
Earnings per share						
Weighted average number of shares (thousands)	7,799	7,799	7,832	7,832	7,893	7,815
Weighted average number of shares after dilution, (thousands)	7,799	7,799	7,832	7,832	7,893	7,815
Earnings per share (SEK) before dilution	0.88	3.02	2.40	7.79	9.73	15.22
Earnings per share (SEK) after dilution	0.88	3.02	2.40	7.79	9.73	15.22

STATEMENT OF COMPREHENSIVE INCOME – GROUP

KSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 24/25	2024
Net result for the period	6,858	23,525	18,804	61,005	76,773	118,974
Items that later can be reversed in profit						
Revaluation long-term investments	1,774	-9,662	9,011	9,011	-14,163	1,774
Foreign currency translation differences	-30,413	9,318	15,058	15,058	-34,190	-30,413
Total other comprehensive income for the period	-28,639	-344	24,069	24,069	-48,353	-28,639
Total comprehensive income for the period	-21,781	23,181	42,873	85,074	28,420	90,335
Attributed to:						
Parent company's shareholders	-21,781	23,181	42,873	85,074	28,420	90,335

BALANCE SHEET - GROUP

KSEK	Jun 30 2025	Jun 30 2024	Dec 31 2024
Fixed assets			
Intangible fixed assets			
Capitalized development expenses (Note 2)	177,918	213,528	210,386
Intangible assets	2,613	2,613	2,613
	180,530	216,141	212,998
Tangible fixed assets			
Equipment	6,985	11,017	9,154
	6,985	11,017	9,154
Long term Investments	41,050	54,092	37,475
Deferred tax receivable	145	53	150
Total non-current assets	228,710	281,303	259,777
Current assets			
Accounts receivable	18,283	25,727	18,835
Tax receivable	1,403	2,613	1,659
Other receivables (Note 3,4)	1,284	1,566	1,756
Prepaid expenses and accrued income	84,414	104,590	109,142
Cash and cash equivalents	246,963	196,280	275,539
Total current assets	352,348	330,776	406,930
Total assets	581,058	612,079	666,707

KSEK	Jun 30 2025	Jun 30 2024	Dec 31 2024
Equity			
Total shareholders' equity	466,755	506,400	554,322
Long-term liabilities			
Deferred tax liabilities	1,570	312	1,475
Long-term liabilities	0	691	1,118
Total long-term liabilities	1,570	1,002	2,593
Current liabilities (Note 5)			
Short-term liabilities	1,539	1,806	685
Accounts payable	48,463	25,345	44,254
Other liabilities as adjusted	6,716	7,420	6,267
Tax liabilities	5,814	6,535	9,213
Accrued expenses	50,201	63,572	49,372
Total current liabilities	112,733	104,677	109,792
Total equity and liabilities	581,058	612,079	666,707

CHANGES IN SHAREHOLDERS' EQUITY – GROUP

KSEK	Share capital	Other capital contribution	Other reserves	Profit/loss brought forward	Shareholders' equity
Shareholders' equity 2024-01-01	928	-243,733	63,358	670,848	491,401
Net result for the year				61,005	61,005
Revaluation long-term investments			9,011		9,011
Other comprehensive income			15,058		15,058
Total comprehensive income			24,069	61 005	85,074
Dividend			-62,392		-62,392
Repurchase of shares		-12,941			-12,941
IFRS2 – Employee share schemes			5,257		5,257
Total transactions with the owners recognized directly in equity		-12,941	-57,135	0	-70,076
Shareholders' equity as of 2024-06-30	928	-256,674	30,292	731,854	506,400
Shareholders' equity 2025-01-01	928	-256,674	82,637	727,431	554,322
Net result for the year				18,804	18,804
Revaluation long-term investments			1,197		1,197
Other comprehensive income			-46,558		-46,558
Total comprehensive income			-45,361	18,804	-26,557
Dividend			-62,232		-62,232
Repurchase of shares		-2,099			-2,099
IFRS2 – Employee share schemes			3,321		3,321
Total transactions with the owners recognized directly in equity	928	-2,099	-58,911	0	-61,010
Shareholders' equity as of 2025-06-30	928	-258,773	-21,635	746,235	466,755

CASH FLOW STATEMENT – GROUP

KSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 24/25	2024
Cash flow from operating activities						
Profit after financial items	7,860	24,388	20,652	65,965	80,654	125,967
Adjusting items not included in cash flow	25,021	38,700	54,755	79,188	122,591	147,024
	32,881	63,088	75,407	145,153	203,245	272,991
Taxes paid	543	-1,382	805	-2,662	-4,865	-8,332
Cash flow before changes in working capital	33,424	61,706	76,212	142,491	198,380	264,659
Cash flow from changes in working capital						
Change in operating receivables	5,718	12,489	25,752	22,095	27,902	24,245
Change in operating liabilities	10,295	-29,466	5,487	-9,132	9,044	-5,575
Cash flow from operating activities	49,437	44,729	107,451	155,454	235,326	283,329
Investing activities						
Investment in fixed assets	0	-300	-306	-649	-1,012	-1,355
Capitalized development expenses	-22,510	-27,053	-45,899	-52,779	-96,920	-103,800
Long term investments	-1,274	-10,917	-2,378	-10,917	-5,626	-14,165
Cash flow from investing activities	-23,784	-38,270	-48,583	-64,345	-103,558	-119,320

KSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 24/25	2024
Financing activities						
Lease financing	-170	-350	-345	-698	-954	-1,307
Dividend	-62,232	-62,392	-62,232	-62,392	-62,232	-62,392
Repurchase shares	-2,099	0	-2,099	-12,941	-2,099	-12,941
Cash flow from financing activities	-64,501	-62,742	-64,676	-76,031	-65,285	-76,640
Cash flow	-38,848	-56,283	-5,808	15,078	66,483	87,369
Cash at the beginning of the period	295,022	255,768	275,539	182,332	196,280	182,332
Cash flow	-38,848	-56,283	-5,808	15,078	66,483	87,369
Exchange rate differences	-9,211	-3,205	-22,768	-1,130	-15,800	5,838
Cash at the end of the period	246,963	196,280	246,963	196,280	246,963	275,539

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 2022.

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	Apr–Jun 2025	Apr–Jun 2024	Jan–Jun 2025	Jan–Jun 2024	Jul–Jun 24/25	2024
At the beginning of the period	188,032	222,652	210,386	220,411	213,528	220,411
Investments	22,510	27,054	45,899	52,779	96,919	103,800
Write-offs	0	0	0	0	-2,196	-2,196
Amortization	-22,873	-35,199	-49,840	-71,978	-109,816	-131,955
Net change during the period	-363	-8,146	-3,941	-19,199	-15,093	-30,350
Currency exchange differences	-9,751	-978	-28,527	12,315	-20,518	20,325
At the end of the period	177,918	213,528	177,918	213,528	177,918	210,386

Note 3

Other receivables

Other receivables include SEK o M (o) for prepaid royalties to third party developers. G5 publishes both proprietary games and games licensed from third-party developers. In connection with the conclusion of agreements with third party developers, G5 sometimes pays an advance on royalties to fund game development. These advances are usually offset against the third party developer’s contractual share of the revenue that each game generates.

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	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 24/25	2024
Net turnover	231,632	287,866	491,904	585,275	1,041,159	1,134,529
Cost of revenue	-182,032	-231,753	-397,121	-473,972	-833,060	-909,910
Gross profit	49,600	56,113	94,783	111,303	208,099	224,619
Research and development expenses	-155	-291	-351	-332	-612	-594
Sales and Marketing expenses	-44,015	-51,690	-84,751	-102,388	-185,247	-202,884
General and administrative expenses	-5,858	-5,724	-13,515	-11,780	-29,391	-27,657
Other operating income	0	0	0	6,290	2,417	6,086
Other operating expenses	-6,679	-1,515	-13,452	0	-17,295	0
Operating result	-7,108	-3,108	-17,285	3,093	-22,030	-429
Financial income	1,655	2,039	6,084	36,784	11,913	9,619
Financial expenses	0	-1	-46	-37,133	-47	-2
Operating result after financial items	-5,453	-1,069	-11,248	2,744	-10,163	9,188
Taxes	0	208	1,033	-1,431	1,273	-1,191
Net result for the period	-5,453	-861	-10,215	1,313	-8,890	7,997

STATEMENT OF COMPREHENSIVE INCOME – PARENT COMPANY

KSEK	Apr-Jun 2025	Apr-Jun 2024	Jan-Jun 2025	Jan-Jun 2024	Jul-Jun 24/25	2024
Net result for the period	-5,453	-861	-10,215	1,313	-8,890	7,997
Items that later can be reversed in profit						
Revaluation long-term investments	-577	-9,662	1,197	9,011	-572	-10,824
Other comprehensive income	-577	-9,662	1197	9011	-572	-10,824
Total other comprehensive income for the period	-6,030	-10,523	-10,215	1,313	-9,462	-2,827

BALANCE SHEET – PARENT COMPANY

KSEK	Jun 30 2025	Jun 30 2024	Dec 31 2024
Fixed assets			
Intangible fixed assets			
Intangible fixed assets	2,613	2,613	2,613
Tangible fixed assets			
Tangible fixed assets	0	0	0
Financial fixed assets			
Shares in group companies	118	130	130
Financial assets	41,050	54,092	37,475
Total fixed assets	43,781	56,835	40,217
Current assets			
Account receivables	18,283	25,727	18,835
Receivables from group companies	72,013	137,479	204,318
Tax receivables	4,094	2,821	1,561
Other receivables	468	469	325
Prepaid expenses and accrued income	75,803	101,918	100,819
Cash and cash equivalents	142,171	21,321	47,325
Total current assets	312,833	289,735	373,183
Total assets	356,613	346,570	413,400

KSEK	Jun 30 2025	Jun 30 2024	Dec 31 2024
Restricted equity			
Share capital	928	928	928
Non-restricted equity			
Share premium reserve	52,431	40,637	54,530
Profit/Loss carried forward	177,015	113,036	80,961
Net result for the period	-10,215	1,313	7,997
Total equity	220,160	155,915	144,417
Current liabilities			
Accounts payable	29,982	16,343	32,117
Tax Liability	0	0	0
Liability to group companies	98,120	161,474	226,165
Other liability	5,289	5,063	5,244
Accrued expenses	3,064	2,325	5,458
Total current liabilities	136,454	185,205	268,984
Total equity and liabilities	356,613	341,120	413,400

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 plays 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 1111 5

E-MAIL: CONTACT@G5.COM

Org.nr. 556680-8878

WWW.G5.COM

