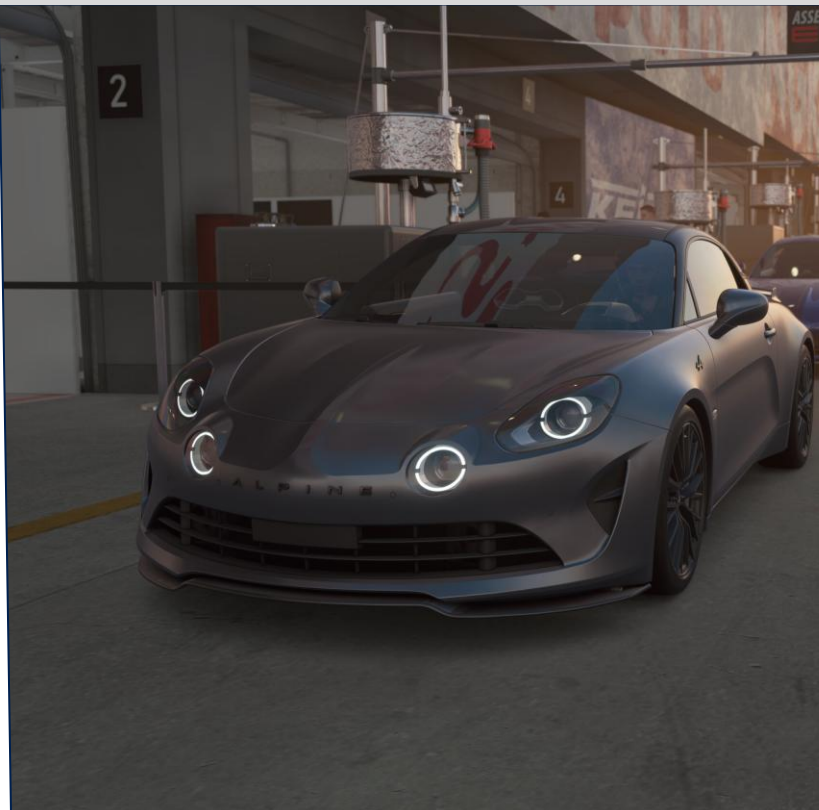




**Digital Bros**  
digital entertainment



**Investor Presentation**  
**STAR Conference 2026**



# Digital Bros at a glance

Digital Bros creates, develops, and publishes video games for all Consoles, PC, Mobile and Streaming platforms, and distributes them worldwide

## Company overview

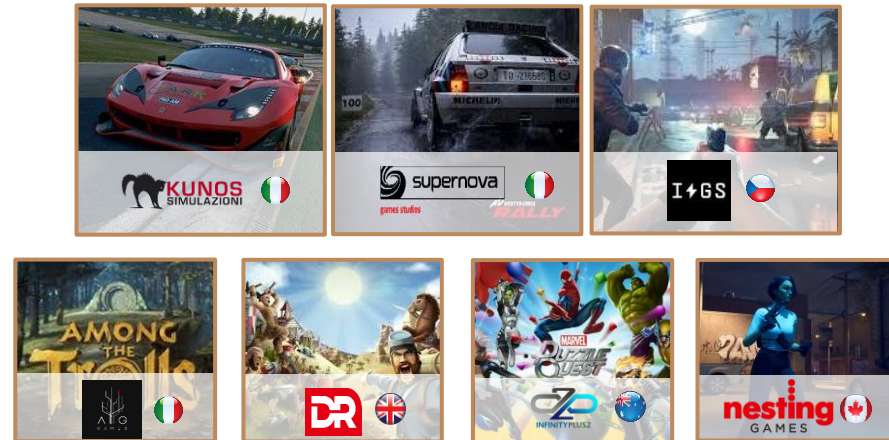
- Founded in 1989 by brothers Rami and Raffi Galante
- Listed on the Euronext STAR Milan (DIB:MI) since 2000



## PUBLISHING



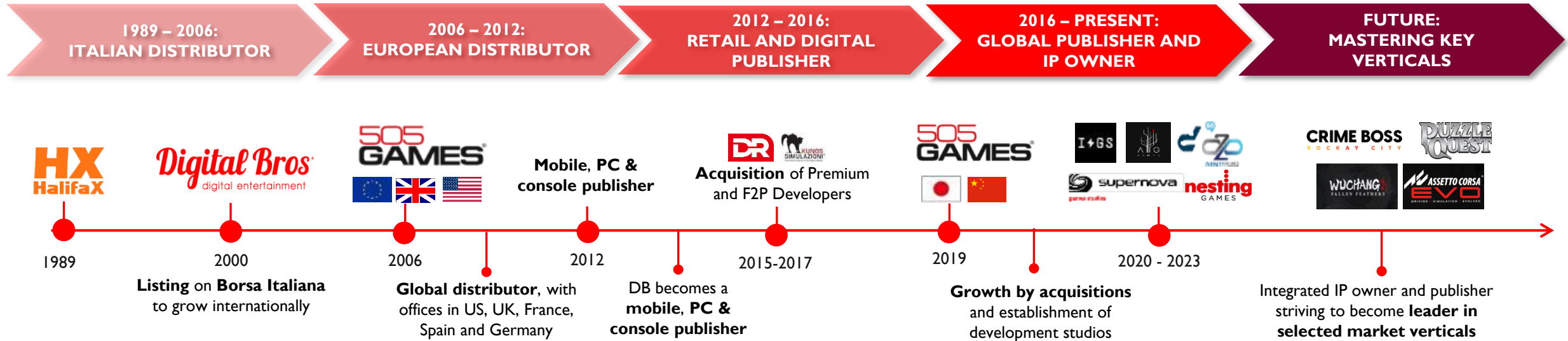
## STUDIOS



All studios are 100% owned, except Nesting Games which is 75% owned

# History and Milestones

Evolution of Digital Bros from a local Italian distributor, into a global gaming publisher and IP owner





# Business Model

The Company operates through four operational business segments, covering the entire gaming value chain

## PREMIUM GAMES

- Development and publishing of videogames that require an upfront payment from consumers.

<b>Publishing</b>  	<b>Studios</b>    	<b>Main titles</b>   
---	---	---

## FREE TO PLAY

- Development and publishing of video games available for free on digital marketplaces, with in-app purchase features.

<b>Publishing</b> 	<b>Studios</b>  	<b>Main titles</b>  
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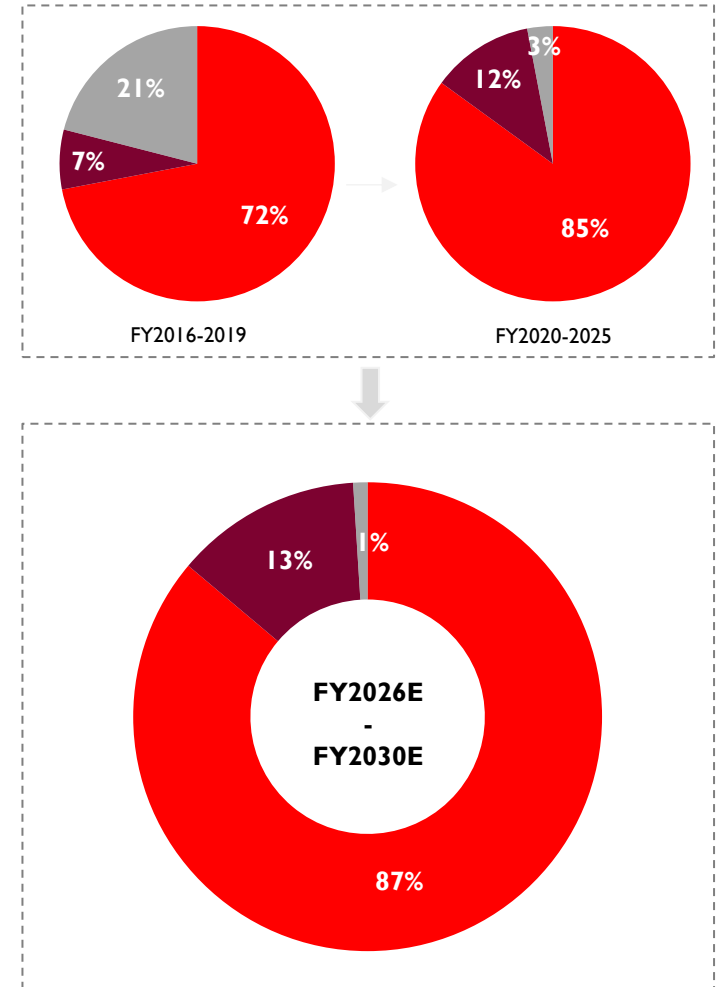
## OTHER ACTIVITIES

- Distribution of video of games in Italy
- Video game training and professional courses through Digital Bros Game Academy S.r.l.

## HOLDING

- Management of HR, finance and business development

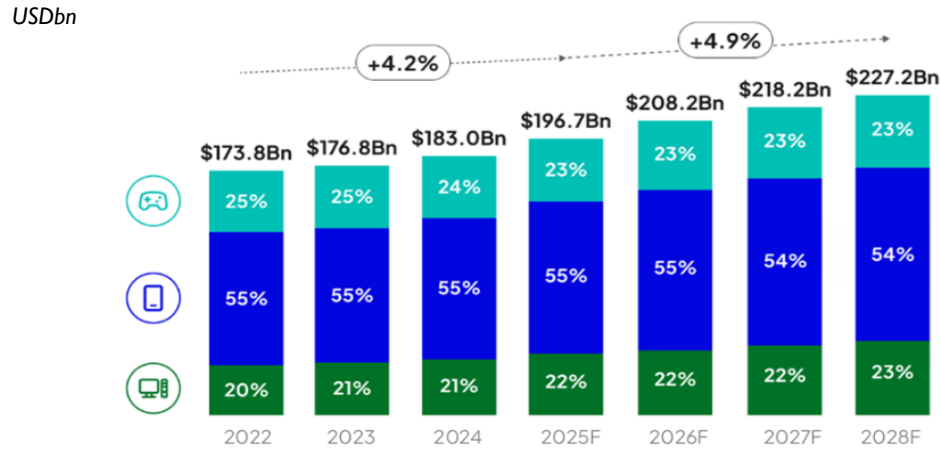
### Revenue split trend



# Gaming market overview

Video games are the leading form of entertainment with over three billion people playing today

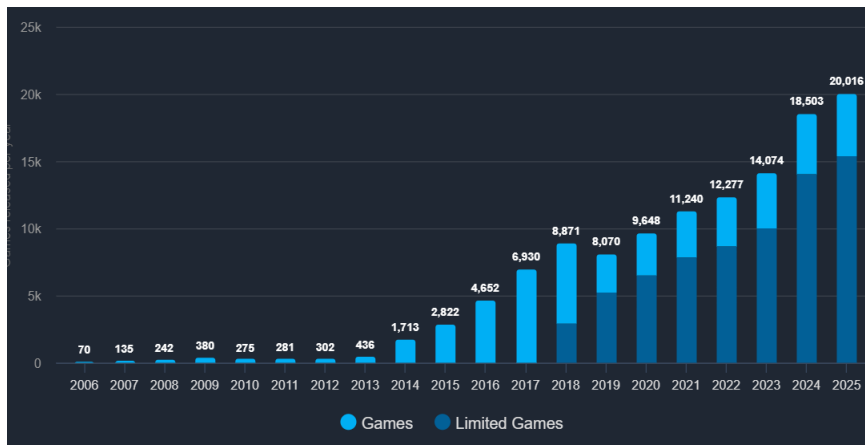
## Global game revenue<sup>1</sup>



## Key trends (post pandemic)

- Consumers **continue playing well-established game titles** instead of experimenting with new titles
- In more mature economies, **the mobile sector is slowing down**, but this is offset by ongoing revenues growth in emerging markets
- Oversupply of video games**, over 20,000 new releases in 2025 and **market saturation**
- Escalating development budgets** with prices unable to absorb the increased costs

## Steam Game Releases by Year<sup>2</sup>

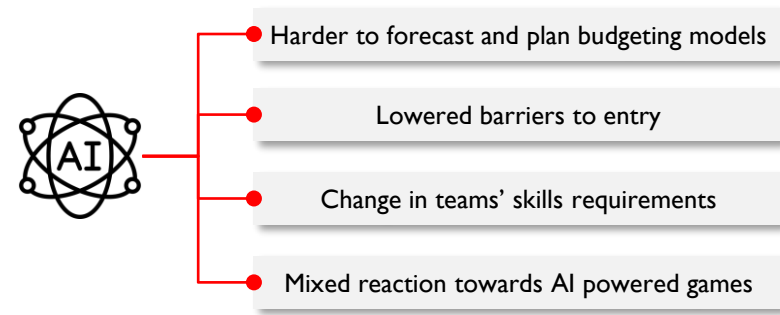


Source:

<sup>1)</sup> Gameindustry.biz – the Year in Numbers 2025, Newzoo: Year in Review;

<sup>2)</sup> SteamDB.info

**AI as a disruptive technology** making existing business models less predictable and more vulnerable



# A more mature gaming market

From pandemic-driven acceleration to structural realignment

2019-2021: gaming market expanded by 26% <sup>(1)</sup>

POST PANDEMIC "PERFECT STORM"

Macroeconomic factors

Rising inflation

Geopolitical uncertainty

Increased interest rates

Industry-specific dynamics

Shortage of B2B Deals

Oversupply and market saturation

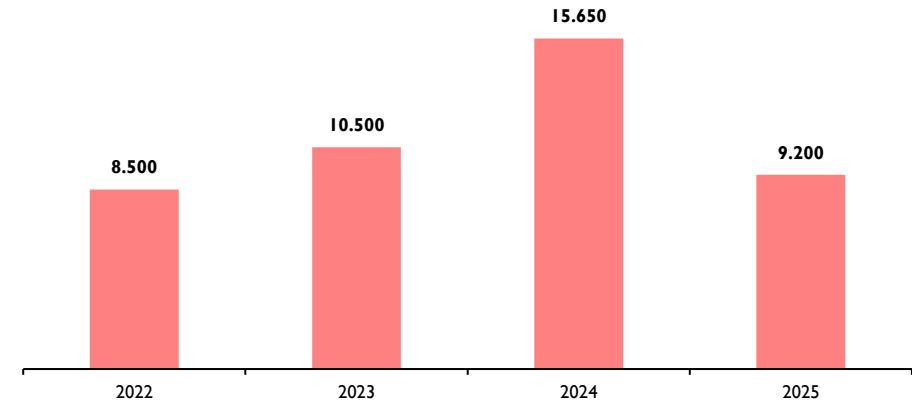
Escalating development budgets

Longer, more complex video games

Players' selectivity<sup>2</sup>

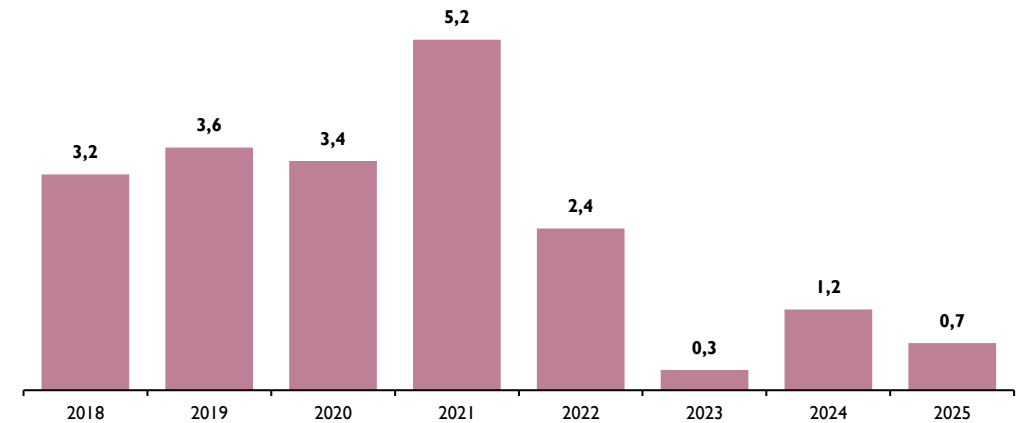
Prices unable to absorb the increased costs

Annual gross reported industry layoffs<sup>3</sup>



Growth in video game investments worldwide<sup>3</sup>

USDbn



Note:

<sup>(1)</sup> World Economic Forum: "Gaming is booming and is expected to keep growing" (July 2022)

<sup>(2)</sup> Newzoo: 72% of time spent playing video games in 2024 was on 6+Year old Games

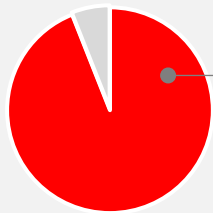
<sup>(3)</sup> Epyllion's State of Video Gaming in 2026 (February 2026)

# Key new trend: AI threats and opportunities

AI accelerates development but increases content supply, making brand and IP more critical

## Productivity Booster

- Accelerates content creation and coding
- Lower cost of prototyping
- Automated QA & testing
- Player behaviour analysis and prediction



94% of polled developers expect AI to reduce overall development costs in 3+ years <sup>(1)</sup>

**Dual impact:**  
Productivity gains  
and  
Competitive pressure

## Competitive Escalation

- Compressed time-to-market, increasing content volume
- Harder discoverability
- Legal and ethical issues (data ownership, redundancies)
- Publisher disintermediation



64% of polled developers expressed concern over data ownership and IP <sup>(1)</sup>

## STRATEGIC IMPLICATIONS FOR DIGITAL BROS

**Strengthen brand identity of owned IPs**  
→ AI eventually used to enhance efficiency within existing franchises (sequels, spin-offs) <sup>(2)</sup>

As AI lowers barriers to content creation, competitive advantage shifts toward brand, IP and execution capabilities

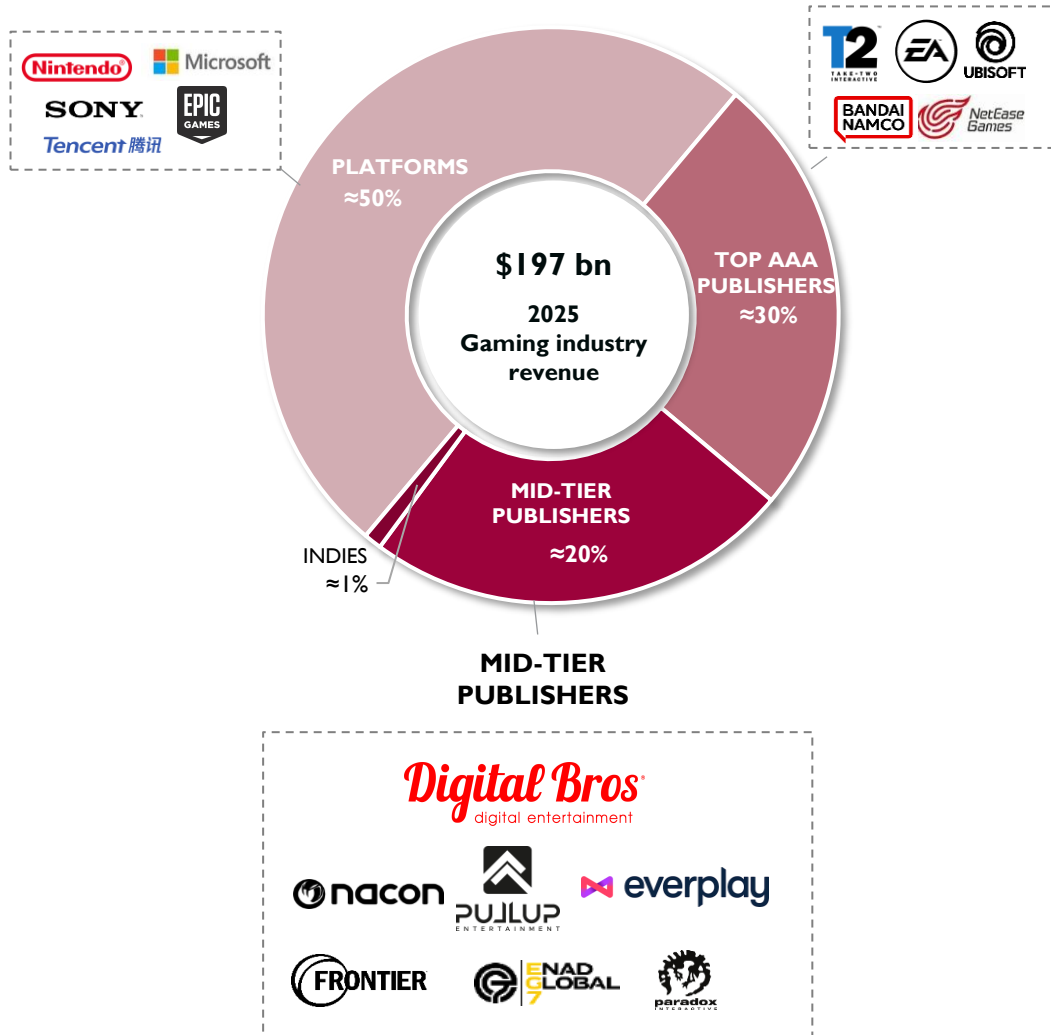
Sources:

<sup>(1)</sup> Google Cloud and The Harris Poll: Research study June - July 2025 (615 game developers in the United States, South Korea, Norway, Finland, and Sweden).

<sup>(2)</sup> Dual Shokerz: "Hideo Kojima Thinks That Remakes And Sequels Will Soon Be Made by AI"

# Competitive positioning in the videogame industry

Refocused strategy from general “AA” games publisher to achieve leading position in strategic market verticals



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digital entertainment

**STRATEGIC APPROACH**

Become leader in specific market verticals to stand out from generalistic mid-tier publishers leveraging on loyal and engaged players communities

VERTICAL	IPs

# Refocused Strategy

Digital Bros had to refocus on revenue predictability and operational efficiency

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## FY24 Reorganization

Increased focus on owned IPs with long term value creation

Reconsidered number and scope of projects under development

Downsize of ≈30% of the Group's workforce



### REFOCUSED STRATEGY



Regular content drop for existing franchises, sequels and spin-offs



Focus on long-tail potential and revenue predictability

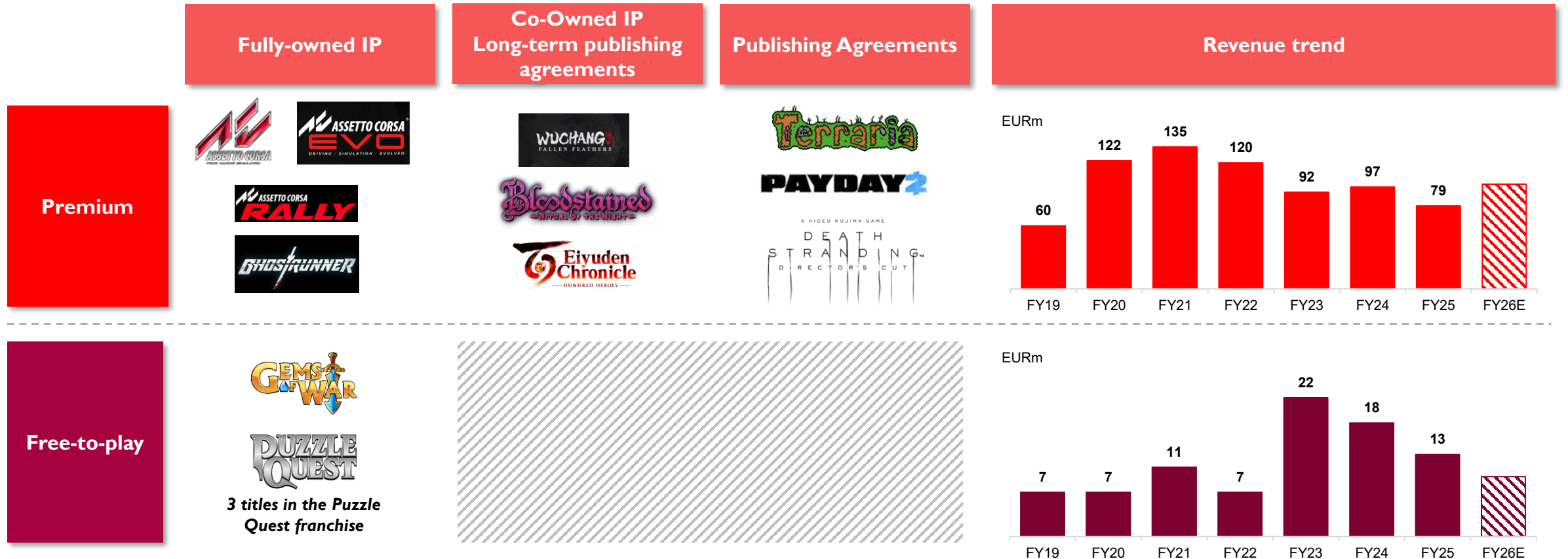


Scouting new IPs that fit into specific market verticals

# Portfolio overview – Increased focus on owned IPs

Focus on risk-reward profile of each title, moving the strategy to become leaders in key verticals with long-term IP value potential

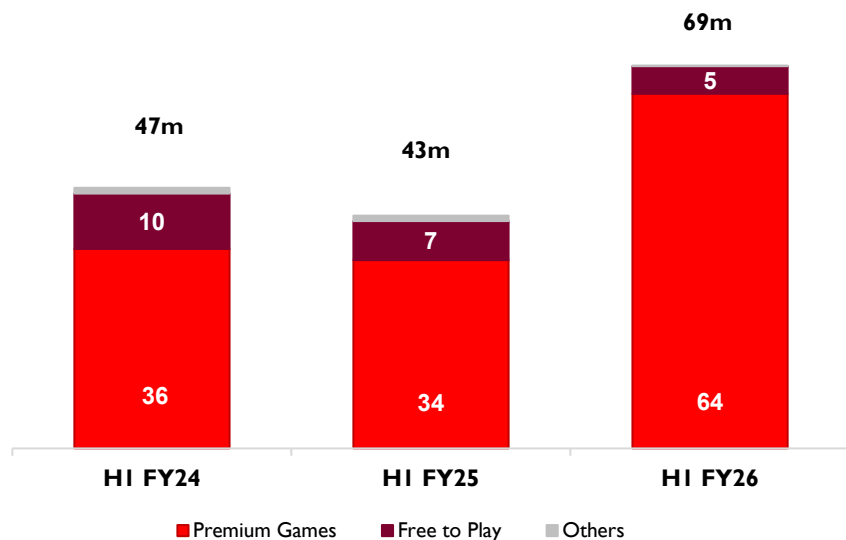
## Current portfolio mix



# HI FY26 – Key Results

€ 69 million revenue generated as of Dec. 31, 2025 driven by Wuchang: Fallen Feathers and the Assetto Corsa franchise.

Revenue (€m) as of December 31, 2025



	HI FY25	HI FY26	Change
<b>Revenue</b>	€43m	€69m	+ €26m
<b>EBITDA</b>	€13.1m	€ 33.6m	+ €20.5m
<b>EBIT</b>	(€0.4m)	€14.9m	+ €15.1m
<b>Net result</b>	(€3.4m)	€2m	+ €5.6m

Premium Games revenue nearly doubled



Revenue growth driven by the launch of **Wuchang: Fallen Feathers**: +130,000 CCUs on launch day



**Assetto Corsa** brand generated €18.3m (+40% YoY), benefiting from the launch of **Assetto Corsa Rally**

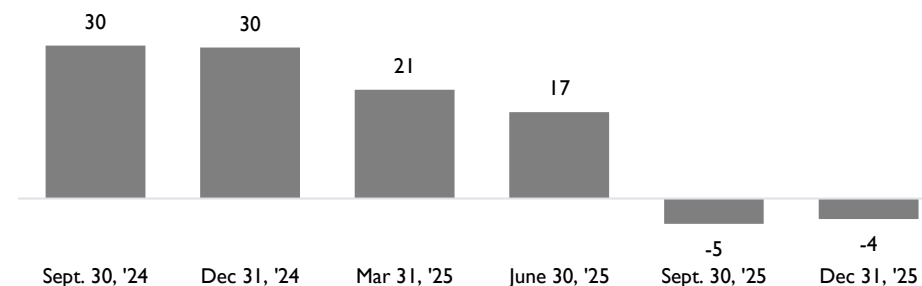
Difficulties in the Free to Play segment – technical issues for 505 Go! temporarily reduced its revenue streams and led to internalization of live support activities

EBITDA at 48.6% of revenue

EBIT positive at 21.6% of revenue

Net profit at €2m

NET FINANCIAL DEBT (€m)



# Case study – Assetto Corsa

## Successful initial launch with compelling DLC and sequels following studio acquisition

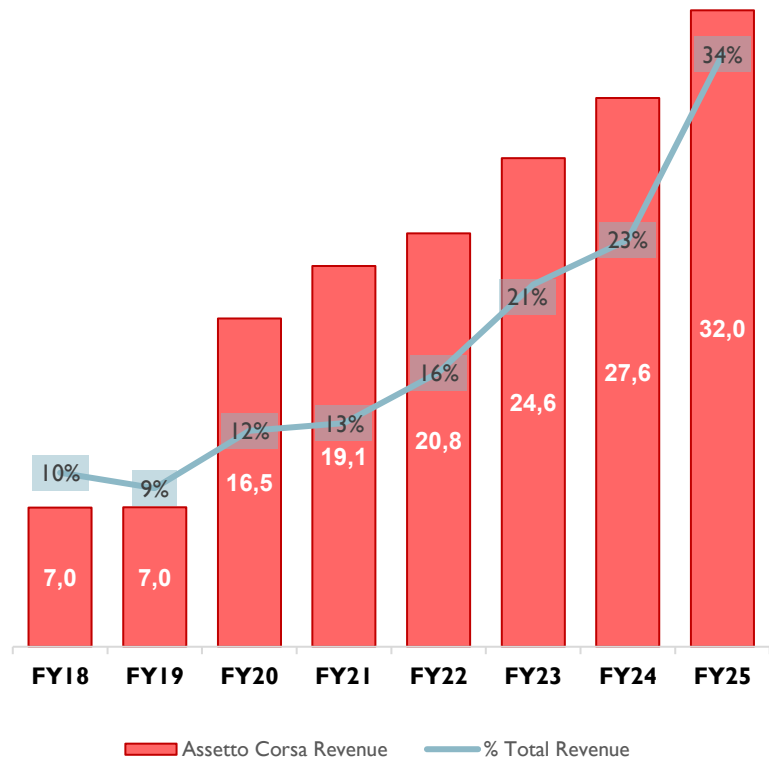
Racing simulation video game developed by the Italian studio Kunos Simulazioni, designed with an emphasis on a realistic racing experience with support for extensive customization by players.



- 2013 ● Kunos Simulazioni launches **Assetto Corsa** on Steam
- 2016 ● Console versions published by 505 Games
- 2017 ● **Digital Bros acquires 100% of Kunos Simulazioni S.r.l.** for a total value of €4.3 m.
- 2018 ● First spin-off launched, **Assetto Corsa Competizione**, the official GT World Challenge video game
- 2025 ● **New release:**  
Assetto Corsa EVO: PC version launched in Early Access on Steam on January 16, 2025 – reaching #1 in Steam’s best-selling chart at launch.
- FY26 ● Assetto Corsa Rally launched on Nov. 13, 2025 in Early Access

**The Assetto Corsa franchise generated € 32m revenue in FY25. In Q1 FY26 the brand generated €6.4m**

### ASSETTO CORSA - BRAND REVENUE (€m)



Source: Digital Bros

# New Release - Assetto Corsa EVO

*Assetto Corsa EVO – third chapter of the beloved franchise developed by the internal studio Kunos Simulazioni.*



Early Access PC version launched on **Steam** on Jan. 16, 2025

Reached **#1** in **Steam's** global top selling chart at launch.

- **Concurrent users (CCU)** peaked at launch, exceeding 25k players.

**Assetto Corsa EVO** redefines realism in racing simulations, with a new **proprietary engine**, highly personalized driving experience, **improved graphics**, **physics** and **audio realism** with the soundscape adapting to time of day and location.

- **Early Access** period with 8-step roadmap including **regular updates** until 1.0 version

- **Multiplayer** feature introduced with update 0.3

- Early Access 0.5 released in February 2026 with new cars, circuits and additional game enhancements



# New release – Assetto Corsa Rally

Early access PC version launched on Steam on Nov. 13, 2025 reaching top 10 in Steam's best selling chart.



Early Access PC version launched on Steam on Nov. 13, 2025

Latest installment in the Assetto Corsa series

- Developed by **Supernova Games Studio**, with an international team of industry veterans with previous experiences in DiRT Rally, WRC, and Project CARS and in **technical partnership with KUNOS Simulazioni**.

**Assetto Corsa Rally is a high-fidelity rally sim built for precision and challenge.**

Powered by an adapted version of Assetto Corsa's acclaimed physics engine, the simulation models jumps, uneven terrain, and variable grip across tarmac and gravel with uncompromising fidelity

With **3D laser-scanned stages and cars**, professional co-driver support, and **dynamic conditions**, it delivers a **demanding, immersive experience** where every second behind the wheel counts.

The game debuted **among Steam's top 10 best-sellers**, underscoring the **strength and engagement of the sim racing community**.



# Wuchang: Fallen Feathers

Soulslike action RPG set in China launched on July 24, 2025

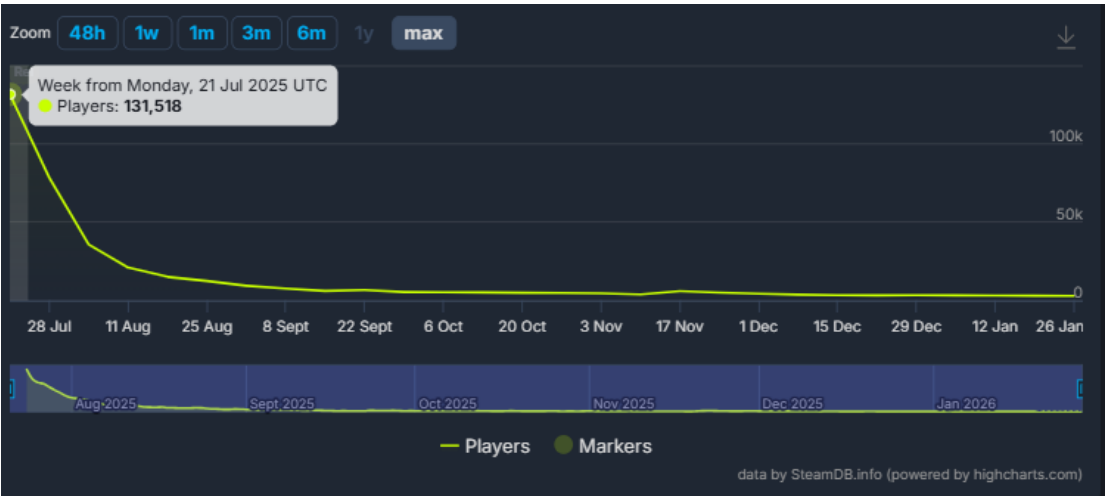


Launched on July 24, 2025 (Q1 FY26)

PS5, XBOX X|S, PC, Xbox Game Pass.

Soulslike, action RPG developed by the Chinese studio **Lenzee Games** set in the land of Shu during the dark and tumultuous **late Ming Dynasty**.

Combat is designed around **tight timing, weapon skill combos** and **resource systems** that reward mastery, with multiple endings shaped by the choices you make and the secrets you uncover.



In the top 10 best sellers globally on launch date, n.1 in China - peaked at +130,000 CCUs at launch, making it the most-played non-FromSoftware Soulslike of all time<sup>(1)</sup>

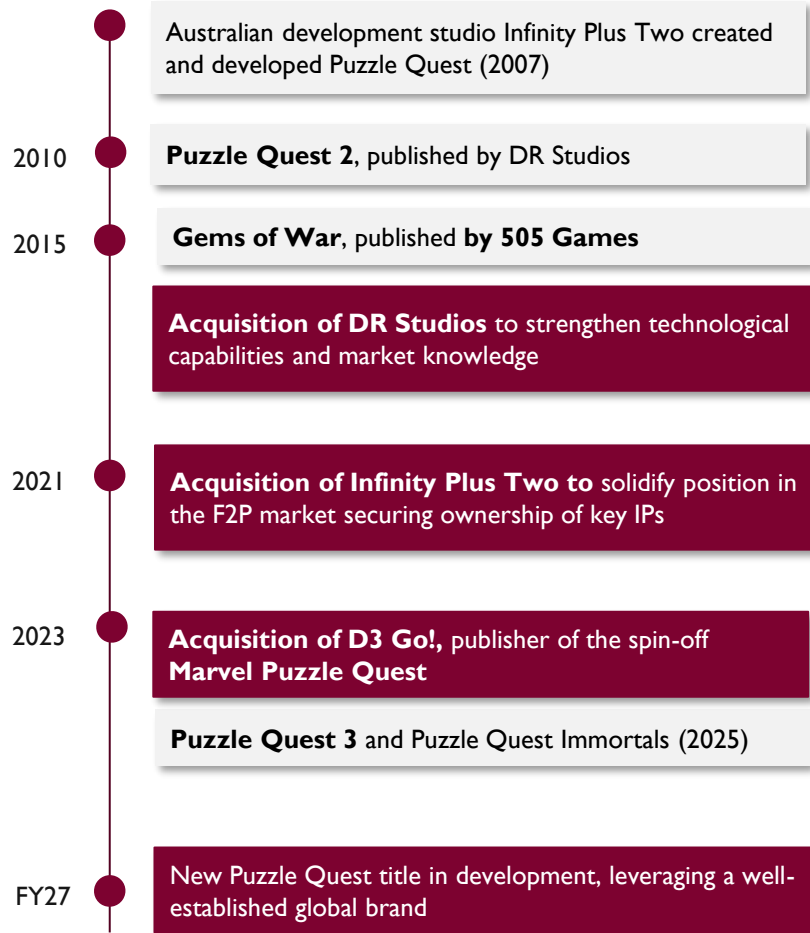
Despite challenging launch, recent revies are now over 80% positive



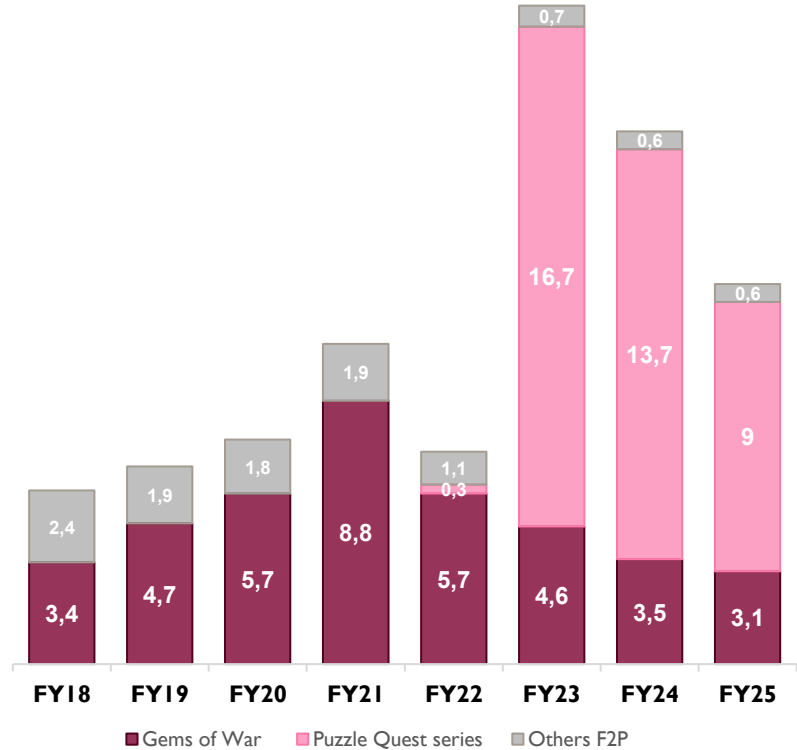
<sup>(1)</sup> Gamereactor: "Wuchang breaks Soulslike records - Wuchang: Fallen Feathers just made history as the most-played Soulslike not made by FromSoftware" published on July 26, 2025

# Case study – Match Three games

Longstanding expertise in managing and scaling successful match-three IPs based on the Puzzle Quest brand



## FREE TO PLAY REVENUE (€m)



Source: Digital Bros

# Business outlook FY26

Confirmed guidance: revenue growth driven by Premium Games and return to profitability

H2 FY26

Ongoing Early Access Updates

Upcoming Launches



- Indie cyberpunk life simulation game
- Strong early traction with significant wishlists

Steam Release



- Developed by award-winning studio MercurySteam
- Version 2.0 launching in May 2026 across all platforms

Expected revenue growth YoY



Fewer launches but better visibility and balanced risk profile



Benefits from the cost reduction program implemented in the last fiscal years

Net debt reduction compared to June 30, 2025



Return to net financial debt position from Q3 and until the end of the fiscal year, but significantly lower than FY25.

# FY27 Releases – A more focused pipeline

A streamlined pipeline aligned with a more selective investment approach

## New releases



- **Bloodstained: The Scarlet Engagement:** new gothic horror side-scrolling RPG set in the 16<sup>th</sup> century
- New instalment in the successful metroidvania franchise developed by **ArtPlay** and created by **Koji Igarashi**, former producer of the Castelvania series.



New launch in the Puzzle Quest franchise and built on a globally recognized brand

**Risk mitigated by:**

- Proven track record managing the **Puzzle Quest** franchise
- **Established brand recognition** supporting player acquisition and engagement

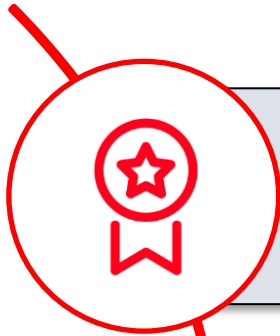
## 1.0 versions



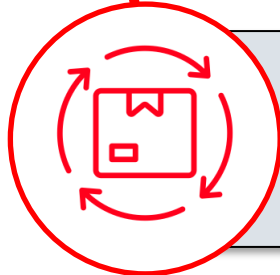
## Key Takeaways

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**Well-established gaming publisher with a proven ability to adapt to industry trends and recent challenges, with experienced management team.**



**Refocused games portfolio offering Premium and Free to Play games, for PC, console and mobile within four key verticals: sim racing, heist games, action RPG and three-match games.**



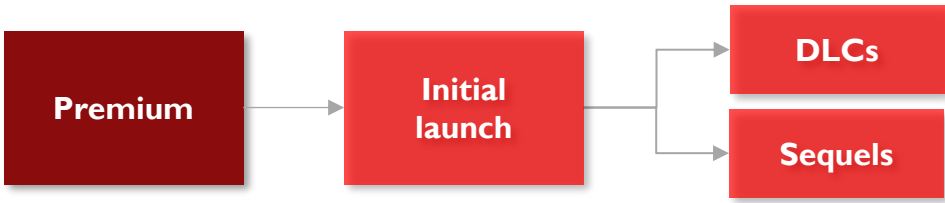
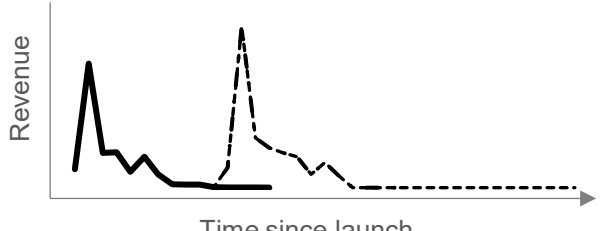
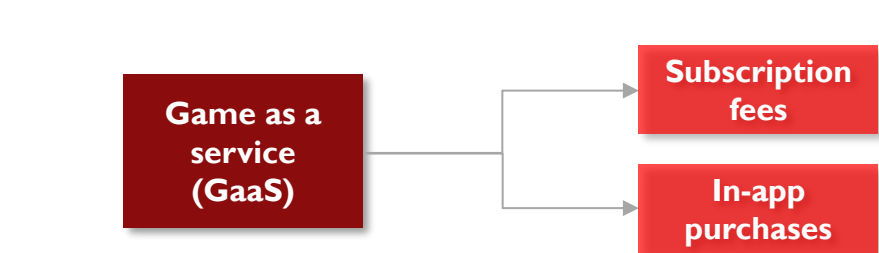
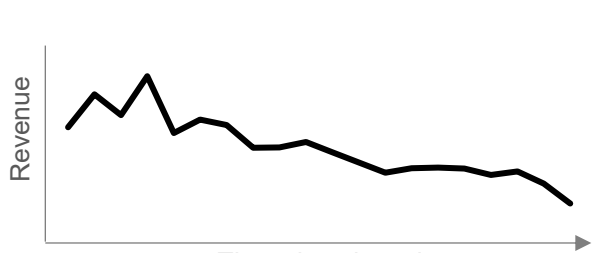
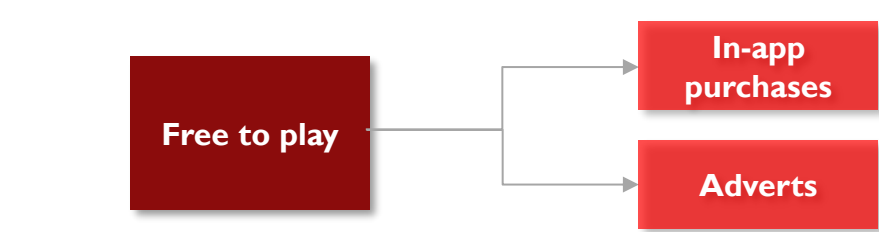
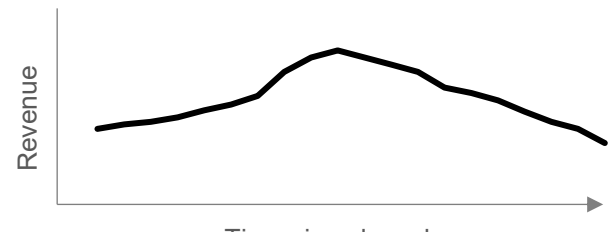
**Robust and well-balanced pipeline of games targeting specific communities through sequels and spin-offs and new, high-potential games.**



# Appendix

# Revenue Models

Multiple avenues of monetization and distinct revenue profiles ensures diversification of revenue streams

MONETIZATION	DESCRIPTION	ILLUSTRATIVE REVENUE PROFILE
 <pre> graph LR     A[Premium] --&gt; B[Initial launch]     B --&gt; C[DLCs]     B --&gt; D[Sequels]           </pre>	<ul style="list-style-type: none"> <li>▪ One-time fee to purchase the full game</li> <li>▪ Greater budgets in marketing required to improve brand recognition</li> <li>▪ Game life cycle can be extended through expansion packs or Downloadable Content (DLCs) with additional features</li> </ul>	
 <pre> graph LR     A[Game as a service (GaaS)] --&gt; B[Subscription fees]     A --&gt; C[In-app purchases]           </pre>	<ul style="list-style-type: none"> <li>▪ Monetizing of digital games through subscription fees and consistent drop of DLCs</li> <li>▪ New content introduced on a regular basis to increase retention of paying audience</li> </ul>	
 <pre> graph LR     A[Free to play] --&gt; B[In-app purchases]     A --&gt; C[Adverts]           </pre>	<ul style="list-style-type: none"> <li>▪ Free to access, but typically monetized by displaying ads and in-app purchases for virtual goods, currency or additional content (to speed up the in-game progress, unlock exclusive chapters, skins or customization)</li> <li>▪ Need to keep users engaged by constantly updating and upgrading the game after the launch</li> </ul>	

# Investment in Starbreeze



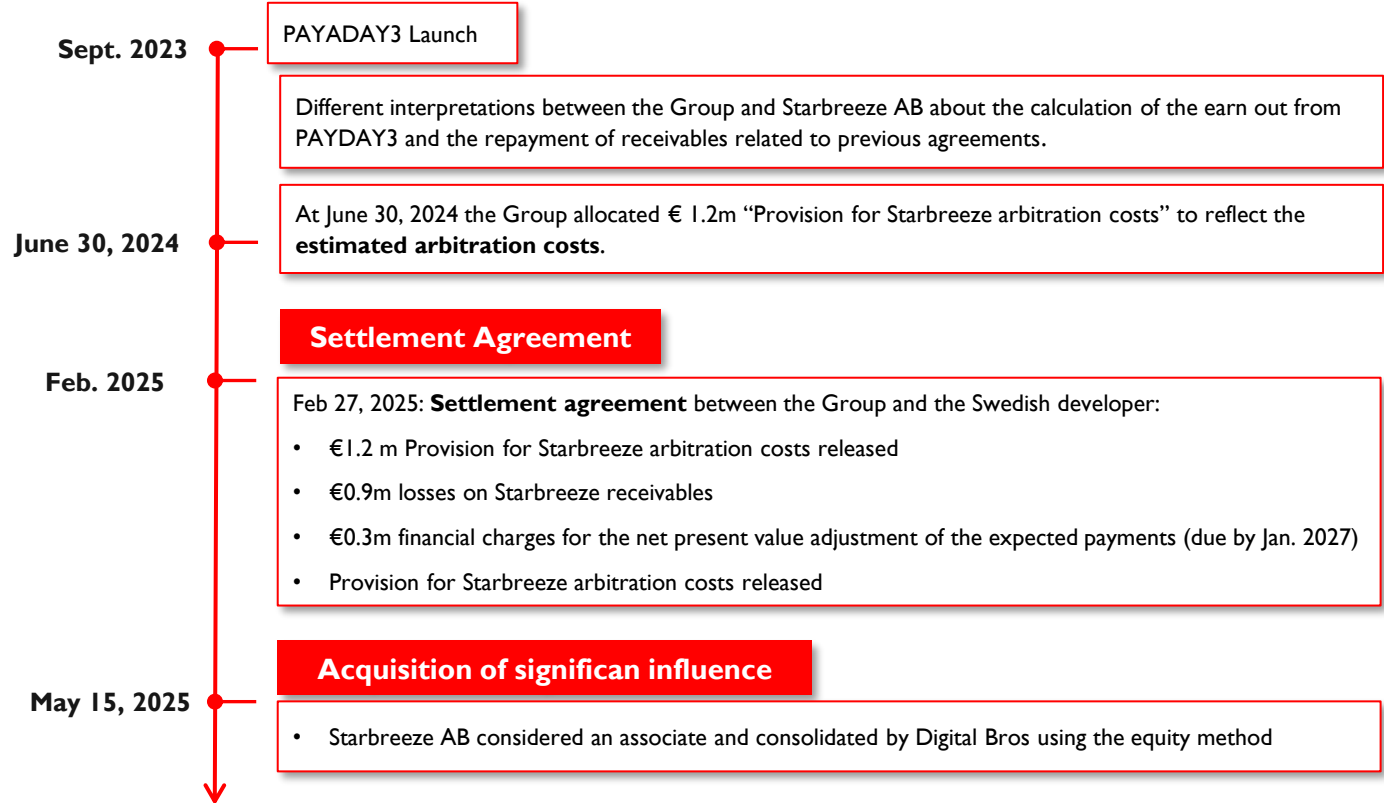
Digital Bros holds an investment in the Swedish developer and publisher Starbreeze AB

19% of capital

37% of voting rights

**Digital Bros' CEO appointed to Starbreeze Board of Directors on May 15, 2025**

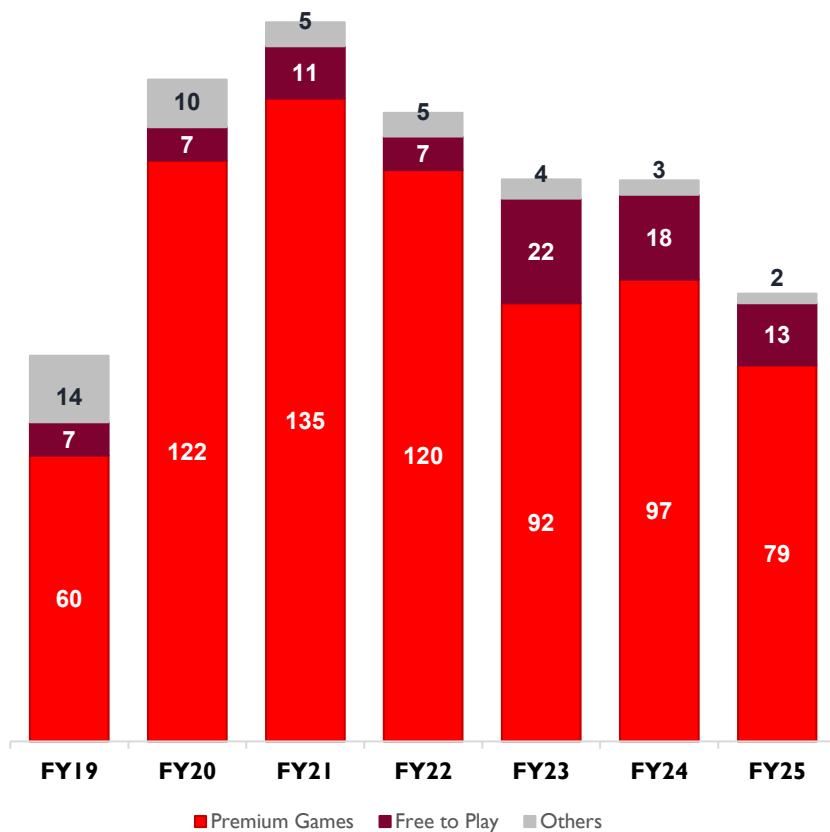
Starbreeze consolidated pursuant to IAS28



# Revenue and EBITDA trend

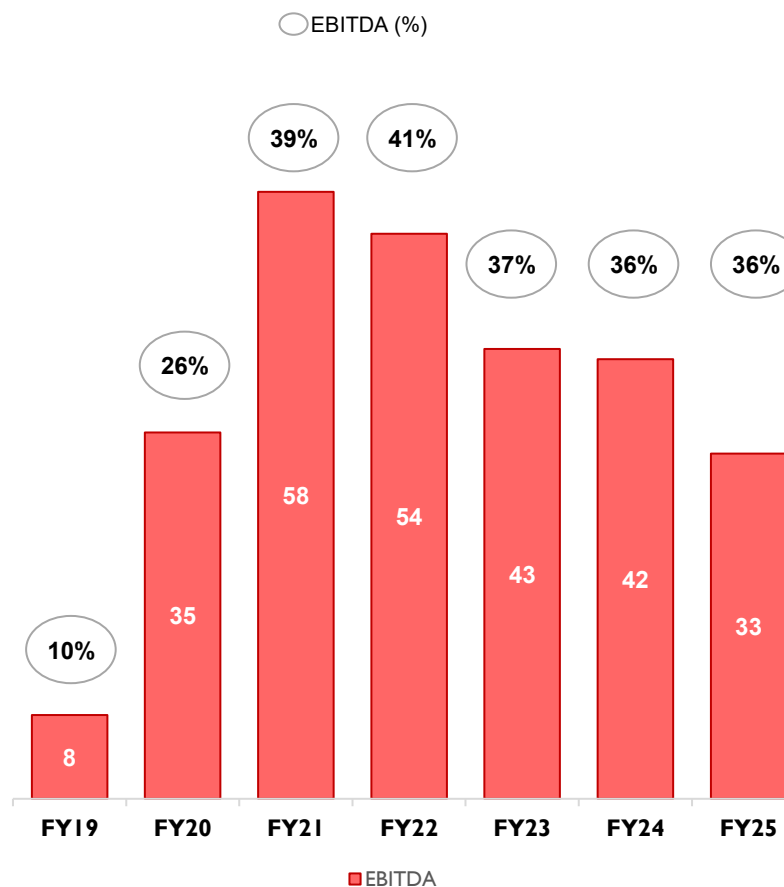
## Revenue

EURm



## EBITDA

EURm



## Commentary

- Revenue has declined since FY21, primarily due to the post-pandemic effect
- As third-party publishing has slowed, revenue from internally developed games has grown, driven by a strategic focus on strong, high-margin owned IPs
- This shift has resulted in significantly higher EBITDA margins, reflecting the company's focus on profitability over volume

Note: 1) Other refer to revenue generated through Italian distribution and other activities

# Cost base overview

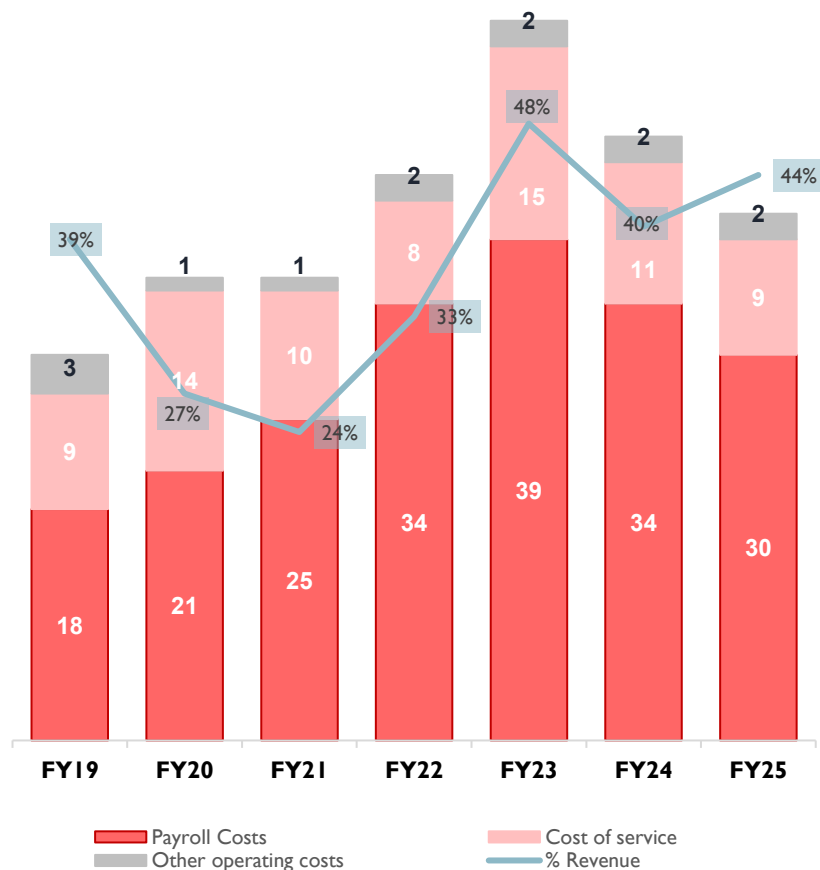
## Cost of sales and gross margin

EURm



## Operating costs and in % of revenue

EURm



## Commentary

### Cost of sales

- COGS primarily consists of royalties, service purchases, and product purchases for resale
- Royalties are paid to developers and licensees for the exploitation of the technology, videogame IP or brand
- Purchase of services relates to the costs incurred by the Group for programming and to get the videogame ready for launch, i.e. Hosting, Localization, Quality Assurance etc.
- The decline in COGS is mainly attributable to the reduction in product purchases for resale, as this primarily refer to acquisition of physical video game copies

### Operating costs

- Payroll costs reflects a major part of the cost-base. Having historically experienced growth, payroll costs have declined as a result of the reorganization of FY24
- Cost of service include both sales-related services, mainly advertising and marketing expenses, as well as general services like consulting fees, utilities, etc.

# Summary tables

HI FY26 (July 1, 2025 – December 31, 2025)

## INCOME STATEMENT

€/100	Dec. 31, 2025	Dec. 31, 2024
<b>Total net revenue</b>	<b>69,005</b>	<b>43,024</b>
<b>Total cost of sales</b>	<b>(18,711)</b>	<b>(14,874)</b>
<b>Gross profit (3+8)</b>	<b>50,294</b>	<b>28,150</b>
Other income	4,299	3,603
<b>Total operating costs</b>	<b>(21,041)</b>	<b>(18,664)</b>
<b>EBITDA (9+10+15)</b>	<b>33,552</b>	<b>13,089</b>
<b>Total depreciation, amortization and impairment adjustments</b>	<b>(18,630)</b>	<b>(13,484)</b>
<b>EBIT (16+21)</b>	<b>14,922</b>	<b>(395)</b>
<b>Net interest income/(expenses)</b>	<b>(7,376)</b>	<b>(2,536)</b>
<b>Profit/(Loss) before tax</b>	<b>7,546</b>	<b>(2,931)</b>
<b>Total taxes</b>	<b>(5,518)</b>	<b>(559)</b>
<b>Net profit/(Loss)</b>	<b>2,028</b>	<b>(3,490)</b>
Attributable to the shareholders of the Parent Company	1,974	(3,695)
Attributable to non-controlling interests	54	205

# Summary tables

HI FY26 (July 1, 2025 – December 31, 2025)

## BALANCE SHEET

€/100	Dec. 31, 2025	June 30, 2025
Total non-current assets	129,845	152,997
Total current assets	35,841	36,565
<b>Total Assets</b>	<b>165,686</b>	<b>189,562</b>
<b>Total Net Equity</b>	<b>(116,489)</b>	<b>(114,740)</b>
Total non-current liabilities	(3,033)	(8,336)
Total current liabilities	(46,164)	(66,486)
<b>Total Liabilities</b>	<b>(49,197)</b>	<b>(74,822)</b>
<b>Total Net equity and liabilities</b>	<b>(165,686)</b>	<b>(189,562)</b>

## CASH FLOW

€/100	Dec. 31, 2025	Dec. 31, 2024
<b>Opening net cash/debt</b>	<b>6,718</b>	<b>11,981</b>
<b>Cash flow from operating activities</b>	<b>25,753</b>	<b>8,320</b>
<b>Change in NWC</b>	<b>(2,120)</b>	<b>(8,092)</b>
<b>Cash flow from investing activities</b>	<b>(2,824)</b>	<b>(3,033)</b>
<b>Cash flow from financing activities</b>	<b>(14,014)</b>	<b>(4,545)</b>
<b>Changes in consolidated equity</b>	<b>0</b>	<b>0</b>
<b>Cash flow for the period</b>	<b>6,795</b>	<b>(7,350)</b>
<b>Closing net cash/debt</b>	<b>13,513</b>	<b>4,631</b>

# Digital Bros<sup>®</sup>

digital entertainment



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