



## **Interim Report as of March 31<sup>st</sup>, 2025**

**(First nine months of Fiscal Year 2024/2025)**

**Digital Bros S.p.A.**

Via Tortona, 37 – 20144 Milan, Italy

VAT number 09554160151

Share Capital: Euro 6.024.334,80 of which Euro 5.706.014,80 subscribed

Milan Companies House no. 290680-Vol. 7394 Chamber of Commerce no. 1302132

This report is available on the Company's website [www.digitalbros.com](http://www.digitalbros.com) Investor Relations /  
Financial Documents section

*Please consider that this is an Italian to English translation: the Italian version shall always prevail in  
case of any discrepancy or inconsistency*

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## Index

BOARD OF DIRECTORS AND CORPORATE GOVERNANCE STRUCTURE .....	4
DIRECTORS' REPORT .....	6
1. GROUP ORGANIZATION.....	6
2. THE VIDEO GAMES MARKET .....	10
3. ALTERNATIVE PERFORMANCE RATIOS.....	12
4. SEASONALITY EFFECTS.....	12
5. SIGNIFICANT EVENTS DURING THE REPORTING PERIOD .....	13
6. CONSOLIDATED PROFIT AND LOSS STATEMENT AS OF MARCH 31 <sup>ST</sup> , 2025.....	15
7. CONSOLIDATED BALANCE SHEET AS OF MARCH 31 <sup>ST</sup> , 2025 .....	19
8. SEGMENT REPORTING .....	22
9. Q3 FY23 CONSOLIDATED PROFIT AND LOSS STATEMENT .....	30
10. CONTINGENT ASSETS AND LIABILITIES .....	34
11. SUBSEQUENT EVENTS.....	34
12. BUSINESS OUTLOOK.....	34
13. OTHER INFORMATION .....	35
<b>FINANCIAL STATEMENTS</b> .....	37
CONSOLIDATED BALANCE SHEET AS OF MARCH 31 <sup>ST</sup> , 2025 .....	39
CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED MARCH 31 <sup>ST</sup> , 2025 ..	40
CONSOLIDATED COMPREHENSIVE INCOME STATEMENT AS OF MARCH 31 <sup>ST</sup> , 2025.....	41
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS OF MARCH 31 <sup>ST</sup> , 2025 .....	43
<b>EXPLANATORY NOTE</b> .....	45
STATEMENT PURSUANT TO ART. 154- BIS (5) OF THE T.U.F. ....	55

## BOARD OF DIRECTORS AND CORPORATE GOVERNANCE STRUCTURE

### Board of Directors

Membro	Office	Role	Committees		
			Risk & Control	Remuneration	Nomination
Carlotta Ilaria D'Ercole	Director	I	M	M	P
Veronica Devetag Chalapuka	Director	NE			
Abramo Galante	Chairman and CEO	E			
Davide Galante	Director	NE			
Raffaele Galante	CEO	E			
Susanna Pedretti	Director	I	M	P	M
Stefano Salbe <sup>(1)</sup>	Director	E			
Laura Soifer <sup>(2)</sup>	Director	I	P	M	M
Dario Treves	Director	E			

#### Key:

E: Executive Director	P: President of the Committee
NE: Non-Executive Director	M: Member of the Committee
I: Independent Director	CEO: Chief Executive Officer

<sup>(1)</sup> Financial Reporting Manager pursuant to Art. 154 bis of Legislative Decree 58/98

<sup>(2)</sup> Lead Independent Director

### Board of Statutory Auditors

Name	Office
Maria Pia Maspes	Statutory auditor
Pietro Piccone Ferrarotti	Statutory auditor
Paolo Villa	Chairman
Andrea Serra	Substitute statutory auditor
Stefano Spiniello	Substitute statutory auditor

The Shareholders' Meeting held on October 27<sup>th</sup>, 2023 appointed the Board of Directors and the Board of Statutory Auditors. The terms of the Directors and the Statutory Auditors will expire at the Shareholders' Meeting which will approve the financial statements as of June 30<sup>th</sup>, 2026. On October 28<sup>th</sup>, 2024, the Shareholders' Meeting appointed Veronica Devetag Chalaupka as a new non-executive Director, who will remain in charge with the current Board of Directors until the approval of the financial statements as of June 30<sup>th</sup>, 2026.

On October 27<sup>th</sup>, 2023, the Shareholders' Meeting appointed Abramo Galante as Chairman of the Board of Directors. On November 9<sup>th</sup>, 2023, the Board of Directors appointed Abramo Galante and Raffaele Galante as Chief Executive Officers, granting adequate powers of attorney.

The Board of Directors held on August 7<sup>th</sup>, 2007 appointed the Executive Director Stefano Salbe as Financial Reporting Manager pursuant to Art. 154 bis of Legislative Decree 58/98 with appropriate powers.

### **Auditors**

#### **EY S.p.A.**

On October 27<sup>th</sup>, 2021, the Shareholders' Meeting appointed EY S.p.A., based in Via Meravigli 12, Milan, as auditors of the Group's consolidated annual and half year condensed financial statements and Digital Bros S.p.A. annual financial statements until the approval of the financial statements as of June 30<sup>th</sup>, 2030.

### **Other information**

The Board of Directors of May 14<sup>th</sup>, 2025 authorized the publication of Digital Bros Group's Interim Report as of March 31<sup>st</sup>, 2025.

Digital Bros S.p.A. is incorporated and operating in Italy. The Company is listed on the Euronext STAR segment of the Euronext Milan market operated by Borsa Italiana S.p.A..

## DIRECTORS' REPORT

### 1. GROUP ORGANIZATION

Digital Bros Group (“the Group”) develops, publishes and distributes video games on international markets.

The Group is organized into five operational business segments:

**Premium Games:** activities primarily involve the acquisition of intellectual property rights for video games from developers to distribute them primarily on digital marketplaces such as Steam, Sony PlayStation Network, Microsoft Xbox Live, Epic Game Store, etc..

The Group develops video games either directly, through its internal development studios, or working with independent teams. In the case of video games developed by external studios, the Company secures global rights either through long-term exclusive licensing agreements or via perpetual acquisitions.

The labels used for worldwide publishing are 505 Games and 505 Pulse.

During the reporting period, Premium Games activities were carried out by the subsidiary 505 Games S.p.A., which coordinates this operating segment, together with 505 Games Ltd. and 505 Games (US) Inc.. As part of the Group’s efforts to streamline its operations, starting from July 1, 2024, all activities that were previously carried out by 505 Games Interactive Inc. have been fully transferred to 505 Games US.

The subsidiary 505 Pulse S.r.l. publishes video games with lower development budget.

The Dutch company Rasplata B.V. is now 100% owned following the acquisition of the remaining 40% stake in August 2024. Rasplata B.V. owns the intellectual property and the technology used for the development of the video game Crime Boss: Rockay City.

The voluntary liquidation of the subsidiaries 505 Games France S.a.s. and 505 Games Spain Slu was finalized in the reporting period, while the liquidation process for the German subsidiary 505 Games GmbH is still ongoing.

The following internal development studios operate in the Premium Games segment:

- the Italian company Kunos Simulazioni S.r.l., fully owned by the Group, developed and published the video games Assetto Corsa and Assetto Corsa Competizione. The team is now finalizing the development of the video game Assetto Corsa EVO, which was released in Early Access on Steam on January 16<sup>th</sup>, 2025;
- the Czech company Ingame Studios a.s. a Brno-based studio in charge of the development of Crime Boss: Rockay City., which is fully owned by the Group;
- the Italian company Avantgarden S.r.l., a Milan-based development studio fully owned by the Group;
- the Italian company Supernova Games Studios S.r.l., a development studio based in Milan and fully owned by the Group;

- the Canadian company Chrysalide Jeux et Divertissement Inc., held at 75% by the Group, which is currently developing the video game The Directorate: Novitiate.

The Group established the Spanish joint venture MSE & DB S.L. with the development studio MercurySteam Entertainment S.L., which owns the intellectual property of the new video game Blades of Fire.

**Free to Play:** activities involve developing and publishing video games and/or applications that are distributed for free on digital marketplaces and monetized through in-app purchases. Free to Play video games typically present lower technical complexity compared to Premium titles, but when successful, they tend to enjoy a longer life cycle. Following their launch, Free-to-Play games require ongoing maintenance and updates to keep the users' interested, increase the players retention and extend the game's longevity.

Worldwide publishing activities are coordinated by 505 Mobile S.r.l., together with the U.S.-based 505 Mobile (US) Inc., which provides consultancy services to other Group companies and the UK-based DR Studios Ltd., which develops Free to Play video games.

The Australian companies 505 Games Australia Pty Ltd., Infinite Interactive Pty. and Infinity Plus Two Pty own the intellectual properties for the video games Puzzle Quest and Gems of War, for which provide live support activities.

In July 2022, 505 Games Mobile S.r.l. acquired 100% of D3Publisher of America Inc., an American publisher of Free to Play video games, including spin-offs of the Puzzle Quest series. The company was then rebranded 505 Go! Inc. after the acquisition was finalized.

The labels 505 Mobile and 505 Go! are used for worldwide publishing activities in the Free to Play segment.

**Italian Distribution:** consists of the distribution in Italy of video games purchased from international publishers. The operations are run by the Parent Company, Digital Bros S.p.A., under the Halifax brand.

**Other Activities:** all remaining activities fall under the Other Activities operating segment for reporting purposes. This segment includes training and professional courses related to the video game industry carried out by the subsidiary Digital Bros Game Academy S.r.l..

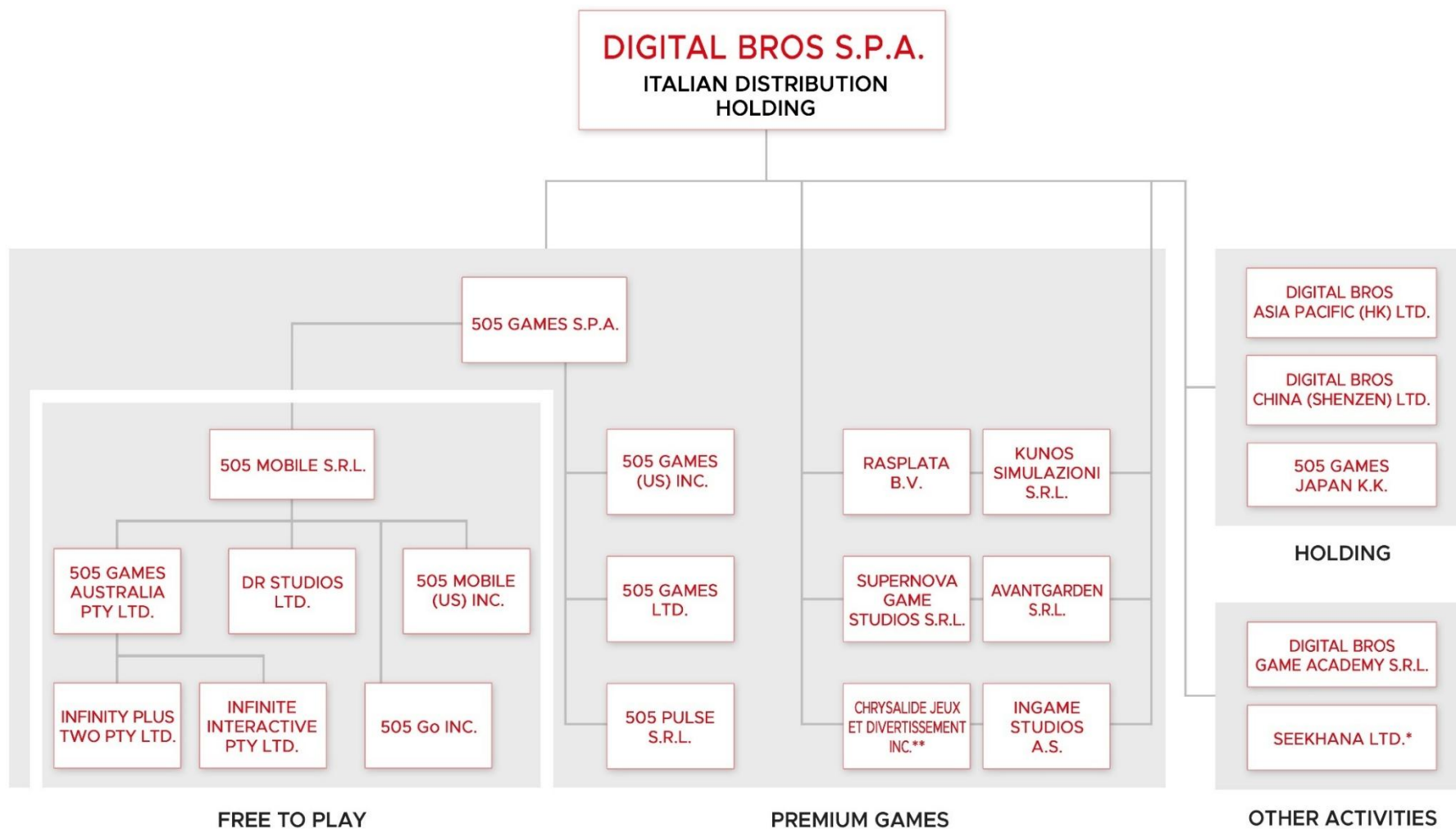
The Group also holds a 60% stake in the UK-based company Seekhana Ltd..

**Holding:** activities consist of management of HR, financial planning and business development carried out by the Parent Company, Digital Bros S.p.A.. Digital Bros China Ltd., Digital Bros Asia Pacific (HK) Ltd. and 505 Games Japan K.K. support the Holding company with business development activities in the Asian markets. Digital Bros Holdings Ltd. was not active during the period.

All the above-mentioned companies are fully owned, except for the 60% held in Seekhana Ltd and the 75% held in Chrysalide Jeux et Divertissement Inc..

The organization chart for operating companies as of March 31<sup>st</sup>, 2025 was as follows:





(\*) 60% INTEREST  
 (\*\*) 75% INTEREST



During the reporting period, the Group operated in the following locations:

Company	Address	Activity
AvantGarden S.r.l.	Via Tortona, 37 Milan	Offices
Chrysalide Jeux et Divertissement Inc. <sup>(1)</sup>	300 Rue Saint Paul – Bureau 410, Quebec City, Canada	Offices
Digital Bros S.p.A.	Via Tortona, 37 Milan	Offices
Digital Bros S.p.A.	Via Boccaccio 95, Trezzano sul Naviglio (Milan)	Logistics
Digital Bros Asia Pacific (HK) Ltd.	33-35 Hillier Street, Sheung Wan, Hong Kong	Offices
Digital Bros China (Shenzhen) Ltd.	Wang Hai Road, Nanshan district, Shenzhen, 518062, China	Offices
Digital Bros Game Academy S.r.l.	Via Labus, 15 Milan	Offices
DR Studios Ltd.	403 Silbury Boulevard, Milton Keynes, U.K.	Offices
Game Entertainment S.r.l.	Via Tortona, 37 Milan	Offices
505 Games S.p.A.	Via Tortona, 37 Milan	Offices
505 Games Australia Pty Ltd.	333 Collins Street, South Melbourne Victoria, Australia	Offices
505 Games Japan K.K.	Jimbocho, 2-11-15, Kandajimbocho Chiyoda-ku, Tokyo, Giappone	Offices
505 Games Ltd.	403 Silbury Boulevard, Milton Keynes, U.K.	Offices
505 Games (US) Inc.	5145 Douglas Fir Road, Calabasas, California, U.S.A.	Offices
505 Go Inc.	5145 Douglas Fir Road, Calabasas, California, U.S.A.	Offices
505 Pulse S.r.l.	Via Tortona, 37 Milan	Offices
Ingame Studios a.s.	Moravské náměstí 249/8, Brno, Czech Republic	Offices
Kunos Simulazioni S.r.l.	Via degli Olmetti 39, Formello (Rome)	Offices
Infinite Interactive Pty Ltd.	333 Collins Street, Melbourne Victoria, Australia	Offices
Infinity Plus Two Pty Ltd.	333 Collins Street, Melbourne Victoria, Australia	Offices
505 Mobile S.r.l.	Via Tortona, 37 Milan	Offices
505 Mobile (US) Inc.	5145 Douglas Fir Road, Calabasas, California, U.S.A.	Offices
Rasplata B.V.	Churchill-iaan 131 2, Amsterdam, Netherlands	Offices
Seekhana Ltd.	403 Silbury Boulevard, Milton Keynes, U.K.	Offices
Supernova Games Studios S.r.l.	Via Tortona, 37 Milan	Offices

The companies have been fully consolidated using the line-by-line consolidation method, with recognition of the share of equity and profit or loss attributable to non-controlling interests.

## 2. THE VIDEO GAMES MARKET

The video game market is a key segment of the entertainment industry, alongside movies, books, magazines, and toys. These sectors share common characteristics, brands, features, and intellectual properties, contributing to a dynamic and interconnected entertainment landscape.

The growth achieved by the video game industry during the pandemic generated widespread optimism, prompting many competitors to initiate new productions and significantly increase the average investment per game. As a result, an unprecedented and unexpected number of new video games were launched on the market, making it harder to meet the expected volume and revenue targets. Because of this, many companies were forced to reassess their strategies regarding portfolio investments and marketing expenditures to adapt to this competitive scenario. Starting from the second half of 2023, the market has seen waves of layoffs, studio closures, and project cancellations. As of the reporting date, such a situation remains unresolved.

The video games market value chain is as follows:



The COVID-19 pandemic further accelerated the decline of retail distribution, which has now become marginal and has been almost entirely supplanted by digital distribution channels.

### *Developers*

Developers create and design video games, usually based on original ideas, a successful brand, a movie, sports simulations etc.. It has become increasingly common for highly successful video games to be adapted into movies, TV series, cartoons, and other media.

Developers generally retain intellectual property rights, but they may transfer their rights to publishers for a limited period of time, which is defined contractually. Publishers play therefore a key role in this value chain, contributing to the production of video games, creating a player community, and managing its distribution across their global commercial networks.

In some cases, developers may choose to publish and market the game independently. However, this approach significantly increases the financial and operational risks for these players.

### *Publishers*

The publisher is responsible for the video game's launch, defining its global commercial strategy, overseeing product positioning and packaging, bearing all the related risks, while sharing instead all opportunities from the game success with the developer. Publishers typically finance the development process and often acquire the game's intellectual property either permanently or for a set period, including licensing rights for sequels.

### *Console manufacturers*

The console manufacturer designs and produces the hardware used for playing video games. Sony manufactures the PlayStation, Microsoft the Xbox and Nintendo the Nintendo Switch. Console manufacturers often also operate as video game publishers.

The key marketplaces that sell console video games are Sony's PlayStation Store, Microsoft's Xbox Live and Nintendo's eShop. Steam is the global leader in the digital distribution of video games for personal computers. More recently, the US company Epic Games Inc. launched its Epic Games Store for PC.

The digitalization of the market has driven both Microsoft (with Xbox Game Pass) and Sony (with PlayStation Now) to develop digital platforms where players can access an entire library of video games for a predefined period by paying a subscription fee, rather than purchasing individual titles. Revenues for publishers and developers are recognized when a game is added to the platform, based on a predetermined annual fee defined for each product. Additionally, as end consumers play the games, the platform provides an incremental fee to the publishers based on user engagement.

Digital distribution has extended the video game's lifecycle. Video games' availability is no longer limited to their launch on the retail channel, but rather they remain available on marketplaces for longer, thus generating a continuous revenue stream, which can be significantly influenced by promotional campaigns. The video games' life cycle can also be extended by releasing additional chapters and content after the official launch of the main game. The additional features (the so-called DLC, or Downloadable Contents) are available on digital marketplaces for consumers to buy or download for free.

Free to Play video games are only available in digital format on the following marketplaces: the App Store for iPhone and iPad, the PlayStore for Android for Western markets and a number of different marketplaces for Far Eastern markets. Some Free to Play video games are also available on Sony PlayStation Store, Microsoft's Xbox Live for console, Steam and Epic Games Store for PC.

### 3. ALTERNATIVE PERFORMANCE RATIOS

The Group relies on specific key performance ratios to simplify the comprehension of the consolidated profit and loss statement and balance sheet. The key performance ratios used in this report are consistent with previous years.

The following ratios are directly reported in the profit and loss statement:

- Gross profit, being the difference between net revenue and total cost of sales;
- EBITDA, being the difference between gross profit, other income and total operating costs plus other income;
- EBIT, being the difference between EBITDA and total depreciation, amortization and impairment adjustments.

With regards to the profit and loss statements, the same rationale is also valid for the net financial position, which is detailed in the Explanatory Notes.

The ratios used by the Group could be misaligned with those adopted by other companies, as they are not defined by any accounting standard and therefore they could not be fully comparable.

No reconciliation is required between the performance indicators included in the Directors' Report and the consolidated financial statements, as the metrics used by the Group are derived directly from the figures reported in the consolidated financial statements.

### 4. SEASONALITY EFFECTS

Market seasonality is heavily influenced by the release of highly anticipated and popular video games. The launch of a successful title in a specific period can lead to significant revenue volatility across quarters. Sales are often concentrated in the first few days following the game's release, especially when the launch is supported by targeted marketing and promotional campaigns.

The digitalization of the market has contributed to a more stable revenue stream for publishers across quarters. Unlike physical retail cycles, digital marketplaces recognize revenue at the time of the end consumer's purchase, thereby reducing the impact of seasonal sales fluctuations.

Promotional campaigns on digital marketplaces play a crucial role in boosting revenue during specific periods. Publishers strategically align their marketing efforts with peak consumer spending seasons, such as Christmas in European markets, Black Friday in the U.S., and the Chinese New Year.

Revenues from Free-to-Play games tend to be less affected by seasonal fluctuations compared to Premium Games. Free-to-Play titles typically generate steadily increasing revenue over time, without significant spikes at launch, except in rare cases involving highly anticipated titles with exceptionally well-known brands. The impact of promotions on revenue performance is significant; however, unlike Premium Games, these promotions occur much more frequently and are spread over shorter intervals, preventing excessive revenue volatility across different quarters.

The only residual contribution of physical distribution sales to the overall total consolidated revenue has also significantly reduced the volatility of net working capital requirements.

## 5. SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

On October 28th, 2024, the Shareholders' Meeting of Digital Bros Group approved the Financial Statements for the fiscal year 2023-2024 and appointed Veronica Devetag Chalaupka as a new member of the Board of Directors. The new Director will remain in charge with the other current Directors until the Shareholders' Meeting convened for the approval of the financial statements as at June 30th, 2026.

### Relations with Starbreeze

Over the past fiscal years, Digital Bros Group and Starbreeze group ("Starbreeze") have entered multiple different transactions, summarized below.

In May 2016, the Group sold back the PAYDAY2 co-publishing rights to Starbreeze against a payment of USD 30 million and an earn-out of USD 40 million as 33% of the net revenues from the future video game PAYDAY3.

In January and February 2020, the Group conducted the following transactions:

- on January 15<sup>th</sup>, 2020, Digital Bros S.p.A. acquired 18,969,395 Starbreeze STAR A shares held by Swedish company Varvte AB for a consideration of around SEK 25.8 million, at a price of SEK 1.36 per share;
- on February 26<sup>th</sup>, 2020, Digital Bros S.p.A. completed the acquisition of all of the assets held by Smilegate Holdings in Starbreeze for a price of Euro 19.2 million. The assets acquired have a nominal value of Euro 35.3 million, as detailed below:
  - a) a convertible bond of approximately SEK 215 million issued by Starbreeze for a total of Euro 16.9 million;
  - b) a receivable of around SEK 165 million for a consideration of Euro 100 thousand. This credit fell under the Starbreeze restructuring process and provided for repayment based on the terms of payment approved by the Swedish District Court and no later than December 2024;
  - c) 3,601,083 Starbreeze STAR A shares and 6,018,948 Starbreeze STAR B shares for a total amount of Euro 2.2 million.

On July 19<sup>th</sup>, 2023, the Company requested the full conversion of the convertible bond, which resulted in the issuance of no. 148.3 million Starbreeze B shares.

During the last months of the previous fiscal year, different interpretations emerged between the Group and Starbreeze AB about the calculation of the earn out from the transfer of PAYDAY 2 rights to the Swedish developer and the repayment of receivables related to other contracts between the two groups.

On February 27<sup>th</sup>, 2025, the Group reached a settlement agreement with the Swedish developer, resolving all outstanding matters. Consequently, the Provision for Starbreeze arbitration costs accrued as of June 30, 2024 was released, as no arbitration proceeding is required. The agreement did not have a significant impact on the net result in the reporting period, since the released provision was balanced by losses on Starbreeze receivables of Euro 0.9 million and financial charges of Euro 0.3 million, related to the net present value adjustment of the expected payments which will occur before January 2027.

As of May 14<sup>th</sup>, 2025, the Group now holds no. 87 million Starbreeze A shares and no. 223.4 million Starbreeze B shares. This accounts for 19.11% of the share capital and 37.65% of voting rights.

The Group reassessed its analysis on:

- Starbreeze AB's governance structure and Digital Bros' representation in its corporate bodies;
- Digital Bros' involvement in Starbreeze AB's decision making process;
- the existing business relations between Digital Bros and Starbreeze AB;
- the exchange of professionals and technical information between the two companies.

As a result of such analysis, and consistent with previous fiscal years, Digital Bros concluded that it does not exercise significant influence over Starbreeze, despite holding a substantial portion of the voting capital.

6. CONSOLIDATED PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED MARCH 31<sup>ST</sup>, 2025

	Euro thousand	March 31 <sup>st</sup> , 2025		March 31 <sup>st</sup> , 2024		Change	
1	Gross revenue	66,441	100.0%	75,842	100.1%	(9,401)	-12.4%
2	Revenue adjustments	0	0.0%	(42)	-0.1%	42	n.m.
3	<b>Net revenue</b>	<b>66,441</b>	<b>100.0%</b>	<b>75,800</b>	<b>100.0%</b>	<b>(9,359)</b>	<b>-12.3%</b>
4	Purchase of products for resale	(515)	-0.8%	(1,581)	-2.1%	1,066	-67.4%
5	Purchase of services for resale	(4,866)	-7.3%	(7,604)	-10.0%	2,738	-36.0%
6	Royalties	(15,964)	-24.0%	(15,636)	-20.6%	(328)	2.1%
7	Changes in inventories of finished products	(1,209)	-1.8%	(287)	-0.4%	(922)	n.m.
8	<b>Total cost of sales</b>	<b>(22,554)</b>	<b>-33.9%</b>	<b>(25,108)</b>	<b>-33.1%</b>	<b>2,554</b>	<b>-10.2%</b>
9	<b>Gross profit (3+8)</b>	<b>43,887</b>	<b>66.1%</b>	<b>50,692</b>	<b>66.9%</b>	<b>(6,805)</b>	<b>-13.4%</b>
10	Other income	6,673	10.0%	8,218	10.8%	(1,545)	-18.8%
11	Costs for services	(6,194)	-9.3%	(8,241)	-10.9%	2,047	-24.8%
12	Rent and leasing	(409)	-0.6%	(333)	-0.4%	(76)	22.7%
13	Payroll costs	(22,516)	-33.9%	(29,087)	-38.4%	6,571	-22.6%
14	Other operating costs	(855)	-1.3%	(1,013)	-1.3%	158	-15.6%
15	<b>Total operating costs</b>	<b>(29,974)</b>	<b>-45.1%</b>	<b>(38,674)</b>	<b>-51.0%</b>	<b>8,700</b>	<b>-22.5%</b>
16	<b>Gross operating margin (EBITDA) (9+10+15)</b>	<b>20,586</b>	<b>31.0%</b>	<b>20,236</b>	<b>26.7%</b>	<b>350</b>	<b>1.7%</b>
17	Depreciation and amortization	(17,894)	-26.9%	(23,478)	-31.0%	5,584	-23.8%
18	Provisions	1,241	1.9%	0	0.0%	1,241	n.m.
19	Asset impairment charge	(1,741)	-2.6%	(779)	-1.0%	(962)	n.m.
20	Impairment reversal	131	0.2%	896	1.2%	(765)	-85.4%
21	<b>Total depreciation, amortization and impairment adjustments</b>	<b>(18,263)</b>	<b>-27.5%</b>	<b>(23,361)</b>	<b>-30.8%</b>	<b>5,098</b>	<b>-21.8%</b>
22	<b>Operating margin (EBIT) (16+21)</b>	<b>2,323</b>	<b>3.5%</b>	<b>(3,125)</b>	<b>-4.1%</b>	<b>5,448</b>	<b>n.m.</b>
23	Interest and financial income	1,008	1.5%	1,665	2.2%	(657)	-39.4%
24	Interest and financial expenses	(4,175)	-6.3%	(3,952)	-5.2%	(223)	5.6%
25	<b>Net interest income/(expenses)</b>	<b>(3,167)</b>	<b>-4.8%</b>	<b>(2,287)</b>	<b>-3.0%</b>	<b>(880)</b>	<b>38.5%</b>
26	<b>Profit/ (loss) before tax (22+25)</b>	<b>(844)</b>	<b>-1.3%</b>	<b>(5,412)</b>	<b>-7.1%</b>	<b>4,568</b>	<b>-84.4%</b>
27	Current tax	(3,092)	-4.7%	(657)	-0.9%	(2,435)	n.m.
28	Deferred tax	1,865	2.8%	(611)	-0.8%	2,476	n.m.
29	<b>Total taxes</b>	<b>(1,227)</b>	<b>-1.8%</b>	<b>(1,268)</b>	<b>-1.7%</b>	<b>41</b>	<b>-3.3%</b>
30	<b>Net profit/loss</b>	<b>(2,071)</b>	<b>-3.1%</b>	<b>(6,680)</b>	<b>-8.8%</b>	<b>4,609</b>	<b>-69.0%</b>
	attributable to the shareholders of the Parent Company	(2,290)	-3.4%	(2,896)	-3.8%	606	-20.9%
	attributable to non-controlling interests	219	0.3%	(3,784)	-5.0%	4,003	n.m.
	<b>Earnings per share:</b>						
33	<b>Basic earnings per share (in Euro)</b>	<b>(0.16)</b>		<b>(0.20)</b>		<b>0.04</b>	<b>0.0%</b>
34	<b>Diluted earnings per share (in Euro)</b>	<b>(0.16)</b>		<b>(0.20)</b>		<b>0.04</b>	<b>0.0%</b>



In the post-pandemic period, the gaming industry passed through significant structural changes, connected to an exceptional number of new launches. The Group reassessed its portfolio of intellectual properties during the past fiscal year to address the new market dynamics, by re-evaluating each project based on the expected risk-return profile. This strategic review focused on higher-margin titles with more predictable revenue streams, especially fully owned intellectual properties with the potential to generate long-term value for the Group. Consequently, development was discontinued on several lower-budget projects, as well as certain high-budget titles with longer development timelines and lower profitability for the Group, including the new titles of the Control franchise.

Given these market conditions and the corrective actions implemented, the Group expects full year revenue to decline compared to the previous fiscal year. However, such a reduction is not expected to materially impact on the Group's EBIT margin.

As of March 31<sup>st</sup>, 2025, total revenue amounted to Euro 66.4 million, down by 12.4% compared to the first nine months in the previous fiscal year. During the reporting period, the Group released the new video game Assetto Corsa EVO in Early Access on Steam compared to the previous period when two titles (Brothers: A Tale of Two Sons and Ghostrunner 2) were launched.

In the remaining quarter of the current fiscal year, the Group will launch the new video game Blades of Fire multiplatform and exclusively on the Epic Games Store for the Personal Computer version. The solid release schedule will see the multiplatform release of the highly anticipated video game Wuchang: Fallen Feathers in July, which will also be available through the Microsoft Game Pass subscription service.

The breakdown of net revenue by operating segment as of March 31<sup>st</sup>, 2025, compared to the same period of the previous fiscal year is as follows:

<b>Net revenue</b>				
<b>Euro thousand</b>	<b>March 31<sup>st</sup>, 2025</b>	<b>March 31<sup>st</sup>, 2024</b>	<b>Change €</b>	<b>Change %</b>
Premium Games	54,438	59,603	(5,165)	-8.7%
Free to Play	10,211	14,084	(3,873)	-27.5%
Italian Distribution	1,204	1,372	(168)	-12.2%
Other Activities	588	741	(153)	-20.6%
<b>Total net revenue</b>	<b>66,441</b>	<b>75,800</b>	<b>(9,359)</b>	<b>-12.3%</b>

As of March 31<sup>st</sup>, 2025, Premium Games revenue amounted to Euro 54.4 million, down by 8.7% and representing 82% of total net revenue. The Assetto Corsa brand showed particularly strong performances, generating Euro 25.6 million during the reporting period, a 34% increase compared to the Euro 19.1 million over the first nine months of the previous fiscal year. The brand performances benefitted from the launch of the new version Assetto Corsa EVO in Early Access on Steam on January 16<sup>th</sup>, 2025, developed by the internal studio Kunos Simulazioni.

Revenue generated from fully owned Intellectual Properties (IPs) accounted for 60% of the Euro 54.4 million revenue generated by the Premium Games operating segment, increasing from 53% in the same period of the previous fiscal year, primarily driven by the launch of the fully owned Assetto Corsa EVO. Co-owned IPs and long-term publishing agreements accounted for 24% of Premium Games revenue.

Free-to-Play revenue amounted to Euro 10.2 million, down by 27.5% compared to the first nine months of the previous fiscal year. The video games published by the subsidiary 505 Go! have been upgraded to a new game engine starting from the previous fiscal year. This will enhance the performance of the live support activities by allowing further reaching and more complex event updates, together with easier and more frequent promotional activities. The upgrade will also support localization into additional languages, expanding the game's player base to a global audience. As of the reporting date, the game is primarily available in English and, to a lesser extent, in major Western languages, with most revenue generated in the U.S.. The software upgrade to Unity is being finalized with the new version currently in test, with a global launch expected in Q4 of the current fiscal year.

Non-domestic revenues were 97% of net revenue, while digital sales represented 91% of the total, consistent with prior years.

The cost of sales as a percentage of total revenue remained largely unchanged at 33.9%, resulting in a decrease in gross profit of Euro 6,805 thousand, from Euro 50,692 thousand as of March 31<sup>st</sup>, 2024 to Euro 43,887 thousand. The gross profit margin remained stable at 66.1%.

Other revenue amounted to Euro 6,673 thousand, down by Euro 1,545 thousand, primarily due to lower capitalization of internal studio video game development, since most projects have now transitioned into live support. The capitalization of internal studio video game development included:

- the Free to Play game Hawken: Reborn, developed by the subsidiary DR Studios Ltd.;
- the video game Assetto Corsa EVO, developed by the subsidiary Kunos Simulazioni S.r.l.;
- the video game Directorate: Novitiate developed by the subsidiary Chrysalide Jeux et Divertissement Inc..

The reorganization process implemented in the previous fiscal year, combined with reduced costs for services in consideration of fewer release, enabled a decline in the operating costs of Euro 8,700 thousand. For such a reason, EBITDA slightly improved by Euro 350 thousand despite the revenue decline, increasing from Euro 20,236 thousand as of March 31<sup>st</sup>, 2024 to the current Euro 20,586 thousand.

Total depreciation, amortization and impairment adjustments amounted to Euro 18,263 thousand, decreasing by Euro 5,098 thousand. Depreciation and amortization amounted to Euro 17,894 thousand, decreased by Euro 5,584 thousand from Euro 23,478 thousand as of March 31<sup>st</sup>, 2024. Provisions were positive at Euro 1,241 thousand, reflecting the reversal of the Provision for Starbreeze arbitration costs accrued as of June 30<sup>th</sup>, 2024, since no arbitration is needed following the agreement reached with the Swedish group. Asset impairment charges amounted to Euro 1,741 thousand, including Euro 966 thousand losses on Starbreeze receivables resulting from the settlement agreement. The remaining portion was mainly related to the lower-than-expected performance of some video games, whose impairment tests resulted in write-offs for Euro 750 thousand. As a result, the EBIT margin improved by Euro 5,448 thousand compared to the previous period, increasing from a negative Euro 3,125 thousand to a positive Euro 2,323 thousand as of March 31<sup>st</sup>, 2025.

The net interest expense amounted to Euro 3,167 thousand, compared to Euro 2,287 thousand in the first nine months of the last fiscal year, primarily driven by lower exchange rate gains.

The loss before tax was at Euro 844 thousand, significantly improving by Euro 4,568 thousand from the Euro 5,412 thousand loss before tax realized as of March 31<sup>st</sup>, 2024.

The consolidated net loss for the period amounted to Euro 2,071 thousand, compared to the Euro 6,680 thousand net loss as of March 31<sup>st</sup>, 2024.

The net loss attributable to the shareholders of the Parent Company was at Euro 2,290 thousand, improved by Euro 606 thousand compared to the previous fiscal year. The net profit attributable to non-controlling interests amounted to Euro 219 thousand, compared to the net loss of Euro 3,784 thousand in the previous reporting period. The last year net loss was attributable to the 40% minority interest pro-rata result of Euro 3,698 thousand of the Dutch subsidiary Rasplata B.V. which was fully acquired by the Group in August 2024.

The basic loss per share and the diluted loss per share amounted to Euro 0.16, compared to the Euro 0.20 basic loss per share and diluted loss per share as of March 31<sup>st</sup>, 2024.

## 7. CONSOLIDATED BALANCE SHEET AS OF MARCH 31<sup>ST</sup>, 2025

Euro thousand		March 31 <sup>st</sup> , 2025	June 30 <sup>th</sup> , 2024	Change	
	<b>Non-current assets</b>				
1	Property, plant and equipment	5,983	7,379	(1,396)	-18.9%
2	Investment properties	0	0	0	0.0%
3	Intangible assets	128,147	129,614	(1,467)	-1.1%
4	Equity investments	5,677	9,685	(4,008)	-41.4%
5	Non-current receivables and other assets	2,625	7,945	(5,320)	-67.0%
6	Deferred tax assets	23,357	21,166	2,191	10.4%
7	Non-current financial activities	2,908	0	2,908	n.s.
	<b>Total non-current assets</b>	<b>168,697</b>	<b>175,789</b>	<b>(7,092)</b>	<b>-4.0%</b>
	<b>Current assets</b>				
8	Inventories	1,459	2,668	(1,209)	-45.3%
9	Trade receivables	7,826	16,887	(9,061)	-53.7%
10	Tax receivables	3,516	4,345	(829)	-19.1%
11	Other current assets	5,590	8,902	(3,312)	-37.2%
12	Cash and cash equivalents	5,509	11,981	(6,472)	-54.0%
13	Other current financial assets	1,106	10,238	(9,132)	-89.2%
	<b>Total current assets</b>	<b>25,006</b>	<b>55,021</b>	<b>(30,015)</b>	<b>-54.6%</b>
	<b>TOTAL ASSETS</b>	<b>193,703</b>	<b>230,810</b>	<b>(37,107)</b>	<b>-16.1%</b>
	<b>Shareholders' equity</b>				
14	Share capital	(5,706)	(5,706)	0	0.0%
15	Reserves	(9,398)	(11,868)	2,470	-20.8%
16	Treasury shares	0	0	0	0.0%
17	Retained earnings	(107,248)	(113,426)	6,178	-5.4%
	<b>Equity attributable to the shareholders of the Parent Company</b>	<b>(122,352)</b>	<b>(131,000)</b>	<b>8,648</b>	<b>-6.6%</b>
	<b>Equity attributable to non-controlling interests</b>	<b>(794)</b>	<b>3,314</b>	<b>(4,108)</b>	<b>n.s.</b>
	<b>Total net equity</b>	<b>(123,146)</b>	<b>(127,686)</b>	<b>4,540</b>	<b>-3.6%</b>
	<b>Non-current liabilities</b>				
18	Employee benefits	(1,075)	(967)	(108)	11.1%
19	Non-current provisions	(1,081)	(563)	(518)	92.1%
20	Other non-current payables and liabilities	(771)	(1,657)	886	-53.5%
21	Non-current financial liabilities	(3,554)	(10,324)	6,770	-65.6%
	<b>Total non-current liabilities</b>	<b>(6,481)</b>	<b>(13,511)</b>	<b>7,030</b>	<b>-52.0%</b>
	<b>Current liabilities</b>				
22	Trade payables	(31,251)	(43,737)	12,486	-28.5%
23	Tax payables	(1,270)	(1,299)	29	-2.2%
24	Short term provisions	0	(1,241)	1,241	n.s.
25	Other current liabilities	(4,213)	(6,657)	2,444	-36.7%
26	Current financial liabilities	(27,342)	(36,679)	9,337	-25.5%
	<b>Total current liabilities</b>	<b>(64,076)</b>	<b>(89,613)</b>	<b>25,537</b>	<b>-28.5%</b>
	<b>TOTAL LIABILITIES</b>	<b>(70,557)</b>	<b>(103,124)</b>	<b>32,567</b>	<b>-31.6%</b>
	<b>TOTAL NET EQUITY AND LIABILITIES</b>	<b>(193,703)</b>	<b>(230,810)</b>	<b>37,107</b>	<b>-16.1%</b>

Total non-current assets decrease by Euro 7,092 thousand.

During the reporting period, intangible assets decrease by Euro 1,467 thousand, as a result of depreciation and impairment charges for Euro 16,933 thousand and investments for Euro 15,466 thousand.

Equity investments decrease by Euro 4,008 thousand, mostly driven by the fair value adjustment of the Starbreeze shares held as of March 31<sup>st</sup>, 2025.

Non-current receivables and other assets decrease by Euro 5,320 thousand, of which Euro 4,425 thousand related to the reclassified portion of the receivable from Starbreeze that is due beyond twelve months, according to the settlement agreement finalized with the Swedish developer on February 27<sup>th</sup>, 2025.

Total current assets decrease by Euro 30,015 thousand compared to June 30<sup>th</sup>, 2024, mainly due to:

- lower trade receivables by Euro 9,061;
- lower cash and cash equivalent by Euro 6,472 thousand;
- lower current financial assets by Euro 9,132 thousand resulting from the collection of the receivables from Remedy Entertainment, as per last years' agreement reverting all rights related to the Control franchise to the Finnish developer.

Non-current liabilities decrease by Euro 7,030 thousand, mainly due to lower non-current financial liabilities for Euro 6,770 thousand.

Total current liabilities are down by Euro 25,537 thousand, driven by:

- lower trade payables for Euro 12,486 thousand;
- the reversal of Euro 1,241 thousand accrued for the Provision for Starbreeze arbitration costs;
- lower other current liabilities for Euro 2,444 thousand;
- lower current financial liabilities by Euro 9,337 thousand.

The net financial position as of March 31<sup>st</sup>, 2025 is detailed below, as restated by the Group consistently with previous fiscal years:

	<b>Euro thousand</b>	<b>March 31<sup>st</sup>, 2025</b>	<b>June 30<sup>th</sup>, 2024</b>	<b>Change</b>
12	Cash and cash equivalents	5,509	11,981	(6,472)
13	Other current financial assets	1,106	10,238	(9,132)
26	Current financial liabilities	(27,342)	(36,679)	9,337
	<b>Current net financial position</b>	<b>(20,727)</b>	<b>(14,460)</b>	<b>(6,267)</b>
7	Non-current financial assets	2,908	0	2,908
21	Non-current financial liabilities	(3,554)	(10,324)	6,770
	<b>Non-current financial liabilities</b>	<b>(646)</b>	<b>(10,324)</b>	<b>9,678</b>
	<b>Total net financial position</b>	<b>(21,373)</b>	<b>(24,784)</b>	<b>3,411</b>

The Group's restated net financial debt amounted to Euro 21,373 thousand, reflecting a decrease of Euro 3,441 thousand compared to June 30<sup>th</sup>, 2024. The Group expects to be able to meet its current liabilities through projected future cash flows.

The restated net financial position, excluding the impact of IFRS 16, was negative at Euro 18,351 thousand.

The net financial position, prepared in accordance with the Guidelines on disclosure requirements issued by the European Securities and Markets Authority (ESMA) on March 4th, 2021, was negative at Euro 25,387 thousand, improved by Euro 9,635 thousand compared to the previous fiscal year end.

## 8. SEGMENT REPORTING

### Premium Games

#### Reclassified P&L highlights

Consolidated amounts in Euro thousand		Premium Games					
		March 31 <sup>st</sup> , 2025		March 31 <sup>st</sup> , 2024		Change	
1	Gross revenue	54,438	100.0%	59,615	100.0%	(5,177)	-8.7%
2	Revenue adjustments	0	0.0%	(12)	0.0%	12	n.m.
3	<b>Net revenue</b>	<b>54,438</b>	<b>100.0%</b>	<b>59,603</b>	<b>100.0%</b>	<b>(5,165)</b>	<b>-8.7%</b>
4	Purchase of products for resale	(486)	-0.9%	(621)	-1.0%	135	-21.7%
5	Purchase of services for resale	(2,124)	-3.9%	(4,605)	-7.7%	2,481	-53.9%
6	Royalties	(11,591)	-21.3%	(11,505)	-19.3%	(86)	0.7%
7	Changes in inventories of finished products	(500)	-0.9%	(16)	0.0%	(484)	n.m.
8	<b>Total cost of sales</b>	<b>(14,701)</b>	<b>-27.0%</b>	<b>(16,747)</b>	<b>-28.1%</b>	<b>2,046</b>	<b>-12.2%</b>
9	<b>Gross profit (3+8)</b>	<b>39,737</b>	<b>73.0%</b>	<b>42,856</b>	<b>71.9%</b>	<b>(3,119)</b>	<b>-7.3%</b>
10	Other income	5,323	9.8%	6,408	10.8%	(1,085)	-16.9%
11	Costs for services	(2,958)	-5.4%	(4,143)	-7.0%	1,185	-28.6%
12	Rent and leasing	(117)	-0.2%	(65)	-0.1%	(52)	81.0%
13	Payroll costs	(13,847)	-25.4%	(17,934)	-30.1%	4,087	-22.8%
14	Other operating costs	(419)	-0.8%	(540)	-0.9%	121	-22.3%
15	<b>Total operating costs</b>	<b>(17,341)</b>	<b>-31.9%</b>	<b>(22,682)</b>	<b>-38.1%</b>	<b>5,341</b>	<b>-23.5%</b>
16	<b>Gross operating margin (EBITDA) (9+10+15)</b>	<b>27,719</b>	<b>50.9%</b>	<b>26,582</b>	<b>44.6%</b>	<b>1,137</b>	<b>4.3%</b>
17	Depreciation and amortization	(15,187)	-27.9%	(20,543)	-34.5%	5,356	-26.1%
18	Provisions	1,241	2.3%	0	0.0%	1,241	n.m.
19	Asset impairment charge	(1,721)	-3.2%	(779)	-1.3%	(942)	n.m.
20	Impairment reversal	0	0.0%	889	1.5%	(889)	n.m.
21	<b>Total depreciation, amortization and impairment adjustments</b>	<b>(15,667)</b>	<b>-28.8%</b>	<b>(20,433)</b>	<b>-34.3%</b>	<b>4,766</b>	<b>-23.3%</b>
22	<b>Operating margin (EBIT) (16+21)</b>	<b>12,052</b>	<b>22.1%</b>	<b>6,149</b>	<b>10.3%</b>	<b>5,903</b>	<b>n.m.</b>

As of March 31<sup>st</sup>, 2025, Premium Games revenue amounted to Euro 54.4 million, down by 8.7% and representing 82% of total net revenue. The Assetto Corsa brand showed particularly strong performances, generating Euro 25.6 million during the reporting period, a 34% increase compared to the Euro 19.1 million over the first nine months of the previous fiscal year. The brand performances benefitted from the launch of the new version Assetto Corsa EVO in Early Access on Steam on January 16<sup>th</sup>, 2025, developed by the internal studio Kunos Simulazioni.

Revenue generated from fully owned Intellectual Properties (IPs) accounted for 60% of the Euro 54.4 million revenue generated by the Premium Games operating segment, increasing from 53% in the same period of the previous fiscal year, primarily driven by the launch of the fully owned Assetto Corsa EVO. Co-owned IPs and long-term publishing agreements accounted for 24% of Premium Games revenue.



A breakdown by type is provided below:

<b>Euro thousand</b>	<b>March 31<sup>st</sup>, 2025</b>	<b>March 31<sup>st</sup>, 2024</b>	<b>Change</b>	
Retail distribution revenue	1,316	2,210	(894)	-40.5%
Digital distribution revenue	50,562	55,509	(4,947)	-8.9%
Sublicensing revenue	2,560	1,896	664	35.0%
<b>Total Premium Games revenue</b>	<b>54,438</b>	<b>59,615</b>	<b>(5,177)</b>	<b>-8.7%</b>

Digital distribution revenue amounted approximately to 93% of the gross revenue for the operating segment.

Digital distribution revenue includes transactional revenue generated from the sale of video games to players via digital marketplaces and buyout revenue, related to the transfer of the video games' intellectual property rights and the related content to digital platforms. Buyout revenue includes income from subscription services, promotional campaigns, and minimum guarantee agreements.

Sub-licensing revenue reflected the sub-licensing of video game rights to publishers on markets where the Group does not operate directly, especially the Far East.

Digital distribution revenue for the period ended March 31<sup>st</sup>, 2025 is detailed below:

<b>Euro thousand</b>	<b>March 31<sup>st</sup>, 2025</b>	<b>March 31<sup>st</sup>, 2024</b>	<b>Change</b>	
Console	18,634	24,882	(6,248)	-25.1%
Personal Computer	29,690	27,367	2,323	8.5%
Mobile	2,238	3,260	(1,022)	-31.3%
<b>Total digital distribution revenue</b>	<b>50,562</b>	<b>55,509</b>	<b>(4,947)</b>	<b>-8.9%</b>

The increase of Personal Computers revenue was offset by lower console and mobile revenue, reflecting a different product mix across the two reporting periods.

The total cost of sales decreased by 12.2% compared to March 31<sup>st</sup>, 2024, from Euro 16,747 thousand to Euro 14,701 thousand.

Gross profit amounted to Euro 39,737 thousand, representing 73% of Premium Games revenue, decreasing by Euro 3,119 thousand compared to March 31<sup>st</sup>, 2024, when it reflected 71.9% of revenue of the operating segment.

Other revenue amounted to Euro 5,323 thousand, down by Euro 1,085 thousand primarily due to lower capitalization of internal studio video game development, since most projects have now transitioned into live support. The capitalization of internal studios development of video games included:

- the video game Assetto Corsa EVO, developed by the subsidiary Kunos Simulazioni S.r.l;
- the video game Directorate: Novitiate developed by the subsidiary Chrysalide Jeux et Divertissement Inc..

The total operating costs decreased by 23.5%, a Euro 5,341 thousand reduction compared to the first nine months of the previous fiscal year. The reduction was mainly driven by lower payroll costs by Euro 4,087 thousand resulting from the reorganization implemented during the last fiscal year. Costs for services decreased significantly by Euro 1,185 thousand (-28.6%) due to fewer launches compared to the previous period and benefiting from cost cutting initiatives implemented along with the reorganization.

The gross operating margin (EBITDA) amounted to Euro 27,719 thousand (50.9% of net revenue), increasing by Euro 1,137 thousand compared to Euro 26,582 thousand realized as of March 31<sup>st</sup>, 2024 (when it represented 44.6% of the net revenue of the operating segment).

Total depreciation, amortization and impairment adjustments improved by Euro 4,766 thousand, contributing to an EBIT improvement of Euro 5,903 thousand compared March 31<sup>st</sup>, 2024. As of March 31<sup>st</sup>, 2025, EBIT was positive at Euro 12,052 thousand (22.1% of net revenue).

Depreciation and amortization decreased by Euro 5,356 thousand, while provisions were positive for Euro 1,241 thousand, reflecting the release of the Provision for Starbreeze arbitration costs accrued as of June 30<sup>th</sup>, 2024, no longer needed as a result of the settlement agreement with the Swedish group.

Asset impairment charges amounted to Euro 1,721 thousand and included Euro 966 thousand related to the net losses on the receivable from Starbreeze AB as part of the settlement agreement with the Swedish group. The remaining portion was mainly related to the lower-than-expected performance of some video games, whose impairment tests resulted in write-offs of Euro 750 thousand

## Free to Play

### Reclassified P&L highlights

Consolidated amounts in Euro thousand		Free to Play					
		March 31 <sup>st</sup> , 2025		March 31 <sup>st</sup> , 2024		Change	
1	Gross revenue	10,211	100.0%	14,084	100.0%	(3,873)	-27.5%
2	Revenue adjustments	0	0.0%	0	0.0%	0	0.0%
3	<b>Net revenue</b>	<b>10,211</b>	<b>100.0%</b>	<b>14,084</b>	<b>100.0%</b>	<b>(3,873)</b>	<b>-27.5%</b>
4	Purchase of products for resale	0	0.0%	0	0.0%	0	0.0%
5	Purchase of services for resale	(2,742)	-26.9%	(2,999)	-21.3%	257	-8.6%
6	Royalties	(4,373)	-42.8%	(4,131)	-29.3%	(242)	5.9%
7	Changes in inventories of finished products	0	0.0%	0	0.0%	0	0.0%
8	<b>Total cost of sales</b>	<b>(7,115)</b>	<b>-69.7%</b>	<b>(7,130)</b>	<b>-50.6%</b>	<b>15</b>	<b>-0.2%</b>
9	<b>Gross profit (3+8)</b>	<b>3,096</b>	<b>30.3%</b>	<b>6,954</b>	<b>49.4%</b>	<b>(3,858)</b>	<b>-55.5%</b>
10	Other income	1,350	13.2%	1,810	12.8%	(460)	-25.4%
11	Costs for services	(1,568)	-15.4%	(2,226)	-15.8%	658	-29.6%
12	Rent and leasing	(54)	-0.5%	(85)	-0.6%	31	-36.9%
13	Payroll costs	(4,484)	-43.9%	(6,406)	-45.5%	1,922	-30.0%
14	Other operating costs	(67)	-0.7%	(102)	-0.7%	35	-33.8%
15	<b>Total operating costs</b>	<b>(6,173)</b>	<b>-60.5%</b>	<b>(8,819)</b>	<b>-62.6%</b>	<b>2,646</b>	<b>-30.0%</b>
16	<b>Gross operating margin (EBITDA) (9+10+15)</b>	<b>(1,727)</b>	<b>-16.9%</b>	<b>(55)</b>	<b>-0.4%</b>	<b>(1,672)</b>	<b>n.m.</b>
17	Depreciation and amortization	(1,770)	-17.3%	(1,890)	-13.4%	120	-6.3%
18	Provisions	0	0.0%	0	0.0%	0	0.0%
19	Asset impairment charge	0	0.0%	0	0.0%	0	0.0%
20	Impairment reversal	131	1.3%	0	0.0%	131	0.0%
21	<b>Total depreciation, amortization and impairment adjustments</b>	<b>(1,639)</b>	<b>-16.1%</b>	<b>(1,890)</b>	<b>-13.4%</b>	<b>251</b>	<b>-13.3%</b>
22	<b>Operating margin (EBIT) (16+21)</b>	<b>(3,366)</b>	<b>-33.0%</b>	<b>(1,945)</b>	<b>-13.8%</b>	<b>(1,421)</b>	<b>-73.1%</b>

A breakdown of Free to Play gross revenue by video games is provided below:

Euro thousand	March 31 <sup>st</sup> , 2025	March 31 <sup>st</sup> , 2024	Change	
505 Go Inc.	6,827	10,221	(3,394)	-33.2%
Gems of War	2,479	2,752	(273)	-9.9%
Puzzle Quest 3	482	655	(173)	-26.4%
Other products	423	456	(33)	-7.2%
<b>Total Free to Play revenue</b>	<b>10,211</b>	<b>14,084</b>	<b>(3,873)</b>	<b>-27.5%</b>

Free-to-Play revenues amounted to Euro 10.2 million, down by 27.5% compared to the first nine months of the previous fiscal year. The video games published by the subsidiary 505 Go! have been upgraded to a new game engine starting from the previous fiscal year. This will enhance the performance of the live support activities by allowing further reaching and more complex event updates, together with easier and more frequent promotional

activities. The upgrade will also support localization into additional languages, expanding the game's player base to a global audience. As of the reporting date, the game is primarily available in English and, to a lesser extent, in major Western languages, with most revenue generated in the U.S.. The software upgrade to Unity is being finalized with the new version currently in test, with a global launch expected in Q4 of the current fiscal year.

The video game Gems of War generated Euro 2,479 thousand revenue, down by 9.9% compared to the first nine months of the previous fiscal year. The title continues to deliver interesting volumes despite being launched over a decade ago.

The total cost of sales decreased by Euro 7,115 thousand, driven by lower royalties related to the 505 Go! Inc. video games and by lower purchase of services for resale.

Other income amounted to Euro 1,350 thousand, decreasing by Euro 460 thousand compared to March 31<sup>st</sup>, 2024 reflecting the video games currently in production by the Group's subsidiaries. The capitalization of own work consists of the development of different Free to Play video games, including the new title Hawken: Reborn in development by the subsidiary DR Studios Ltd. The same subsidiary is also involved in some development activities for the Premium Games operating segment.

The total operating costs amounted to Euro 6,173 thousand, decreasing by Euro 2,646 thousand compared to the first nine months of the previous fiscal year. The reduction was driven by lower payroll costs by Euro 1,922 thousand from last year's reorganization and lower cost for services by Euro 658 thousand.

The gross operating margin (EBITDA) was negative at Euro 1,727 thousand decreasing by Euro 1,672 thousand compared to the negative Euro 55 thousand as of March 31<sup>st</sup>, 2024.

Depreciation and amortization amounted to Euro 1,770 thousand as of March 31<sup>st</sup>, 2025. This included Euro 1,320 thousand related to the portion of the goodwill for the Australian companies attributable to the reporting period. The remaining part related to the IFRS 16 application to the rental agreements for DR Studios Ltd. and the Australian companies, as well as the depreciation of the Group's intellectual properties for the reporting period.

The operating margin (EBIT) amounted to negative Euro 3,366 thousand compared to the negative Euro 1,945 thousand as of March 31<sup>st</sup>, 2024.

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## Italian Distribution

### Reclassified P&L highlights

Consolidated amounts in Euro thousand		Italian Distribution					
		March 31 <sup>st</sup> , 2025		March 31 <sup>st</sup> , 2024		Change	
1	Gross revenue	1,204	100.0%	1,402	102.2%	(198)	-14.1%
2	Revenue adjustments	0	0.0%	(30)	-2.2%	30	n.m.
3	<b>Net revenue</b>	<b>1,204</b>	<b>100.0%</b>	<b>1,372</b>	<b>100.0%</b>	<b>(168)</b>	<b>-12.2%</b>
4	Purchase of products for resale	(29)	-2.4%	(960)	-70.0%	931	-97.0%
5	Purchase of services for resale	0	0.0%	0	0.0%	0	0.0%
6	Royalties	0	0.0%	0	0.0%	0	0.0%
7	Changes in inventories of finished products	(709)	-58.9%	(271)	-19.7%	(438)	n.s.
8	<b>Total cost of sales</b>	<b>(738)</b>	<b>-61.3%</b>	<b>(1,231)</b>	<b>-89.7%</b>	<b>493</b>	<b>-40.0%</b>
9	<b>Gross profit (3+8)</b>	<b>466</b>	<b>38.7%</b>	<b>141</b>	<b>10.3%</b>	<b>325</b>	<b>n.m.</b>
10	Other income	0	0.0%	0	0.0%	0	0.0%
11	Costs for services	(94)	-7.8%	(154)	-11.3%	60	-39.2%
12	Rent and leasing	(24)	-2.0%	(10)	-0.8%	(14)	75.0%
13	Payroll costs	(470)	-39.0%	(737)	-53.7%	267	-36.3%
14	Other operating costs	(41)	-3.4%	(35)	-2.6%	(6)	0.0%
15	<b>Total operating costs</b>	<b>(629)</b>	<b>-52.2%</b>	<b>(936)</b>	<b>-68.2%</b>	<b>307</b>	<b>-32.8%</b>
16	<b>Gross operating margin (EBITDA) (9+10+15)</b>	<b>(163)</b>	<b>-13.6%</b>	<b>(795)</b>	<b>-57.9%</b>	<b>632</b>	<b>-79.5%</b>
17	Depreciation and amortization	(111)	-9.2%	(106)	-7.7%	(5)	0.0%
18	Provisions	0	0.0%	0	0.0%	0	0.0%
19	Asset impairment charge	(20)	-1.7%	0	0.0%	(20)	0.0%
20	Impairment reversal	0	0.0%	7	0.5%	(7)	0.0%
21	<b>Total depreciation, amortization and impairment adjustments</b>	<b>(131)</b>	<b>-10.9%</b>	<b>(99)</b>	<b>-7.2%</b>	<b>(32)</b>	<b>32.9%</b>
22	<b>Operating margin (EBIT) (16+21)</b>	<b>(294)</b>	<b>-24.4%</b>	<b>(894)</b>	<b>-65.1%</b>	<b>600</b>	<b>-67.1%</b>

The gross revenue from the Italian Distribution operating segment decreased by Euro 198 thousand, from Euro 1,402 thousand to Euro 1,204 thousand as of March 31<sup>st</sup>, 2025. Breakdown by revenue type is provided below:

Euro thousand	March 31 <sup>st</sup> , 2025	March 31 <sup>st</sup> , 2024	Change	
Distribution of console video games	553	418	135	32.3%
Distribution of trading cards	651	984	(333)	-33.8%
<b>Total Italian Distribution revenue</b>	<b>1,204</b>	<b>1,402</b>	<b>(198)</b>	<b>-14.4%</b>

During the reporting period, the activities of the Italian Distribution operating segment were limited to the sales of inventories, which decreased by Euro 709 thousand as of March 31<sup>st</sup>, 2025.

The total operating costs amounted to Euro 629 thousand, decreasing by Euro 307 thousand compared to of March 31<sup>st</sup>, 2024, mainly driven by lower payroll costs by Euro 267 thousand.

The gross operating margin (EBITDA) was negative for Euro 163 thousand, compared to the negative Euro 795 thousand as of March 31<sup>st</sup>, 2025. The operating margin (EBIT) was negative at Euro 294 thousand compared to negative Euro 894 thousand as of March 31<sup>st</sup>, 2024.

## Other Activities

### Reclassified P&L highlights

Consolidated amounts in Euro thousand		Other Activities					
		March 31 <sup>st</sup> , 2025		March 31 <sup>st</sup> , 2024		Change	
1	Gross revenue	588	100.0%	741	100.0%	(153)	-20.7%
2	Revenue adjustments	0	0.0%	0	0.0%	0	0.0%
3	<b>Net revenue</b>	<b>588</b>	<b>100.0%</b>	<b>741</b>	<b>100.0%</b>	<b>(153)</b>	<b>-20.7%</b>
4	Purchase of products for resale	0	0.0%	0	0.0%	0	0.0%
5	Purchase of services for resale	0	0.0%	0	0.0%	0	0.0%
6	Royalties	0	0.0%	0	0.0%	0	0.0%
7	Changes in inventories of finished products	0	0.0%	0	0.0%	0	0.0%
8	<b>Total cost of sales</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
9	<b>Gross profit (3+8)</b>	<b>588</b>	<b>100.0%</b>	<b>741</b>	<b>100.0%</b>	<b>(153)</b>	<b>-20.7%</b>
10	Other income	0	0.0%	0	0.0%	0	0.0%
11	Costs for services	(91)	-15.4%	(176)	-23.8%	85	-48.7%
12	Rent and leasing	(4)	-0.6%	0	0.1%	(4)	0.0%
13	Payroll costs	(401)	-68.3%	(516)	-69.7%	115	-22.2%
14	Other operating costs	(40)	-6.8%	(27)	-3.6%	(13)	47.4%
15	<b>Total operating costs</b>	<b>(536)</b>	<b>-91.3%</b>	<b>(719)</b>	<b>-97.0%</b>	<b>183</b>	<b>-25.4%</b>
16	<b>Gross operating margin (EBITDA) (9+10+15)</b>	<b>52</b>	<b>8.9%</b>	<b>22</b>	<b>3.0%</b>	<b>30</b>	<b>n.s.</b>
17	Depreciation and amortization	(208)	-35.4%	(276)	-37.2%	68	-24.5%
18	Provisions	0	0.0%	0	0.0%	0	0.0%
19	Asset impairment charge	0	0.0%	0	0.0%	0	0.0%
20	Impairment reversal	0	0.0%	0	0.0%	0	0.0%
21	<b>Total depreciation, amortization and impairment adjustments</b>	<b>(208)</b>	<b>-35.4%</b>	<b>(276)</b>	<b>-37.2%</b>	<b>68</b>	<b>-24.5%</b>
22	<b>Operating margin (EBIT) (16+21)</b>	<b>(156)</b>	<b>-26.5%</b>	<b>(254)</b>	<b>-34.3%</b>	<b>98</b>	<b>-38.7%</b>

The revenue generated by the Other Activities operating sector decreased by Euro 153 thousand, while the operating costs decreased by Euro 183 thousand. EBITDA amounted to Euro 52 thousand, compared to Euro 22 thousand as of March 31<sup>st</sup>, 2024. EBIT was negative at Euro 156 thousand, improved by Euro 98 thousand compared to negative Euro 254 thousand as of March 31<sup>st</sup>, 2024.

## Holding

### Reclassified P&L highlights

Consolidated amounts in Euro thousand		Holding					
		March 31 <sup>st</sup> , 2025		March 31 <sup>st</sup> , 2024		Change	
1	Gross revenue	0	0.0%	0	0.0%	0	0.0%
2	Revenue adjustments	0	0.0%	0	0.0%	0	0.0%
3	<b>Net revenue</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
4	Purchase of products for resale	0	0.0%	0	0.0%	0	0.0%
5	Purchase of services for resale	0	0.0%	0	0.0%	0	0.0%
6	Royalties	0	0.0%	0	0.0%	0	0.0%
7	Changes in inventories of finished products	0	0.0%	0	0.0%	0	0.0%
8	<b>Total cost of sales</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
9	<b>Gross profit (3+8)</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>	<b>0</b>	<b>0.0%</b>
10	Other income	0	0.0%	0	0.0%	0	0.0%
11	Costs for services	(1,483)	0.0%	(1,542)	0.0%	59	-3.8%
12	Rent and leasing	(210)	0.0%	(173)	0.0%	(37)	21.2%
13	Payroll costs	(3,314)	0.0%	(3,494)	0.0%	180	-5.1%
14	Other operating costs	(288)	0.0%	(309)	0.0%	21	-6.7%
15	<b>Total operating costs</b>	<b>(5,295)</b>	<b>0.0%</b>	<b>(5,518)</b>	<b>0.0%</b>	<b>223</b>	<b>-4.0%</b>
16	<b>Gross operating margin (EBITDA) (9+10+15)</b>	<b>(5,295)</b>	<b>0.0%</b>	<b>(5,518)</b>	<b>0.0%</b>	<b>223</b>	<b>-4.0%</b>
17	Depreciation and amortization	(618)	0.0%	(663)	0.0%	45	-6.8%
18	Provisions	0	0.0%	0	0.0%	0	0.0%
19	Asset impairment charge	0	0.0%	0	0.0%	0	0.0%
20	Impairment reversal	0	0.0%	0	0.0%	0	0.0%
21	<b>Total depreciation, amortization and impairment adjustments</b>	<b>(618)</b>	<b>0.0%</b>	<b>(663)</b>	<b>0.0%</b>	<b>45</b>	<b>-6.8%</b>
22	<b>Operating margin (EBIT) (16+21)</b>	<b>(5,913)</b>	<b>0.0%</b>	<b>(6,181)</b>	<b>0.0%</b>	<b>268</b>	<b>-4.3%</b>

Total operating costs amounted to Euro 5,295 thousand, decreasing by 4% compared to March 31<sup>st</sup>, 2024, mainly driven by lower payroll costs and lower costs for services.

The operating margin (EBIT) was negative at Euro 5,913 thousand compared to the negative Euro 6,181 thousand as of March 31<sup>st</sup>, 2024.



## 9. Q3 FY23 CONSOLIDATED PROFIT AND LOSS STATEMENT

	Euro thousand	Q3 2024/2025		Q3 2022/2024		Change	
1	Gross revenue	23,417	100.0%	28,708	100.0%	(5,291)	-18.4%
2	Revenue adjustments	0	0.0%	(8)	0.0%	8	-100.6%
3	<b>Net revenue</b>	<b>23,417</b>	<b>100.0%</b>	<b>28,700</b>	<b>100.0%</b>	<b>(5,283)</b>	<b>-18.4%</b>
4	Purchase of products for resale	(172)	-0.7%	(59)	-0.2%	(113)	192.5%
5	Purchase of services for resale	(1,485)	-6.3%	(2,512)	-8.8%	1,027	-40.9%
6	Royalties	(5,858)	-25.0%	(6,315)	-22.0%	457	-7.2%
7	Changes in inventories of finished products	(165)	-0.7%	(367)	-1.3%	202	-55.2%
8	<b>Total cost of sales</b>	<b>(7,680)</b>	<b>-32.8%</b>	<b>(9,253)</b>	<b>-32.2%</b>	<b>1,573</b>	<b>-17.0%</b>
9	<b>Gross profit (3+8)</b>	<b>15,737</b>	<b>67.2%</b>	<b>19,447</b>	<b>67.8%</b>	<b>(3,710)</b>	<b>-19.1%</b>
10	Other income	3,070	13.1%	1,993	6.9%	1,077	54.0%
11	Costs for services	(2,218)	-9.5%	(2,268)	-7.9%	50	-2.2%
12	Rent and leasing	(172)	-0.7%	(83)	-0.3%	(89)	n.m.
13	Payroll costs	(8,629)	-36.9%	(8,240)	-28.7%	(389)	4.7%
14	Other operating costs	(291)	-1.2%	(290)	-1.0%	(1)	0.6%
15	<b>Total operating costs</b>	<b>(11,310)</b>	<b>-48.3%</b>	<b>(10,881)</b>	<b>-37.9%</b>	<b>(429)</b>	<b>3.9%</b>
16	<b>Gross operating margin (EBITDA) (9+10+15)</b>	<b>7,497</b>	<b>32.0%</b>	<b>10,559</b>	<b>36.8%</b>	<b>(3,062)</b>	<b>-29.0%</b>
17	Depreciation and amortization	(4,779)	-20.4%	(9,035)	-31.5%	4,256	-47.1%
18	Provisions	0	0.0%	0	0.0%	0	0.0%
19	Asset impairment charge	0	0.0%	0	0.0%	0	0.0%
20	Impairment reversal	0	0.0%	0	0.0%	0	0.0%
21	<b>Total depreciation, amortization and impairment adjustments</b>	<b>(4,779)</b>	<b>-20.4%</b>	<b>(9,035)</b>	<b>-31.5%</b>	<b>4,256</b>	<b>-47.1%</b>
22	<b>Operating margin (EBIT) (16+21)</b>	<b>2,718</b>	<b>11.6%</b>	<b>1,524</b>	<b>5.3%</b>	<b>1,194</b>	<b>78.3%</b>
23	Interest and financial income	165	0.7%	276	1.0%	(111)	-40.0%
24	Interest and financial expenses	(796)	-3.4%	(1,384)	-4.8%	588	-42.5%
25	<b>Net interest income/(expenses)</b>	<b>(631)</b>	<b>-2.7%</b>	<b>(1,108)</b>	<b>-3.9%</b>	<b>477</b>	<b>-43.1%</b>
26	<b>Profit/ (loss) before tax (22+25)</b>	<b>2,087</b>	<b>8.9%</b>	<b>416</b>	<b>1.4%</b>	<b>1,671</b>	<b>n.m.</b>
27	Current tax	(1,453)	-6.2%	(1,082)	-3.8%	(371)	34.3%
28	Deferred tax	785	3.4%	406	1.4%	379	93.3%
29	<b>Total taxes</b>	<b>(668)</b>	<b>-2.9%</b>	<b>(676)</b>	<b>-2.4%</b>	<b>8</b>	<b>-1.1%</b>
30	<b>Net profit/loss</b>	<b>1,419</b>	<b>6.1%</b>	<b>(260)</b>	<b>-0.9%</b>	<b>1,679</b>	<b>n.m.</b>
	attributable to the shareholders of the Parent Company	1,405	6.0%	801	2.8%	604	75.4%
	attributable to non-controlling interests	14	0.1%	(1,061)	-3.7%	1,075	n.m.
	<b>Earnings per share:</b>						
33	<b>Basic earnings per share (in Euro)</b>	<b>0,10</b>		<b>0,06</b>		<b>0,03</b>	<b>75.6%</b>
34	<b>Diluted earnings per share (in Euro)</b>	<b>0,09</b>		<b>0,05</b>		<b>0,04</b>	<b>57.2%</b>

In the third quarter of the current fiscal year, the Group generated Euro 23,417 thousand net revenue, down by 18.4% compared to the same reporting period last fiscal year.

The total cost of sales decreased by Euro 1,573 thousand, driven by lower purchase of services for resale for Euro 1,027 thousand and lower royalties for Euro 457 thousand. Gross profit, at 67.2% of total revenue, decreased by Euro 3,710 thousand as of March 31<sup>st</sup>, 2024, when it was 67.8% of total revenue.

Total operating costs amounted to Euro 11,310 thousand, increased by 3.9%.

The gross operating margin was at Euro 7.497 thousand, reflecting 32.0% of total revenue compared to 36.8% of the third quarter in the last fiscal year.

Depreciation and amortization decreased from Euro 9,035 thousand to Euro 4,779 thousand as of March 31<sup>st</sup>, 2025. The operating margin was positive for Euro 2,718 thousand, reflecting 11.6% of revenue compared to 5.3% of revenue as of March 31<sup>st</sup>, 2024.

Net profit for the quarter amounted to Euro 1,419 thousand compared to the net loss of Euro 260 thousand realized in the third quarter of the previous fiscal year.

The quarterly results for the Premium Games operating segment are analyzed below:

Consolidated amounts in Euro thousand		Premium Games					
		Q3 2024/2025		Q3 2023/2024		Change	
1	Gross revenue	20,029	100.0%	23,752	100.0%	(3,723)	-15.7%
2	Revenue adjustments	0	0.0%	0	0.0%	0	0.0%
3	<b>Net revenue</b>	<b>20,029</b>	<b>100.0%</b>	<b>23,752</b>	<b>100.0%</b>	<b>(3,723)</b>	<b>-15.7%</b>
4	Purchase of products for resale	(167)	-0.8%	(56)	-0.2%	(111)	n.s.
5	Purchase of services for resale	(646)	-3.2%	(1,540)	-6.5%	894	-58.0%
6	Royalties	(3,506)	-17.5%	(4,678)	-19.7%	1,172	-25.1%
7	Changes in inventories of finished products	(103)	-0.5%	(73)	-0.3%	(30)	41.4%
8	<b>Total cost of sales</b>	<b>(4,422)</b>	<b>-22.1%</b>	<b>(6,347)</b>	<b>-26.7%</b>	<b>1,925</b>	<b>-30.3%</b>
9	<b>Gross profit (3+8)</b>	<b>15,607</b>	<b>77.9%</b>	<b>17,405</b>	<b>73.3%</b>	<b>(1,798)</b>	<b>-10.3%</b>
10	Other income	2,498	12.5%	1,609	6.8%	889	55.2%
11	Costs for services	(1,251)	-6.2%	(938)	-3.9%	(313)	33.3%
12	Rent and leasing	(49)	-0.2%	(8)	0.0%	(41)	n.s.
13	Payroll costs	(5,674)	-28.3%	(5,220)	-22.0%	(454)	8.7%
14	Other operating costs	(144)	-0.7%	(137)	-0.6%	(7)	5.2%
15	<b>Total operating costs</b>	<b>(7,118)</b>	<b>-35.5%</b>	<b>(6,303)</b>	<b>-26.5%</b>	<b>(815)</b>	<b>12.9%</b>
16	<b>Gross operating margin (EBITDA) (9+10+15)</b>	<b>10,987</b>	<b>54.9%</b>	<b>12,711</b>	<b>53.5%</b>	<b>(1,724)</b>	<b>-13.6%</b>
17	Depreciation and amortization	(3,924)	-19.6%	(8,035)	-33.8%	4,111	-51.2%
18	Provisions	0	0.0%	0	0.0%	0	0.0%
19	Asset impairment charge	0	0.0%	0	0.0%	0	0.0%
20	Impairment reversal	0	0.0%	(0)	0.0%	0	0.0%
21	<b>Total depreciation, amortization and impairment adjustments</b>	<b>(3,924)</b>	<b>-19.6%</b>	<b>(8,035)</b>	<b>-33.8%</b>	<b>4,111</b>	<b>-51.2%</b>
22	<b>Operating margin (EBIT) (16+21)</b>	<b>7,063</b>	<b>35.3%</b>	<b>4,676</b>	<b>19.7%</b>	<b>2,387</b>	<b>51.0%</b>

In the third quarter of the current fiscal year, the Premium Games operating segment generated Euro 20,029 thousand revenue, down by 15.7% compared to the same quarter of the last fiscal year.

The total cost of sales decreased by Euro 1,925 thousand, resulting in a quarterly gross profit of Euro 15,607 thousand, at 77.9% of Premium Games revenue.

The total operating costs increased by Euro 815 thousand, mainly driven by higher payroll costs for Euro 454 thousand.

The total depreciation, amortization and impairment adjustments decreased by Euro 4,111 thousand. EBIT amounted to Euro 7,063 thousand, 35.3% of net revenue, significantly improved compared to Euro 4,676 thousand as at March 31<sup>st</sup>, 2024.

The quarterly results for the Free to Play operating segment are analyzed below:

Consolidated amounts in Euro thousand		Free to Play					
		Q3 2024/2025		Q3 2023/2024		Change	
1	Gross revenue	2,988	100.0%	4,451	100.0%	(1,463)	-32.9%
2	Revenue adjustments	0	0.0%	0	0.0%	0	0.0%
3	<b>Net revenue</b>	<b>2,988</b>	<b>100.0%</b>	<b>4,451</b>	<b>100.0%</b>	<b>(1,463)</b>	<b>-32.9%</b>
4	Purchase of products for resale	0	0.0%	0	0.0%	0	0.0%
5	Purchase of services for resale	(839)	-28.1%	(972)	-21.8%	133	-13.7%
6	Royalties	(2,352)	-78.7%	(1,637)	-36.8%	(715)	43.6%
7	Changes in inventories of finished products	0	0.0%	0	0.0%	0	0.0%
8	<b>Total cost of sales</b>	<b>(3,191)</b>	<b>-106.8%</b>	<b>(2,609)</b>	<b>-58.6%</b>	<b>(582)</b>	<b>22.3%</b>
9	<b>Gross profit (3+8)</b>	<b>(203)</b>	<b>-6.8%</b>	<b>1,842</b>	<b>41.4%</b>	<b>(2,045)</b>	<b>n.m.</b>
10	Other income	572	19.1%	384	8.6%	188	49.0%
11	Costs for services	(433)	-14.5%	(794)	-17.8%	361	-45.6%
12	Rent and leasing	(23)	-0.8%	(15)	-0.3%	(8)	58.8%
13	Payroll costs	(1,506)	-50.4%	(1,546)	-34.7%	40	-2.6%
14	Other operating costs	(22)	-0.7%	(47)	-1.0%	25	-53.2%
15	<b>Total operating costs</b>	<b>(1,984)</b>	<b>-66.4%</b>	<b>(2,402)</b>	<b>-54.0%</b>	<b>418</b>	<b>-17.4%</b>
16	<b>Gross operating margin (EBITDA) (9+10+15)</b>	<b>(1,615)</b>	<b>-54.1%</b>	<b>(176)</b>	<b>-3.9%</b>	<b>(1,439)</b>	<b>n.m.</b>
17	Depreciation and amortization	(590)	-19.7%	(656)	-14.7%	66	-10.1%
18	Provisions	0	0.0%	0	0.0%	0	0.0%
19	Asset impairment charge	0	0.0%	0	0.0%	0	0.0%
20	Impairment reversal	0	0.0%	(0)	0.0%	0	0.0%
21	<b>Total depreciation, amortization and impairment adjustments</b>	<b>(590)</b>	<b>-19.7%</b>	<b>(656)</b>	<b>-14.7%</b>	<b>66</b>	<b>-10.1%</b>
22	<b>Operating margin (EBIT) (16+21)</b>	<b>(2,205)</b>	<b>-73.8%</b>	<b>(832)</b>	<b>-18.7%</b>	<b>(1,373)</b>	<b>n.m.</b>

In the third quarter of the current fiscal year, the Free to Play operating segment generated Euro 2,988 thousand, compared to Euro 4,451 thousand as of March 31<sup>st</sup>, 2024

The total cost of sales amounted to Euro 3,191 thousand compared to Euro 2,609 thousand as of March 31<sup>st</sup>, 2024.

The gross operating margin (EBITDA) was negative at Euro 1,615 thousand compared to the negative EBITDA by Euro 176 thousand as of March 31<sup>st</sup>, 2024, despite the lower operating costs by Euro 418 thousand.

Depreciation and amortization amounted to Euro 590 thousand and included Euro 440 thousand related to the portion of the goodwill for the Australian companies attributable to the reporting period.

The operating margin (EBIT) was negative at Euro 2,205 thousand, compared to negative Euro 832 thousand realized in the third quarter of last fiscal year.

## 10. CONTINGENT ASSETS AND LIABILITIES

As part of the agreement finalized in May 2016 for the transfer of PAYDAY 2 rights to Starbreeze AB, Digital Bros is entitled to receive 33% of Starbreeze's net revenue from the net sales of PAYDAY 3, up to USD 40 million. In March 2021, Starbreeze announced a publishing deal with a major international publisher for the global release of PAYDAY 3.

Following the launch of PAYDAY 3 in September 2023 and the initial earn-out calculation submitted by Starbreeze AB, different interpretations of contractual definitions emerged between the Group and the Swedish developer.

During the reporting period, the Group has not recognized any earn-out from the video game PAYDAY 3, due to the calculation methods defined in the settlement agreement with the Swedish developer and based on the game's performance. The Group does not anticipate any earn-out recognition in the short term. Further details are provided in the "Relations with Starbreeze" section of this Report

As of March 31<sup>st</sup>, 2025, the Group has not recognized deferred tax assets on approximately Euro 19 million in tax losses incurred by some subsidiaries, as these were deemed non-recoverable under the applicable local tax regulations.

## 11. SUBSEQUENT EVENTS

No significant event occurred after the end of the reporting period.

## 12. BUSINESS OUTLOOK

The new video game Assetto Corsa EVO was released in Early Access on Steam on January 16<sup>th</sup>, 2025. The Early Access version provides for the regular drops of additional content (multiplayer, free roaming, etc.) until the launch of the final version of the game, which is planned for the next fiscal year. The Premium Games portfolio will be strengthened by the multiplatform launch of the new videogame Blades of Fire, scheduled for May 22<sup>nd</sup>, 2025.

The Group still expects a full fiscal year revenue decline, despite the new releases. However, the strategy implemented in the last fiscal year with the reorganization process is expected to enable the full fiscal year EBIT to remain at the same level as of June 30<sup>th</sup>, 2024.

At the fiscal year end, the net financial debt is expected to remain in line with the same level as of December 31<sup>st</sup>, 2024. The Group expects a significant improvement in its financial debt starting from the first quarter of the next fiscal year, benefiting from the Blades of Fire sales and the release of the highly anticipated Wuchang: Fallen Feathers, whose pre-sales started in April.

### 13. OTHER INFORMATION

#### EMPLOYEES

The following table details the number of employees as of March 31<sup>st</sup>, 2025 with comparative figures as at March 31<sup>st</sup>, 2024:

Category	March 31 <sup>st</sup> , 2025	March 31 <sup>st</sup> , 2024	Change
Managers	14	14	0
Office workers	269	286	(17)
Blue-collar workers and apprentices	4	5	(1)
<b>Total employees</b>	<b>287</b>	<b>305</b>	<b>(18)</b>

The following table reports the number of employees of non-Italian companies as of March 31<sup>st</sup>, 2025 with comparative figures as of March 31<sup>st</sup>, 2024:

Category	March 31 <sup>st</sup> , 2025	March 31 <sup>st</sup> , 2024	Change
Managers	8	8	0
Office workers	166	187	(21)
<b>Total employees outside Italy</b>	<b>174</b>	<b>195</b>	<b>(21)</b>

The average number of employees for the period is calculated as the mean number of employees at the end of each month. It is shown below with corresponding prior year figures:

Category	Average no. in 2025	Average no. in 2024	Change
Managers	14	14	0
Office workers	277	369	(92)
Blue-collar workers and apprentices	4	4	0
<b>Total employees</b>	<b>295</b>	<b>387</b>	<b>(92)</b>

The significant decline in the average number of employees between the two reporting periods reflects the reorganization announced in November 2023 and completed in the second half of the prior fiscal year, resulting in a global workforce reduction of over 30%. The majority of redundancies impacted the Group's development studios, while the Premium Games and Free-to-Play publishing divisions were less impacted.

The average number of employees of the non-Italian companies is as follow:

Category	Average no. in 2025	Average no. in 2024	Change
Managers	8	8	0
Office workers	176	265	(89)
<b>Total employees</b>	<b>184</b>	<b>273</b>	<b>(89)</b>

The employees of the Group's Italian companies are contracted under the current Confcommercio national collective employment agreement for the commercial, distribution and services sector. Employees of the three Italian studios – Kunos Simulazioni S.r.l., AvantGarden S.r.l. and Supernova Games Studios S.r.l. – are contracted under the national collective employment agreement for the mechanical industry.

## ENVIRONMENTAL ISSUES

The video game industry has a negligible impact on the environment due to its primarily digital nature.

Most of the products are sold through digital marketplaces and the Group has progressively reduced sales through physical stores. Still, the Group actively monitors any solution that would contribute to further minimizing the effects of its activities on the environment.

The Group updates obsolete equipment whenever possible and ensures all components are recycled appropriately. Documents are stored digitally, with physical printing limited to legal requirements or specific task needs. Consumables such as printer toners are returned to suppliers for proper recycling. Additionally, the Group prioritizes digital communications, such as video conferences, over travel to minimize its impact on the environment and to reduce travel expenses.

## SUSTAINABILITY REPORTING

During the reporting period, the Group published its first Sustainability Report for the fiscal year ending June 30<sup>th</sup>, 2023, on a voluntary basis. The document is available on the company website under the Sustainability section





## **Interim Report as of March 31, 2025**

### **FINANCIAL STATEMENTS**

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Consolidated balance sheet as of March 31<sup>st</sup>, 2025

Euro thousand		March 31 <sup>st</sup> , 2025	June 30 <sup>th</sup> , 2024
	<b>Non-current assets</b>		
1	Property, plant and equipment	5,983	7,379
2	Investment properties	0	0
3	Intangible assets	128,147	129,614
4	Equity investments	5,677	9,685
5	Non-current receivables and other assets	2,625	7,945
6	Deferred tax assets	23,357	21,166
7	Non-current financial activities	2,908	0
	<b>Total non-current assets</b>	<b>168,697</b>	<b>175,789</b>
	<b>Current assets</b>		
8	Inventories	1,459	2,668
9	Trade receivables	7,826	16,887
10	Tax receivables	3,516	4,345
11	Other current assets	5,590	8,902
12	Cash and cash equivalents	5,509	11,981
13	Other current financial assets	1,106	10,238
	<b>Total current assets</b>	<b>25,006</b>	<b>55,021</b>
	<b>TOTAL ASSETS</b>	<b>193,703</b>	<b>230,810</b>
	<b>Shareholders' equity</b>		
14	Share capital	(5,706)	(5,706)
15	Reserves	(9,398)	(11,868)
16	Treasury shares	0	0
17	Retained earnings	(107,248)	(113,426)
	<b>Equity attributable to the shareholders of the Parent Company</b>	<b>(122,352)</b>	<b>(131,000)</b>
	<b>Equity attributable to non-controlling interests</b>	<b>(794)</b>	<b>3,314</b>
	<b>Total net equity</b>	<b>(123,146)</b>	<b>(127,686)</b>
	<b>Non-current liabilities</b>		
18	Employee benefits	(1,075)	(967)
19	Non-current provisions	(1,081)	(563)
20	Other non-current payables and liabilities	(771)	(1,657)
21	Non-current financial liabilities	(3,554)	(10,324)
	<b>Total non-current liabilities</b>	<b>(6,481)</b>	<b>(13,511)</b>
	<b>Current liabilities</b>		
22	Trade payables	(31,251)	(43,737)
23	Tax payables	(1,270)	(1,299)
24	Short term provisions	0	(1,241)
25	Other current liabilities	(4,213)	(6,657)
26	Current financial liabilities	(27,342)	(36,679)
	<b>Total current liabilities</b>	<b>(64,076)</b>	<b>(89,613)</b>
	<b>TOTAL LIABILITIES</b>	<b>(70,557)</b>	<b>(103,124)</b>
	<b>TOTAL NET EQUITY AND LIABILITIES</b>	<b>(193,703)</b>	<b>(230,810)</b>

## Consolidated profit and loss statement for the period ended March 31<sup>st</sup>, 2025

	<b>Euro thousand</b>	<b>March 31<sup>st</sup>, 2025</b>	<b>March 31<sup>st</sup>, 2024</b>
1	Gross revenue	66,441	75,842
2	Revenue adjustments	0	(42)
<b>3</b>	<b>Net revenue</b>	<b>66,441</b>	<b>75,800</b>
4	Purchase of products for resale	(515)	(1,581)
5	Purchase of services for resale	(4,866)	(7,604)
6	Royalties	(15,964)	(15,636)
7	Changes in inventories of finished products	(1,209)	(287)
<b>8</b>	<b>Total cost of sales</b>	<b>(22,554)</b>	<b>(25,108)</b>
<b>9</b>	<b>Gross profit (3+8)</b>	<b>43,887</b>	<b>50,692</b>
10	Other income	6,673	8,218
11	Costs for services	(6,194)	(8,241)
12	Rent and leasing	(409)	(333)
13	Payroll costs	(22,516)	(29,087)
14	Other operating costs	(855)	(1,013)
<b>15</b>	<b>Total operating costs</b>	<b>(29,974)</b>	<b>(38,674)</b>
<b>16</b>	<b>Gross operating margin (EBITDA) (9+10+15)</b>	<b>20,586</b>	<b>20,236</b>
17	Depreciation and amortization	(17,894)	(23,478)
18	Provisions	1,241	0
19	Asset impairment charge	(1,741)	(779)
20	Impairment reversal	131	896
<b>21</b>	<b>Total depreciation, amortization and impairment adjustments</b>	<b>(18,263)</b>	<b>(23,361)</b>
<b>22</b>	<b>Operating margin (EBIT) (16+21)</b>	<b>2,323</b>	<b>(3,125)</b>
23	Interest and financial income	1,008	1,665
24	Interest and financial expenses	(4,175)	(3,952)
<b>25</b>	<b>Net interest income/(expenses)</b>	<b>(3,167)</b>	<b>(2,287)</b>
<b>26</b>	<b>Profit/ (loss) before tax (22+25)</b>	<b>(844)</b>	<b>(5,412)</b>
27	Current tax	(3,092)	(657)
28	Deferred tax	1,865	(611)
<b>29</b>	<b>Total taxes</b>	<b>(1,227)</b>	<b>(1,268)</b>
<b>30</b>	<b>Net profit/loss</b>	<b>(2,071)</b>	<b>(6,680)</b>
	attributable to the shareholders of the Parent Company	(2,290)	(2,896)
	attributable to non-controlling interests	219	(3,784)
	Earnings per share:		
<b>33</b>	<b>Basic earnings per share (in Euro)</b>	<b>(0.16)</b>	<b>(0.20)</b>
<b>34</b>	<b>Diluted earnings per share (in Euro)</b>	<b>(0.16)</b>	<b>(0.20)</b>

## Consolidated comprehensive income statement as of March 31<sup>st</sup>, 2025

<b>Euro thousand</b>	<b>March 31<sup>st</sup>, 2025</b>	<b>March 31<sup>st</sup>, 2024</b>
<b>Profit (loss) for the period (A)</b>	<b>(2,071)</b>	<b>(6,680)</b>
Actuarial gain (loss)	(29)	(5)
Income tax relating to actuarial gain (loss)	7	1
Changes in the fair value	(4,005)	(15,889)
Tax effect regarding fair value measurement of financial assets	961	3,813
<b>Items that will not be subsequently reclassified to profit or loss (B)</b>	<b>(3,066)</b>	<b>(12,080)</b>
Exchange differences on translation of foreign operations	242	2
<b>Items that will subsequently be reclassified to profit or loss (C)</b>	<b>242</b>	<b>2</b>
<b>Total other comprehensive income D= (B)+(C)</b>	<b>(2,824)</b>	<b>(12,078)</b>
<b>Total comprehensive income (loss) (A)+(D)</b>	<b>(4,895)</b>	<b>(18,758)</b>
Attributable to:		
<b>Shareholders of the Parent Company</b>	<b>(5,114)</b>	<b>(14,974)</b>
<b>Non-controlling interests</b>	<b>219</b>	<b>(3,784)</b>

Changes in fair value reflected the changes in third party equity investments that were classified in the consolidated comprehensive income statement and not in the consolidated profit and loss statement.

Consolidated cash flow statement as of March 31<sup>st</sup>, 2025

Euro thousand		March 31 <sup>st</sup> , 2025	March 31 <sup>st</sup> , 2024
<b>A.</b>	<b>Opening net cash/debt</b>	<b>11,981</b>	<b>9,407</b>
<b>B.</b>	<b>Cash flows from operating activities</b>		
	Profit (loss) for the period	(2,071)	(6,680)
	<i>Depreciation, amortization and non-monetary costs:</i>		
	Provisions and impairment losses	1,741	779
	Amortization of intangible assets	16,183	21,516
	Depreciation of property, plant and equipment	1,711	1,962
	Net change in tax advance	(2,191)	(3,280)
	Net change in other provisions	518	323
	Net change in employee benefit provisions	108	43
	Other non-monetary changes to the net equity	(2,470)	(12,304)
	<b>SUBTOTAL B.</b>	<b>13,529</b>	<b>2,359</b>
<b>C.</b>	<b>Change in net working capital</b>		
	Inventories	1,209	287
	Trade receivables	9,036	(1,299)
	Current tax assets	829	(838)
	Other current assets	3,312	5,064
	Trade payables	(12,486)	(1,568)
	Current tax liabilities	(29)	(1,415)
	Current provisions	(1,241)	0
	Other current liabilities	(2,444)	(691)
	Other non-current liabilities	(886)	(248)
	Non-current receivables and other assets	4,355	(120)
	<b>SUBTOTAL C.</b>	<b>1,655</b>	<b>(828)</b>
<b>D.</b>	<b>Cash flows from investing activities</b>		
	Net payments for intangible assets	(15,466)	(11,618)
	Net payments for property, plant and equipment	(315)	(373)
	Net payments for non-current financial assets	4,008	4,492
	Changes in financial assets	6,224	11,200
	<b>SUBTOTAL D.</b>	<b>(5,549)</b>	<b>3,701</b>
<b>E.</b>	<b>Cash flows from financing activities</b>		
	Capital increases	0	0
	Changes in financial liabilities	(16,107)	(10,629)
	Changes in financial assets	0	0
	<b>SUBTOTAL E.</b>	<b>(16,107)</b>	<b>(10,629)</b>
<b>F.</b>	<b>Changes in consolidated equity</b>		
	Dividends paid	0	0
	Changes in treasury shares held	0	0
	Increases (decreases) in other equity components	0	0
	<b>SUBTOTAL F.</b>	<b>0</b>	<b>0</b>
<b>G.</b>	<b>Cash flow for the period (B+C+D+E+F)</b>	<b>(6,472)</b>	<b>(5,397)</b>
<b>H.</b>	<b>Closing net cash/debt (A+G)</b>	<b>5,509</b>	<b>4,010</b>

Consolidated statement of changes in equity as of March 31<sup>st</sup>, 2025

Euro thousand	Share capital (A)	Share premium reserve	Legal reserve	IAS transition reserve	Currency translation reserve	Other reserves	Total reserves (B)	Treasury shares (C)	Retained earnings	Profit (loss) for the year	Total retained earnings (D)	Equity of Parent Company shareholders (A+B+C+D)	Equity of non-controlling interests	Total equity
<b>Total on July 1<sup>st</sup>, 2023</b>	<b>5,706</b>	18,528	1,141	1,367	(913)	1,244	<b>21,367</b>	<b>0</b>	105,587	9,683	<b>115,270</b>	<b>142,343</b>	<b>1,375</b>	<b>143,718</b>
Allocation of previous year result							<b>0</b>		9,683	(9,683)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other changes						118	<b>118</b>		370		<b>370</b>	<b>488</b>	<b>(714)</b>	<b>(226)</b>
Comprehensive income (loss)					2	(12,080)	<b>(12,078)</b>			(2,896)	<b>(2,896)</b>	<b>(14,974)</b>	<b>(3,784)</b>	<b>(18,758)</b>
<b>Total on March 31<sup>st</sup>, 2024</b>	<b>5,706</b>	18,528	1,141	1,367	(911)	(10,718)	<b>9,407</b>	<b>0</b>	115,640	(2,896)	<b>112,744</b>	<b>127,857</b>	<b>(3,123)</b>	<b>124,734</b>
<b>Total on July 1<sup>st</sup>, 2024</b>	<b>5,706</b>	18,528	1,141	1,367	(709)	(8,459)	<b>11,868</b>	<b>0</b>	115,640	(2,214)	<b>113,426</b>	<b>131,000</b>	<b>(3,314)</b>	<b>127,686</b>
Allocation of previous year result							<b>0</b>		(2,214)	2,214	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other changes						354	<b>354</b>		(3,889)		<b>(3,889)</b>	<b>(3,535)</b>	<b>3,889</b>	<b>354</b>
Comprehensive income (loss)					242	(3,066)	<b>(2,824)</b>			(2,290)	<b>(2,290)</b>	<b>(5,114)</b>	<b>219</b>	<b>(4,895)</b>
<b>Total on March 31<sup>st</sup>, 2025</b>	<b>5,706</b>	18,528	1,141	1,367	(467)	(11,171)	<b>9,398</b>	<b>0</b>	109,537	(2,290)	<b>107,248</b>	<b>122,352</b>	<b>794</b>	<b>123,146</b>

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**Interim Report as of March 31<sup>st</sup>, 2025**

**EXPLANATORY NOTE**

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## INTRODUCTORY NOTE

The Board of Directors of May 14<sup>th</sup>, 2025 approved Digital Bros S.p.A. Interim Report as of March 31<sup>st</sup>, 2025 and authorized the publication of the Report and the related press release.

The Interim Report as of March 31<sup>st</sup>, 2025 has been prepared in accordance with the International Accounting Standards (IFRS) applicable from July 1<sup>st</sup>, 2024 as adopted by the European Union. The condensed consolidated financial statements have been prepared in accordance with the International Accounting Standard IAS 34 relating to interim financial reports.

The Interim Report does not include all the disclosures required for annual financial statements and should be read together with the Group's consolidated financial statements as of June 30<sup>th</sup>, 2024. Details regarding the form, content, and other general information, including significant discretionary assessments and estimates are provided in the notes to the consolidated financial statements as of June 30<sup>th</sup>, 2024.

Digital Bros' Interim Report as of March 31<sup>st</sup>, 2025 has been prepared on a going concern basis. The Group has assessed that no significant uncertainties to the going concern occur.

### **Accounting standards, amendments and IFRS interpretations applied from July 1<sup>st</sup>, 2024**

With regards to the application of the accounting standards used by Digital Bros Group, please refer to the consolidated financial statements as of June 30<sup>th</sup>, 2024, available on the corporate website.

In accordance with the EU Regulation, the accounting standards adopted by the Group do not take into account laws and interpretations published by IASB and IFRIC as of March 31<sup>st</sup>, 2025 that are still pending approval by the European Union.

Standards and interpretations approved but not yet effective as of date of preparation of this document will be adopted by the Group only once they are effective.

## NON-CURRENT ASSETS

Total non-current assets decrease by Euro 7,092 thousand.

Intangible assets decrease by Euro 1,467 thousand as a result of depreciation and asset impairments of Euro 16,933 thousand and investments for Euro 15,466 thousand.

Total investments on intangible assets decrease by Euro 12,099 thousand compared to the previous period, due to the reduction in the number of projects in development and as a result of the launch of certain video games, which have now transitioned to the live support phase. Total investments in intangible assets are detailed below, with prior year comparative figures:

Euro thousand	March 31 <sup>st</sup> , 2025	March 31 <sup>st</sup> , 2024
Premium Games rights	369	2,051
Management systems	123	89
<b>Total investments on concessions and licenses (1)</b>	<b>492</b>	<b>2,140</b>
<b>Total investments on trademarks and other intangible assets (2)</b>	<b>0</b>	<b>7</b>
<b>Total investments in internal studios developed videogames (3)</b>	<b>6,810</b>	<b>9,377</b>
<b>Total assets in development for third-parties IPs (4)</b>	<b>8,164</b>	<b>16,041</b>
<b>Total investments on assets in development (5)=(3)+(4)</b>	<b>14,974</b>	<b>25,418</b>
<b>Total investments on intangible assets (1)+(2)+(5)</b>	<b>15,466</b>	<b>27,565</b>

Total equity investments decrease by Euro 4,008 thousand, due to the fair value adjustment of the Starbreeze shares and, to a lesser extent, of the Noobz from Poland shares to their market value as of March 31<sup>st</sup>, 2025, as detailed below:

Euro thousand	March 31 <sup>st</sup> , 2025	June 30 <sup>th</sup> , 2024	Change
MSE&DB SI	5	5	0
<b>Total investments in associated companies (A)</b>	<b>5</b>	<b>5</b>	<b>0</b>
Starbreeze – STAR A shares	1,813	2,812	(999)
Starbreeze – STAR B shares	3,707	6,674	(2,967)
Noobz from Poland s.a.	152	194	(42)
<b>Total other investments (B)</b>	<b>5,672</b>	<b>9,680</b>	<b>(4,008)</b>
<b>Total equity investments (A+B)</b>	<b>5,677</b>	<b>9,685</b>	<b>(4,008)</b>

Total non-current receivables and other assets amount to Euro 2,625 thousand, decreased by Euro 5,320 thousand compared to June 30<sup>th</sup>, 2024.

Euro thousand	March 31 <sup>st</sup> , 2025	June 30 <sup>th</sup> , 2024	Change
Receivables from Starbreeze AB	0	4,425	(4,425)
Royalty receivables	1,790	2,655	(865)
Guarantee deposits – office rental for Italian companies	635	635	0
Guarantee deposits – office rental for non-Italian companies	195	225	(30)
Guarantee deposits – other	5	5	0
<b>Total non-current receivables and other assets</b>	<b>2,625</b>	<b>7,945</b>	<b>(5,320)</b>

Following the settlement agreement with Starbreeze AB, the receivable from the Swedish group has been reclassified, partially as a current asset and the residual as non-current financial assets, according to the agreed payment schedule.

Royalty receivables consist of the advance royalty payment made by 505 Games S.p.A. and 505 Go Inc., expected to be collected beyond twelve months.

The remaining portion of non-current assets consists of security deposits for contractual obligations.

The deferred tax assets are calculated on taxes loss carryforwards and on temporary differences between the carrying value and the tax value. They have been estimated at the tax rates expected in the period during which the assets will be realized or settled. As of March 31<sup>st</sup>, 2025, the balance was Euro 23,357 thousand, increased by Euro 2,191 thousand compared to June 30<sup>th</sup>, 2024.

## CURRENT ASSETS

Total current assets decrease by Euro 30,015 thousand compared to June 30<sup>th</sup>, 2024, mainly due to:

- lower trade receivables by Euro 9,061;
- lower cash and cash equivalent by Euro 6,472 thousand;
- lower current financial assets by Euro 9,132 thousand resulting from the collection of the receivables from Remedy Entertainment, as per last years' agreement reverting all rights related to the Control franchise to the Finnish developer.

Inventories decrease by Euro 1,209 thousand, in line with the revenue trend of the traditional retail channel.

Other current assets are analyzed below:

<b>Euro thousand</b>	<b>March 31<sup>st</sup>, 2025</b>	<b>June 30<sup>th</sup>, 2024</b>	<b>Change</b>
Receivables for video game user licensing rights	2,268	3,034	(766)
Advances for video game development operating costs	1,467	2,146	(679)
Advances to suppliers	1,670	3,565	(1,895)
Other receivables	185	157	28
<b>Total other current assets</b>	<b>5,590</b>	<b>8,902</b>	<b>(3,312)</b>

The receivables for video game user licenses rights consist of advances paid for licenses not fully exploited as at the reporting date. They amount to Euro 2,268 thousand, down by Euro 766 thousand compared to March 31<sup>st</sup>, 2024.

The advances for video game development expected to be recouped in the short term amount to Euro 1,467 thousand, decreasing by Euro 679 thousand. They mainly consist of the advances paid for video game programming, quality assurance and other operating costs (i.e. rating and localization).

The decrease in advances to suppliers results from the agreement with Remedy Entertainment for reverting all rights related to the Control franchise to the Finnish developer, which was finalized last fiscal year

## NON-CURRENT LIABILITIES

Total non-current liabilities amount to Euro 6,481 thousand, decreasing by Euro 7,030 thousand due to lower non-current financial liabilities.

Employee benefits reflected the actuarial value at the closing date of the Group's liability towards employees, as calculated by an independent actuary.

Non-current provisions amount to Euro 1,081 thousand, which include Euro 1,000 thousand for the provision for tax incentives at the benefit of Supernova Games Studio, already used but which are still pending the certification by an authorized body. The increase compared to June 30<sup>th</sup>, 2024 solely reflects the provision made in the period related to the incentives used in the same timeframe. The remaining portion, Euro 81 thousand, consists of the provision for the sales representatives' severance indemnity.

Other non-current payables and liabilities amount to Euro 771 thousand and consist of the remaining portion of the debt for the acquisition of the subsidiary 505 Go Inc., with expiration beyond twelve months.

Non-current financial liabilities amount to Euro 3,354 thousand and consist of loans instalments due beyond twelve months and other non-current financial liabilities.

## CURRENT LIABILITIES

Total current liabilities amount to Euro 64,076 thousand decreasing by Euro 25,537 thousand due to:

- lower trade payables by Euro 12,486 thousand;
- the release of the Provision for Starbreeze arbitration costs for Euro 1,241 thousand;
- lower current financial liabilities for Euro 2,444 thousand, mainly driven by the revenue recognition of digital distribution contracts.

The trade payables amount to Euro 31,251 thousand, mainly consisting of payables to developers for royalties.

Other current liabilities amount to Euro 4,213 thousand, which include Euro 1,104 thousand related to the payments received from customers for the sublicensing contracts on the Group's intellectual properties. The remaining portion almost entirely consists of the amounts due to employees for the holiday accrual at the end of the reporting period, the future payment of the 13<sup>th</sup> and 14<sup>th</sup> month salary, the amounts accrued for the deferred portion of short-term bonuses and their relative social security contributions.

## NET EQUITY

The detailed changes in equity are shown in the consolidated statement of changes in equity. They can be summarized as follows:

Euro thousand	Share capital (A)	Share premium reserve	Legal reserve	IAS transition reserve	Currency translation reserve	Other reserves	Total reserves (B)	Treasury shares (C)	Retained earnings	Profit (loss) for the year	Total retained earnings (D)	Equity of Parent Company shareholders (A+B+C+D)	Equity of non-controlling interests	Total equity
<b>Total on July 1<sup>st</sup>, 2024</b>	<b>5,706</b>	18,528	1,141	1,367	(709)	(8,459)	<b>11,868</b>	<b>0</b>	115,640	(2,214)	<b>113,426</b>	<b>131,000</b>	<b>(3,314)</b>	<b>127,686</b>
Allocation of previous year result							<b>0</b>		(2,214)	2,214	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Other changes						354	<b>354</b>		(3,889)		<b>(3,889)</b>	<b>(3,535)</b>	<b>3,889</b>	<b>354</b>
Comprehensive income (loss)					242	(3,066)	<b>(2,824)</b>			(2,290)	<b>(2,290)</b>	<b>(5,114)</b>	<b>219</b>	<b>(4,895)</b>
<b>Total on March 31<sup>st</sup>, 2025</b>	<b>5,706</b>	18,528	1,141	1,367	(467)	(11,171)	<b>9,398</b>	<b>0</b>	109,537	(2,290)	<b>107,248</b>	<b>122,352</b>	<b>794</b>	<b>123,146</b>

### 14. Share capital

The share capital as of March 31<sup>st</sup>, 2025 is unchanged compared to June 30<sup>th</sup>, 2024. It is composed of n. 14,265,037 ordinary shares with a par value of Euro 0.4 each, for a total of Euro 5,706,014.80. No other shares of any nature were issued. There are no rights, liens or restrictions associated with the ordinary shares.

### 15. Reserves

The change in Other reserves reflects a Euro 354 thousand increase related to the stock option reserve adjustment and Euro 3,066 thousand decrease resulting from:

- the Euro 3,044 thousand change in the fair value adjustment reserve related to the Group's stake in the Starbreeze AB;
- a decrease in the actuarial reserve for Euro 22 thousand.

The decrease in the Allocation of previous year result for Euro 3,889 thousand relates to the portion of Rasplata B.V.'s net equity attributable to non-controlling interests at the time of the acquisition of the remaining 40% stake, finalized by the Group in August 2024.

## NET FINANCIAL POSITION

The net financial position as of March 31<sup>st</sup>, 2025 is detailed below, restated by the Group consistently with previous fiscal years:

	Euro thousand	March 31 <sup>st</sup> , 2025	June 30 <sup>th</sup> , 2024	Change
12	Cash and cash equivalents	5,509	11,981	(6,472)
13	Other current financial assets	1,106	10,238	(9,132)
26	Current financial liabilities	(27,342)	(36,679)	9,337
	<b>Current net financial position</b>	<b>(20,727)</b>	<b>(14,460)</b>	<b>(6,267)</b>
7	Non-current financial assets	2,908	0	2,908
21	Non-current financial liabilities	(3,554)	(10,324)	6,770
	<b>Non-current financial liabilities</b>	<b>(646)</b>	<b>(10,324)</b>	<b>9,678</b>
	<b>Total net financial position</b>	<b>(21,373)</b>	<b>(24,784)</b>	<b>3,411</b>

The Group's restated net financial debt amounted to Euro 21,373 thousand, reflecting a decrease of Euro 3,411 thousand compared to June 30<sup>th</sup>, 2024. The Group expects to be able to meet its current liabilities through projected future cash flows.

The restated net financial position, excluding the impact of IFRS 16, was negative at Euro 18,351 thousand.

The net financial position prepared in accordance with the Guidelines on disclosure requirements pursuant to the regulation on the table issued by ESMA (European Securities and Markets Authority) on March 4<sup>th</sup>, 2021 is detailed below.

	Euro thousand	March 31 <sup>st</sup> , 2025	June 30 <sup>th</sup> , 2024	Change	
A.	Cash	5,509	11,981	(6,472)	-54.0%
B.	Cash equivalents	0	0	0	0.0%
C.	Other current financial assets	0	0	0	0.0%
<b>D.</b>	<b>Liquidity (A + B + C)</b>	<b>5,509</b>	<b>11,981</b>	<b>(6,472)</b>	<b>-54.0%</b>
E.	Current financial debt <sup>1</sup>	0	0	0	0.0%
F.	Current portion of non-current financial debt	27,342	36,679	(9,337)	-25.5%
<b>G.</b>	<b>Current financial indebtedness (E + F)</b>	<b>27,342</b>	<b>36,679</b>	<b>(9,337)</b>	<b>-25.5%</b>
<b>H.</b>	<b>Net current financial indebtedness (G - D)</b>	<b>21,834</b>	<b>24,698</b>	<b>(2,864)</b>	<b>-11.6%</b>
I.	Non-current financial liabilities <sup>2</sup>	3,554	10,324	(6,770)	-45.1%
J.	Debt instruments	0	0	0	0.0%
K.	Non-current trade and other payables	0	0	0	0.0%
<b>L.</b>	<b>Non-current financial indebtedness (I + J + K)</b>	<b>3,554</b>	<b>10,324</b>	<b>(6,770)</b>	<b>-65.6%</b>
<b>M.</b>	<b>Total financial indebtedness (H + L)</b>	<b>25,387</b>	<b>35,022</b>	<b>(9,635)</b>	<b>-27.5%</b>

<sup>1</sup>included debt instrument, but excluding current portion of non-current financial debt

<sup>2</sup>excluding current portion and debt instruments

As of March 31<sup>st</sup>, 2025, the difference between the Group's restated financial indebtedness and the net financial position pursuant to the ESMA regulation amounted to Euro 4,014 thousand. This reflects the Group's non-current financial receivables from Starbreeze and the current financial receivables from Remedy Entertainment. As of June 30<sup>th</sup>, 2024, such difference amounted to Euro 10,238 thousand and was solely related to the current financial receivables from Remedy Entertainment.



## PROFIT AND LOSS STATEMENT

### 3. Net revenue

The following table details the revenue breakdown by operating segment as of March 31<sup>st</sup>, 2025:

	Euro thousand	Free to Play	Premium Games	Italian Distribution	Other Activities	Total
1	Gross revenue	10,211	54,438	1,204	588	66,441
2	Revenue adjustments	0	0	0	0	0
3	<b>Total net revenue</b>	<b>10,211</b>	<b>54,438</b>	<b>1,204</b>	<b>588</b>	<b>66,441</b>

The revenue breakdown as of March 31<sup>st</sup>, 2024 was as follows:

	Euro thousand	Free to Play	Premium Games	Italian Distribution	Other Activities	Total
1	Gross revenue	14,084	59,615	1,402	741	75,842
2	Revenue adjustments	0	(12)	(30)	0	(42)
3	<b>Total net revenue</b>	<b>14,084</b>	<b>59,603</b>	<b>1,372</b>	<b>741</b>	<b>75,800</b>

The Holding operating segment does not generate any revenue.

### 25. Net financial income / (expenses)

The analysis is as follows:

	Euro thousand	March 31 <sup>st</sup> , 2025	March 31 <sup>st</sup> , 2024	Change €	Change %
23	Interest and financial income	1,008	1,665	(657)	-39.4%
24	Interest and financial expense	(4,175)	(3,952)	(223)	5.6%
25	<b>Net financial income / (expenses)</b>	<b>(3,167)</b>	<b>(2,287)</b>	<b>(880)</b>	<b>38.5%</b>

The net financial expenses amounted to 3,167 thousand compared to the net financial expenses of Euro 2,287 thousand of the previous fiscal year, due to lower interest and financial income by Euro 657 thousand and higher interest and financial expenses by Euro 223 thousand

Interest and financial income may be analyzed as follows:

Euro thousand	March 31 <sup>st</sup> , 2025	March 31 <sup>st</sup> , 2024	Change €	Change %
Currency exchange gains	792	1,287	(495)	-38.5%
Interest on derivative products	169	369	(200)	-54.2%
Other	47	9	38	n.m.
<b>Total interest and financial income</b>	<b>1,008</b>	<b>1,665</b>	<b>(657)</b>	<b>-39.5%</b>

The total interest and financial income amounted to Euro 1,008 thousand, decreasing by Euro 657 thousand, mainly due to lower currency exchange gains for Euro 495 thousand and lower interest on derivative products by Euro 200 thousand.

Interest and financial expenses are analyzed as follows:

Euro thousand	March 31 <sup>st</sup> , 2025	March 31 <sup>st</sup> , 2024	Change €	Change %
Interest expenses on current accounts and trade finance	(981)	(1,383)	402	-29.1%
Tax authorities interest expenses	0	(16)	16	n.m.
Interest expenses on loans and leases	(1,401)	(1,098)	(303)	27.6%
<b>Total interest expenses on sources of finance</b>	<b>(2,382)</b>	<b>(2,498)</b>	<b>116</b>	<b>-4.6%</b>
Currency exchange losses	(1,530)	(1,454)	(76)	5.2%
Discounting of receivables	(263)	0	(263)	n.m.
<b>Total interest expenses</b>	<b>(4,175)</b>	<b>(3,952)</b>	<b>(223)</b>	<b>5.6%</b>

Total interest expenses amounted to Euro 4,175 thousand, increasing by Euro 223 thousand compared to March 31<sup>st</sup>, 2024, mainly driven by higher interest expenses on loans and leases and by discounting of receivables for Euro 263 thousand. The latter refers to the net present value adjustments of the amounts related to the agreement with Starbreeze, which will be collected by January 2027. Interest expenses on current accounts and trade finance decreased by Euro 402 thousand.

## 29. Taxation

Total taxes as at March 31<sup>st</sup>, 2025 are detailed below:

Euro thousand	March 31 <sup>st</sup> , 2025	March 31 <sup>st</sup> , 2024	Change €	Change %
Current taxes	(3,092)	(657)	(2,435)	n.m.
Deferred taxes	1,865	(611)	2,476	n.m.
<b>Total taxes</b>	<b>(1,227)</b>	<b>(1,268)</b>	<b>41</b>	<b>-3.3%</b>

Total taxes as of March 31<sup>st</sup>, 2025 are in line with the first nine months of the last fiscal year.

## Information by geographical area

The table below details the gross revenue breakdown based on the geographical distribution of marketplaces:

Euro thousand	March 31 <sup>st</sup> , 2025		March 31 <sup>st</sup> , 2024		Change	
Europe	10,389	16%	8,696	11%	1,693	19.5%
Americas	47,121	71%	57,353	76%	(10,232)	-17.8%
Rest of the world	6,855	10%	7,342	10%	(487)	-6.6%
<b>Total foreign revenue</b>	<b>64,365</b>	<b>97%</b>	<b>73,391</b>	<b>97%</b>	<b>(9,026)</b>	<b>-12.3%</b>
Italy	2,076	3%	2,451	3%	(375)	-15.3%
<b>Total consolidated gross revenue</b>	<b>66,441</b>	<b>100%</b>	<b>75,842</b>	<b>100%</b>	<b>(9,401)</b>	<b>-12.4%</b>

Total non-domestic revenue represented 97% of consolidated gross revenue and decreased by Euro 9,026 thousand compared to March 31<sup>st</sup>, 2024.

The revenue generated in the rest of the world mainly consists of the sales of the Group's subsidiary 505 Games S.p.A. in the Far East region.

The most significant portion of foreign revenue was realized by the Premium Games operating segment, which generated foreign revenue of Euro 54,154 thousand, representing 84% of total foreign revenue.

Details of gross foreign revenue by operating segment are provided below:

<b>Euro thousand</b>	<b>March 31<sup>st</sup>, 2025</b>		<b>March 31<sup>st</sup>, 2024</b>		<b>Change</b>	
Free to Play	10,211	16%	14,084	23%	(3,873)	-27.5%
Premium Games	54,154	84%	59,307	77%	(5,153)	-8.7%
<b>Total gross foreign revenue</b>	<b>64,365</b>	<b>100%</b>	<b>73,391</b>	<b>100%</b>	<b>(9,026)</b>	<b>-12.3%</b>

### **Related parties transactions**

As of March 31<sup>st</sup>, 2025, no other related-party transactions were carried out that were unusual in terms of their nature or amount, other than those of a recurring nature

### **STATEMENT PURSUANT TO ART. 154- BIS (5) OF THE T.U.F.**

We, the undersigned, Abramo Galante, Chairman of the Board of Directors and Stefano Salbe, Chief Financial Officer and Financial Reporting Manager of Digital Bros Group, hereby declare, including in accordance with Art. 154-bis (3) and (4) of Legislative Decree 58 of February 24<sup>th</sup>, 1998:

- the adequacy in relation to the characteristics of the business; and
- the effective application of the administrative and accounting procedures for the preparation of the consolidated financial statements for the period July 1<sup>st</sup>, 2024 – March 31<sup>st</sup>, 2025. No significant issues have arisen.

We also confirm that:

1. the interim consolidated financial statements of Digital Bros Group as at March 31<sup>st</sup>, 2025:
  - a) have been prepared in accordance with applicable International Financial Reporting Standards endorsed by the European Union pursuant to Regulation 1606/2002/EC of the European Parliament and the Council of July 19<sup>th</sup>, 2002;
  - b) reflect the accounting books and records;
  - c) give a true and fair view of the results and financial position of the issuer and of the entities included in the consolidation;
2. the Directors' Report accompanying the interim consolidated financial statements includes a reliable analysis of the results, as well as a description of the main risks and uncertainties to which Digital Bros S.p.A. and the consolidated entities are exposed.

Milan, May 14<sup>th</sup>, 2025

Signed

Chairman of the Board of Directors  
Abramo Galante

Chief Financial Officer  
Stefano Salbe