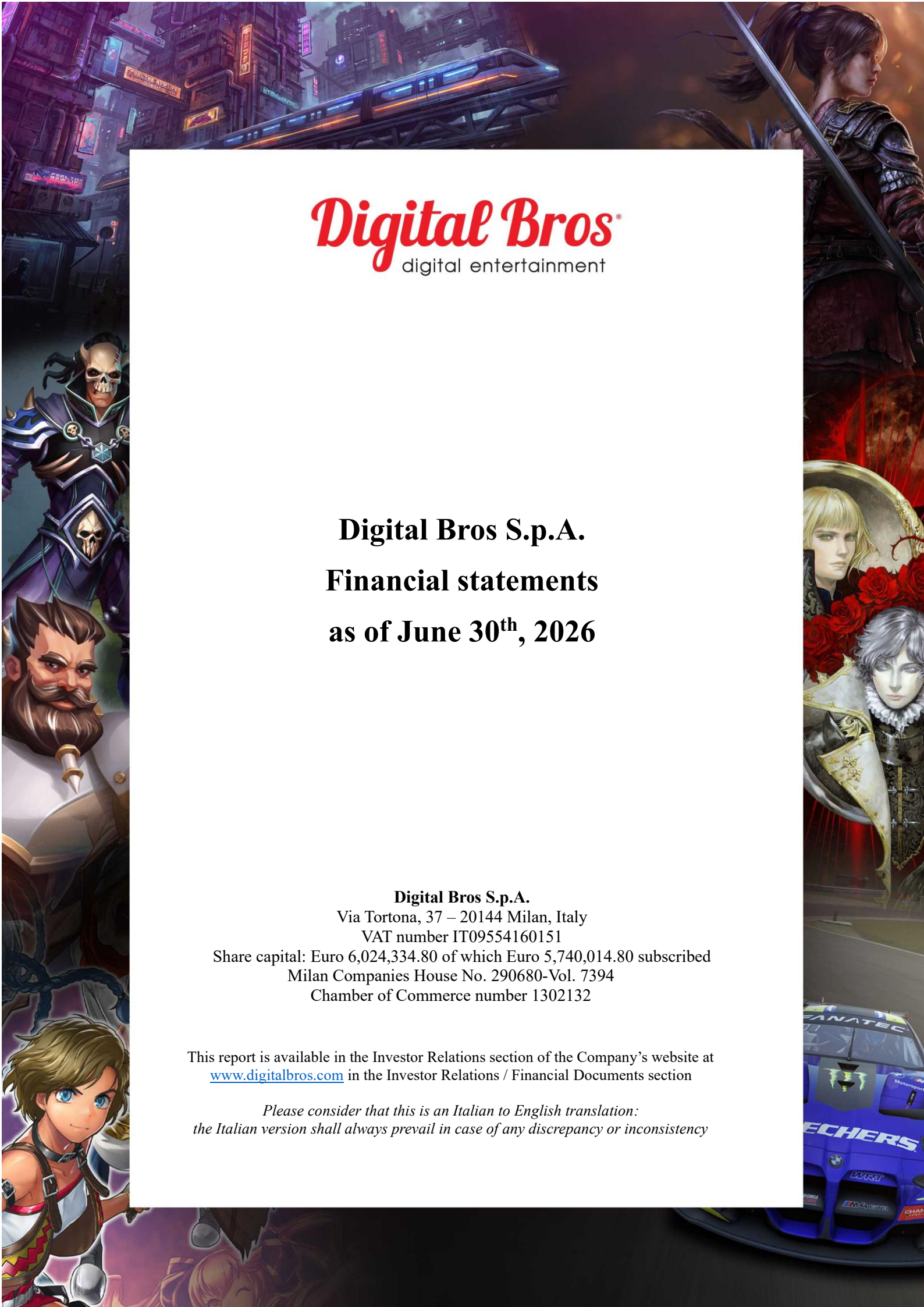

Digital Bros S.p.A.

Financial statements

as of June 30th, 2026

Digital Bros S.p.A.
Via Tortona, 37 – 20144 Milan, Italy
VAT number IT09554160151
Share capital: Euro 6,024,334.80 of which Euro 5,740,014.80 subscribed
Milan Companies House No. 290680-Vol. 7394
Chamber of Commerce number 1302132

This report is available in the Investor Relations section of the Company's website at www.digitalbros.com in the 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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DIRECTORS' REPORT

The Company coordinates the activities of Digital Bros Group in its capacity as the Parent Company.

The Company's activities relating to the distribution in Italy of video games acquired from international publishers and of Yu-Gi-Oh! trading cards are now residual.

All revenues are generated in Italy, as further detailed in the Explanatory Notes to Digital Bros S.p.A.'s Financial Statements.

1. THE VIDEOGAMES MARKET

The video game market is a key segment of the entertainment industry. Cinema, publishing, videogames and toys are interconnected sectors that often share the same characters, brands, distinctive elements and intellectual properties.

During the pandemic, the videogame market recorded significant growth, accompanied by a substantial increase in investment in new productions. This expansion resulted in a higher-than-expected number of new videogames being released onto the market. At the same time, consumers have become increasingly selective, tending to concentrate their playing time on established titles rather than experimenting with new releases. As a result, despite the market continuing to record moderately positive growth rates, publishers have found it particularly challenging to achieve the sales volumes used at the moment of the investment decisions, leading to results below expectations and the need to reassess their videogame portfolios and the marketing strategies.

Since the second half of 2023, the industry has passed through a rationalisation process that is still ongoing, characterised by project cancellations, studio closures and consequent workforce layoffs on a global scale. The market continues to face a degree of uncertainty, also due to the technological developments in artificial intelligence, whose impact on development models, production costs and competitive dynamics cannot yet be fully predicted.

At the reporting date, the video game industry does not appear to be materially affected by recent developments in international markets relating to the introduction of varying and evolving tariffs on international trade.

The video games market value chain is as follows:

Physical distribution of videogames, which was already a mature segment and had been progressively replaced by digital distribution, experienced a further decline following the COVID-19 pandemic and now represents only a marginal share of the market.

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 may retain ownership of the intellectual property and grant international videogame publishers the related rights for a limited period of time, as contractually agreed. Publishers therefore play an essential role in the value chain, supporting the development of the videogame as well as its visibility and distribution on an international scale.

In some cases, developers may choose to sell, publish and market their games directly. This approach entails significantly greater financial and operational risks for developers.

Publishers

The publisher is responsible for the launch of the video game, setting the global commercial strategy, overseeing product positioning and bearing all the related risks, but sharing all the 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 contracted period, including licensing rights for sequels.

Marketplaces and platforms

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 period by paying a subscription fee, rather than purchasing individual titles. Revenue is recognized by publishers and developers when a game is added to the platform, based on a contractual annual fee defined for each product. Additionally, at the back end, the platform pays 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 (so-called Downloadable Contents or DLC) are available on digital marketplaces for consumers to buy or download for free.

Free to Play video games are distributed exclusively in digital format through specific online marketplaces, including the App Store for iPhone and iPad, the Play Store for Android devices in Western market, and various digital platforms serving Far Eastern markets. Certain Free to Play titles are also available on the Sony PlayStation Store, Microsoft's Xbox Live for consoles, as well as on Steam and the Epic Games Store for PC.

2. PERFORMANCE RATIOS

The Company has consistently reported a number of commonly used performance indicators over the past fiscal years to facilitate the understanding of the Group's consolidated financial performance and financial position.

The following ratios are included in the profit and loss statement:

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

The indicators used by the Company may differ from those adopted by other companies, as they are not defined by the applicable accounting standards and may therefore not be fully comparable.

No reconciliation between the performance indicators presented in the Directors' Report and the consolidated financial statements is required, as the Company's metrics are directly reported in the consolidated financial statements.

3. SIGNIFICANT EVENTS DURING THE REPORTING PERIOD

Relations with Starbreeze

In the previous years, Digital Bros Group and the Swedish group Starbreeze ("Starbreeze") have entered various commercial and financial transactions.

In May 2016, the Group reverted to Starbreeze the rights related to the videogame PAYDAY 2 for a consideration of USD 30 million and a potential earn-out payments of up to USD 40 million, corresponding to 33% of the net revenues generated by the future release of the videogame PAYDAY 3.

After several purchases of Starbreeze shares on the market, the Company interest exceeded 20% of the company's voting rights. The Company had continuously reviewed the existence of a significant influence over Starbreeze within the framework of IAS 28 but the moment when it occurred was at the Starbreeze's Shareholders' Meeting held on May 15th, 2025. During that meeting, Digital Bros proposed changes to the size and composition of the Board of Directors, which were approved, resulting in the appointment of the Digital Bros Group CFO, Stefano Salbe, as a Director of Starbreeze AB. From that date, the Group considered to have a significant influence over the Swedish company, as the relevant criteria provided by IAS 28 were met, in particular the representation in the Board of Directors and participation in the company's policy-making processes, including participation in decisions about dividends and other distributions.

During the fiscal year, the Company wrote off completely the investment in Starbreeze under IAS 28 by an incremental Euro 5.7 million to reflect the Starbreeze consolidated losses pro quota in addition to the previous fiscal year write-off. The actual carrying amount of the investment is zero. As of June 30th, 2026, the fair value of the investment, based on the market price of Starbreeze shares listed on Nasdaq Stockholm, amounted to Euro 2.8 million.

As of June 30th, 2026, the Company holds the same amount of shares as last fiscal year amounting at no. 87 million Starbreeze A shares and no. 223.4 million Starbreeze B shares, representing 19.11% of Starbreeze's share capital and 37.67% of its voting rights.

Others significant events during the reporting period

On April 27th, 2026, the subsidiary 505 Games S.p.A. entered into an agreement with Chinese development studio Chengdu Lingze Technology Co. Ltd. for the acquisition of the intellectual property rights to the videogame Wuchang: Fallen Feathers for a total consideration of Renminbi 32 million (approximately Euro 4 million).

4. PROFIT AND LOSS STATEMENT FOR THE PERIOD ENDED JUNE 30TH, 2026

The following table details the Company's results as of June 30th, 2026 together with comparative figures as of June 30th, 2025:

	Euro thousand	June 30, 2026		June 30, 2025		Change	
1	Gross revenue	5,347	100.0%	6,971	100.0%	(1,624)	-23.3%
2	Revenue adjustments	0	0.0%	0	0.0%	0	n.m.
3	**Net revenue**	**5,347**	**100.0%**	**6,971**	**100.0%**	**(1,624)**	**-23.3%**
4	Purchase of products for resale	(27)	-0.5%	(29)	-0.4%	2	-6.0%
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	(196)	-3.7%	(757)	-10.9%	561	-74.2%
8	**Total cost of sales**	**(223)**	**-4.2%**	**(786)**	**-11.3%**	**563**	**-71.6%**
9	**Gross profit (3+8)**	**5,124**	**95.8%**	**6,185**	**88.7%**	**(1,061)**	**-17.2%**
10	Other income	380	7.1%	168	2.4%	212	n.m.
11	Costs for services	(1,900)	-35.5%	(2,771)	-39.8%	871	-31.4%
12	Rent and leasing	(300)	-5.6%	(324)	-4.6%	24	-7.4%
13	Payroll costs	(4,663)	-87.2%	(4,481)	-64.3%	(182)	4.1%
14	Other operating costs	(435)	-8.1%	(469)	-6.7%	34	-7.2%
15	**Total operating costs**	**(7,298)**	**-136.5%**	**(8,045)**	**-115.4%**	**747**	**-9.3%**
16	**Gross operating margin (EBITDA) (9+10+15)**	**(1,794)**	**-33.6%**	**(1,692)**	**-24.3%**	**(102)**	**6.0%**
17	Depreciation and amortization	(826)	-15.5%	(835)	-12.0%	9	-1.0%
18	Provisions	0	0.0%	414	5.9%	(414)	n.m.
19	Asset impairment charge	(74)	-1.4%	(8,313)	-119.2%	8,239	-99.1%
20	Impairment reversal	6,973	130.4%	0	0.0%	6,973	n.m.
21	**Total depreciation, amortization and impairment adjustments**	**6,073**	**113.6%**	**(8,734)**	**-125.3%**	**14,807**	**n.m.**
22	**Operating margin (EBIT) (16+21)**	**4,279**	**80.0%**	**(10,426)**	**-149.6%**	**14,705**	**n.m.**
23	Interest and financial income	13,413	250.9%	13,402	192.2%	11	0.1%
24	Interest and other financial expanses	(7,693)	-143.9%	(2,997)	-43.0%	(4,696)	n.m.
25	**Net interest income/(expenses)**	**5,720**	**107.0%**	**10,405**	**149.3%**	**(4,685)**	**-45.0%**
26	**Profit/ (loss) before tax (22+25)**	**9,999**	**187.0%**	**(21)**	**-0.3%**	**10,020**	**n.m.**
27	Current tax	216	4.0%	136	1.9%	80	58.9%
28	Deferred tax	58	1.1%	29	0.4%	29	98.1%
29	**Total taxes**	**274**	**5.1%**	**165**	**2.4%**	**109**	**66.5%**
30	**Net profit/loss (26+29)**	**10,273**	**192.1%**	**144**	**2.1%**	**10,129**	**n.m.**

Total gross revenues amounted to Euro 5,347 thousand, decreasing by 23.3% from Euro 6,971 thousand in the previous fiscal year. The performance is consistent with the continued reduction in distribution activities over recent years.

Gross revenue is analyzed as follows:

Euro thousand	June 30, 2026	June 30, 2025	Change	%
Revenue from video games for consoles	205	637	(432)	-67.8%
Revenue from trading cards	40	673	(633)	-94.1%
Revenue from other products and services	5,102	5,661	(559)	-9.9%
Total gross revenue	**5,347**	**6,971**	**(1,624)**	**-23.3%**

Revenues from other products and services consist of the coordination activities performed by the Company for its subsidiaries, including centralised services relating to finance, management control, human resources management and business development.

Consistent with the previous fiscal year, distribution activities were limited to the sale of existing inventories, as reflected by the almost complete elimination of purchases of products for resale. Inventories decreased by Euro 196 thousand in the fiscal year.

Other revenue increased by Euro 212 thousand reflecting the insurance reimbursement received for damages to the Trezzano sul Naviglio warehouse.

Operating costs amounted to Euro 7,298 thousand, decreasing by Euro 747 thousand compared to the previous fiscal year, mainly due to lower cost for services of Euro 871 thousand. Payroll costs increased by 4.1% as a result of the recognition of the variable remuneration component, which was not recognized in the previous fiscal year.

The gross operating margin (EBITDA) was negative at Euro 1,794 thousand, compared to Euro 1,692 in the previous fiscal year.

Total depreciation, amortization and impairment adjustments were negative at 6,073 thousand, improving from the Euro 8,734 thousand as of June 30th, 2025. This reflects the partial reversal of the impairment recognised in the previous fiscal year on the financial receivable from the subsidiary Rasplata B.V. of Euro 6,973 thousand, which was collected during the fiscal year.

The operating margin (EBIT) was positive at Euro 4,279 thousand from the negative EBIT of Euro 10,426 thousand as of June 30th, 2025.

The net financial result was positive at Euro 5,720 thousand, compared with the Euro 10,405 thousand as of June 30th, 2025. Net financial income as of June 30th, 2026 include dividends from the subsidiary Kunos Simulazioni S.r.l. of Euro 12 million, increasing by Euro 2 million compared to the previous fiscal year.

Other financial expenses include Euro 5,682 thousand relating to the write off of the investment in Starbreeze to align to IAS 28. Until May 15th, 2025, the equity investment in Starbreeze was measured at fair value, with changes in fair value recognised in the other comprehensive income statement.

Profit before tax amounted to Euro 9,999 thousand, compared with a loss before tax of Euro 21 thousand as of June 30th, 2025. The net profit amounted to Euro 10,273 thousand compared to a net profit of Euro 144 thousand in the previous fiscal year.

5. BALANCE SHEET AS OF JUNE 30TH, 2026

	Euro thousand	June 30, 2026	June 30, 2025	Change	
	Non-current assets				
1	Property, plant and equipment	3,281	3,653	(372)	-10.2%
2	Investment properties	0	0	0	0.0%
3	Intangible assets	147	194	(47)	-24.2%
4	Equity investments	16,792	23,854	(7,062)	-29.6%
5	Non-current receivables and other assets	641	641	0	0.0%
6	Deferred tax assets	425	4,771	(4,346)	-91.1%
7	Non-current financial activities	0	19,046	(19,046)	n.m.
	Total non-current assets	**21,286**	**52,159**	**(30,873)**	**-59.2%**
	Current assets				
8	Inventories	996	1,192	(196)	-16.5%
9	Trade receivables	283	327	(44)	-13.3%
10	Receivables from subsidiaries	66,714	44,763	21,951	49.0%
11	Tax receivables	4,689	5,890	(1,201)	-20.4%
12	Other current assets	2,106	1,869	237	12.7%
13	Cash and cash equivalent	1,018	20	998	n.m.
14	Other current financial assets	0	1,041	(1,041)	n.m.
	Total current assets	**75,806**	**55,102**	**20,704**	**37.6%**
	TOTAL ASSETS	***97,092***	***107,261***	***(10,169)***	***-9.5%***
	Capital and reserves				
15	Share capital	(5,740)	(5,706)	(34)	0.6%
16	Reserves	(6,399)	(9,875)	3,476	-35.2%
17	Treasury shares	0	0	0	0.0%
18	Retained earnings	(48,392)	(38,119)	(10,273)	26.9%
	Total net equity	**(60,531)**	**(53,700)**	**(6,831)**	**12.7%**
	Non-current liabilities				
19	Employee benefits	(288)	(299)	11	-3.6%
20	Non-current provisions	(48)	(59)	11	-18.8%
21	Other non-current payables and liabilities	0	0	0	0.0%
22	Non-current financial liabilities	(333)	(934)	601	-64.3%
	Total non-current liabilities	**(669)**	**(1,292)**	**623**	**-48.3%**
	Current liabilities				
23	Trade payables	(1,188)	(1,364)	176	-12.9%
24	Payables to subsidiaries	(27,392)	(42,097)	14,705	-34.9%
25	Taxes payables	(124)	(132)	8	-5.8%
26	Short term provisions	0	0	0	n.m.
27	Other current liabilities	(1,068)	(824)	(244)	29.7%
28	Current financial liabilities	(6,120)	(7,852)	1,732	-22.1%
	Total current liabilities	**(35,892)**	**(52,269)**	**16,377**	**-31.3%**
	TOTAL LIABILITIES	**(36,561)**	**(53,561)**	**17,000**	**-31.7%**
	TOTAL NET EQUITY AND LIABILITIES	***(97,092)***	***(107,261)***	***10,169***	***-9.5%***

Total non-current assets decrease by 30,873 thousand, as a result of lower non-current financial assets by Euro 19,046 thousand, lower equity investments by Euro 7,062 thousand and lower deferred tax assets by Euro 4,346 thousand.

In the previous fiscal year, total non-current financial assets amount to Euro 19,046 thousand and consisted of the portion of the financial receivable from the subsidiary Rasplata B.V. due beyond twelve months, net of the impairment provision of Euro 9,146 thousand. As of June 30th, 2026, the decrease in total non-current financial assets reflects the agreement for the transfer by Rasplata B.V. to 505 Games S.p.A. of the intellectual property, trademark and technology relating to Crime Boss: Rockay City. The transaction resulted in the offsetting of balances between the two companies through the intercompany current accounts used by Digital Bros for the centralised management of the Group's financial resources.

Equity investments decrease by Euro 7,062 thousand as a result of:

- a negative alignment of Euro 5,682 thousand of the carrying amount of the investment in Starbreeze after the recognition of the pro-quota losses of the associate's under IAS 28 as of June 30th, 2026. The fair value of the investment amounted to Euro 2.8 million, based on the market price of Starbreeze shares at that date;
- a decrease of Euro 1,305 thousand after the sale of the 50% of the Spanish joint venture MSE&DB S.L. for a nominal consideration of Euro 5 thousand. The disposal was agreed as part of an overall amendment to the contractual arrangements for Blades of Fire, which also provided for a reduction in the applicable royalty rate;
- a decrease of Euro 125 thousand for the liquidation of the subsidiary Digital Bros Holdings Ltd. and a decrease of Euro 12 thousand for impairment of the equity investment in the subsidiary Digital Bros Game Academy S.r.l.;
- an increase of Euro 62 thousand reflecting the fair value recognition of the investment in Noobz from Poland S.A. (listed on the NewConnect market of the Warsaw Stock Exchange). The difference between the carrying amount and the market value as of June 30th, 2026 of the no.70,000 shares held in the Polish company (representing 4.5% of its share capital) was recognised in the net equity reserve, as the equity investment is classified as a financial asset measured at fair value through other comprehensive income.

Total current assets increase by Euro 20,704 thousand compared to the previous fiscal year, mostly due to higher receivables from subsidiaries by Euro 21,951 thousand.

Total current liabilities decrease by Euro 16,377 thousand compared to June 30th, 2025, primarily due to lower payables to subsidiaries by Euro 14,705 thousand.

Details on the net financial position as of June 30th, 2026 compared to the previous fiscal year are outlined below:

	Euro thousand	June 30th, 2026	June 30th, 2025	Change
10	Receivables from subsidiaries	66,714	44,763	21,951
13	Cash and cash equivalents	1,018	20	998
14	Other current financial assets	0	1,041	(1,041)
24	Payables to subsidiaries	(27,392)	(42,097)	14,705
28	Current financial liabilities	(6,120)	(7,852)	1,732
	Current net financial position	**34,220**	**(4,125)**	**38,345**
7	Non-current financial assets	0	19,046	(19,046)
22	Non-current financial liabilities	(333)	(934)	601
	Non-current financial liabilities	**(333)**	**18,112**	**(18,445)**
	Total net financial position	***33,887***	***13,987***	***19,900***

The net financial position calculated in accordance with the "Guidelines on disclosure requirements under the Prospectus Regulation" issued by the European Securities and Markets Authority (ESMA) on March 4, 2021 is provided in the explanatory notes.

The net financial position was positive at Euro 33,887 thousand, increasing by Euro 19,900 thousand compared to Euro 13,987 thousand as of June 30th, 2025. The net financial position, excluding the impact of IFRS 16, was positive at Euro 34,796 thousand compared to Euro 15,490 thousand as of June 30th, 2025.

6. FINANCIAL RATIOS

The tables below detail some key performance indicators, to facilitate the reading of the Company's economic and financial data:

Profitability ratios	June 30th, 2026	June 30th, 2025
ROE (Net profit / Net equity)	17.0%	0.3%
ROI (Operating margin / Total assets)	4.4%	-9.7%
ROS (Operating margin / Gross profit)	80.0%	-149.6%

Structure ratios	June 30th, 2026	June 30th, 2025
Net working capital ratio (Current assets / Total assets)	78.1%	51.4%
Current ratio (Current assets / Current liabilities)	211.2%	105.4%
Quick ratio (Cash and cash equivalents and Other current assets / Current liabilities)	208.4%	103.1%

All financial ratios significantly improved during the fiscal year.

7. INTERCOMPANY AND RELATED PARTY TRANSACTIONS AND ATYPICAL/UNUSUAL TRANSACTIONS

All intercompany and related-party transactions involving Digital Bros S.p.A. were carried out on an arm's length basis.

Digital Bros S.p.A. charges 505 Games S.p.A. for costs incurred directly on its behalf, as well as for its share of indirect costs relating to coordination activities and services provided by the Parent Company, including videogame acquisitions, financial and legal services, logistics, human resources and IT support.

Digital Bros S.p.A. charges Digital Bros Game Academy S.r.l. for administrative, financial, legal and IT services provided on its behalf, as well as for the rental costs of its operating premises in Via Labus, Milan.

Digital Bros S.p.A. also charges Avantgarden S.r.l. for the rental costs of its offices in Via Tortona, Milan.

Digital Bros S.p.A. granted a loan to Rasplata B.V., with interest accrued and charged quarterly until December 31st, 2025. Following a revision of the contractual arrangements with Group subsidiaries, Rasplata B.V. subsequently settled the loan through a partial repayment, as described above.

Other minor transactions mainly relate to financial, legal and general services provided by Digital Bros S.p.A. to Group subsidiaries. The Parent Company also centrally manages the Group's liquidity through intercompany current accounts, which are used to manage and transfer both debit and credit balances among Group companies, including through the transfer of receivables. No interest is charged on these balances.

Italian Group companies transfer their tax receivables and tax payables to the Parent Company in accordance with the Italian national tax consolidation regime.

Transactions with other related parties

Related party transactions referred to the property leased by Matov Imm. S.r.l. to Digital Bros S.p.A.. Matov Imm. S.r.l. is owned by Abramo and Raffaele Galante.

Atypical transactions

During the reporting period, there were no atypical or unusual transactions, as defined by the Consob Communication DEM 6064293 of July 28th, 2006, as in the prior fiscal year**.**

8. TREASURY SHARES

As of June 30th, 2026, Digital Bros S.p.A. did not hold any treasury shares and did not carry out any transactions concerning treasury shares during the reporting period, pursuant to Art. 2428(2)(3) of the Italian Civil Code.

9. RESEARCH AND DEVELOPMENT ACTIVITIES

The Company did not engage in any research and development activity during the fiscal year.

10. OPERATIONAL RISKS, FINANCIAL RISKS AND FINANCIAL INSTRUMENTS

The Company implements a risk identification process involving the Board of Directors and first-level managers, facilitated through periodic coordination meetings held throughout the fiscal year. This process results in a risk matrix that is drafted and regularly updated by the Executive Director responsible for internal control and risk management system, who also takes part in the coordination meetings. For each identified risk, the risk matrix provides a description, a gross risk rating score based on a probability/impact matrix, the mitigating factors and/or internal processes implemented by the Company to reduce and monitor such risk and the resulting net risk rating. The Executive Director in charge of the internal control and risk management system submits the risk matrix to the Control and Risk Committee for review and to the Board of Directors for approval.

The risk matrix also assesses the potential impact on the Company's operations and financial reporting in the event that the mitigation objectives are not met.

The CEOs and the Executive Director in charge of the internal control system assess the accuracy and completeness of the risk matrix and the net risk ratings assigned to each identified risk. The Board of Statutory Auditors oversees this process and the Board of Directors is responsible for approving the risk matrix.

The identified risks fall into two different categories: operational and financial risks. Outlined below are the risks that directly affect the Company, as well as those that impact other subsidiaries and, indirectly, Digital Bros S.p.A., given that almost all of the Group companies are fully owned

Operational risks

The most significant operational risks for the Company and its subsidiaries relate to the:

- competition, market positioning and concentration of the product portfolio;
- execution of the development project;
- ability to deliver products that meet evolving technology and quality standards;
- publisher disintermediation and limited control over intellectual property;
- reliance on established third-party brands;
- dependence on key personnel.

Competition, market positioning and product portfolio concentration

The videogame market, in line with the broader the entertainment industry, is exposed to shifts in consumer preferences and demand.

The growth following the pandemic encouraged significant investment in new productions, resulting in a strong increase in the number of videogames competing for consumer attention and time. At the same time, players have become increasingly selective about new intellectual properties and tend to spend more time on established titles. The Group's products also compete with other forms of digital entertainment. Because of this, securing adequate visibility and positioning on digital platforms has become increasingly challenging and may require greater investment in product launches and marketing.

Failure to anticipate changing consumer preferences, position products effectively or build and retain a sufficiently large player base could result in lower sales than expected, adversely affecting revenues and margins.

This risk is heightened by the concentration of a significant portion of the Group's revenues and profitability in a relatively limited number of franchises and intellectual properties. A decline in consumer interest or weaker-than-expected performance from one or more key titles could therefore have a significant impact on the Group's financial performance and financial position.

The Group mitigates these risks through detailed analysis of individual markets, target audiences and product sales trends, supported where appropriate by market research and product assessments carried out by specialised third parties. The shift towards digital distribution has also extended product lifecycles, allowing the Group to continue generating revenue from its back catalogue and reducing its reliance on new releases.

As part of its short- and medium/long-term planning process, the Group regularly reviews individual development projects and, where possible, adjusts future investment commitments in response to changes in platform dynamics and the commercial outlook for each title.

Execution of development projects

The Group develops videogames both through its own studios and in partnership with external developers, which are contractually committed to agreed delivery schedules. The complexity of videogame production and the multi-year development cycle of certain projects nevertheless expose the Group to the risk of delays.

Development may also depend on third-party technologies, tools and services, including game engines and middleware. Changes in suppliers' commercial or operating terms, or the withdrawal of support for key technologies, could increase costs, create inefficiencies or delay development.

Technological change, including the growing use of artificial intelligence in videogame development, may also significantly reshape production methods, timelines and costs. If the Group or its external development partners will be unable to adopt and integrate these technologies effectively and in a timely manner, they could face higher costs, operational inefficiencies or a competitive disadvantage.

Delays in completing a videogame may increase development costs and postpone its release. Where a title is linked to a specific event or subject to contractual commitments with licensors or other third parties, delays may also result in missed commercial opportunities or contractual consequences. Development or release delays could therefore cause actual financial performance to differ from the assumptions underlying the original investment decision.

The Group's exposure to event-driven products is limited. Its publishing strategy is also increasingly focused on titles developed by Group-owned studios, giving it greater control over the production process, and on sequels to successful videogames, where previous experience provides greater visibility over development schedules and expected commercial performance.

For significant projects, the Group's contract approval process includes a detailed review by the Board of Directors of the development studio's track record, supported by due diligence on its technical and organisational capabilities. Once development begins, dedicated internal brand managers and producers continuously monitor progress under the Group's project management procedures.

Ability to deliver products that meet evolving technology and quality standards

The videogame industry is characterised by rapid technological change, evolving ways of consuming content and increasingly demanding quality standards. The Group therefore faces the risk that its products may fail to keep pace with technological developments or meet consumer expectations at launch. Changes in technology or market standards during development may also require additional work, increasing costs or delaying release. Ultimately, products that do not meet market expectations may underperform commercially, adversely affecting the Group's revenues and margins.

The growing adoption of artificial intelligence by competing developers and publishers may further reshape the industry's competitive dynamics. If the Group adopts AI-based tools more slowly than its competitors, its development processes could become comparatively less efficient and its products could be perceived as less innovative or technologically dated. A lower degree of AI-enabled automation could also result in comparatively higher production costs.

The use of AI in videogame development currently faces a degree of social resistance in Western markets. Consumer attitudes may, however, evolve rapidly, including as AI becomes more widely accepted in other markets. If acceptance increases, the Group would need to be adequately prepared to capture the potential efficiency and innovation benefits offered by these technologies.

In recent fiscal years, the Group has reduced the number of development projects in its pipeline and placed greater emphasis on sequels to successful titles, particularly Group-owned intellectual properties. This provides greater control over development and supports longer-term value creation. The Group's development studios also have the technical expertise needed to assess emerging technologies and their potential application to individual projects, complemented by management's extensive industry experience.

The Group's project management procedures provide for quarterly reviews of forecasts and allow corrective action to be taken where necessary. For its most significant projects, the Group also carries out product and competitive analyses during development, with support from specialised third parties where appropriate, to assess whether each title remains appropriately positioned against prevailing market standards.

Publisher disintermediation and limited control over intellectual property

The continued shift towards digital distribution has shortened the videogame value chain and lowered barriers to publishing and distribution. Further disintermediation could weaken the role of traditional publishers, particularly where they neither own the underlying intellectual property nor have long-term contractual control over the related rights.

Artificial intelligence may accelerate this trend by lowering barriers to videogame development and enabling smaller teams to produce games more quickly and with lower budgets. Combined with digital distribution and broader adoption of AI-based tools and platforms, this could further reduce publishers' bargaining power within the value chain.

The Group seeks to mitigate this exposure by acquiring majority and minority interests in development studios, increasing its control over intellectual properties. It also gives preference to development agreements under which it acquires ownership of the relevant IP or secures long-term control over the associated rights. Its approval process

for licensing and development agreements includes an assessment of the underlying intellectual property rights and of the commercial and contractual terms required to publish and exploit them successfully.

Reliance on established third-party brands

The use of established brands from sports, entertainment, toys and other areas is common across the entertainment industry, including videogames. A recognised brand can support the launch of a videogame by providing an existing level of consumer awareness and access to an established community, thereby reducing the marketing investment otherwise required to build awareness from scratch.

Licensing agreements for these brands are generally entered into before development begins, exposing the Group to changes in the brand's commercial appeal between signing and release. Where a brand has not yet been established, the Group is also exposed to the risk that it may ultimately prove less successful than expected.

Third-party intellectual properties also need to be developed and marketed in a way that is consistent with the brand and the expectations of its existing community. Poor positioning or ineffective community management could trigger a negative response and limit the benefits associated with the brand. Similarly, a deterioration in the brand's reputation or appeal, or weaker-than-expected performance, could reduce sales and product margins.

The Group mitigates this risk through management's extensive industry experience and, where technically and contractually feasible, by retaining the ability to release a videogame without the originally intended brand or under a different intellectual property. The Group also has limited overall reliance on third-party brands and IP. Quarterly project reviews allow corrective action to be taken where necessary, while the approval process for licensing and development agreements includes an assessment of the IP's commercial potential and expected financial returns before an investment is committed.

Dependence on key personnel

The Group's performance depends in part on a number of key individuals whose experience and expertise are important to the management and development of the business. These include senior executives such as the Chairman, CEOs and CFO. The departure of one or more key individuals without an appropriate and timely replacement could disrupt decision-making and weaken the Group's ability to identify, assess and manage risks, with potential adverse effects on its financial performance and financial position.

This risk is partly mitigated by the fact that the two CEOs are also significant shareholders of the Group. The Nomination Committee is also in the process of preparing a succession plan for the Executive Directors.

Management of financial risks

The main financial instruments used by the Group are:

- bank overdrafts;
- demand and short-term bank deposits;
- import financing facilities;
- export financing facilities;
- commercial credit lines (factoring of trade receivables and advances on notes);
- finance leases;
- medium-term financing for product development.

These instruments are primarily used to fund the Company's and its subsidiaries' operating activities.

Credit facilities granted to the Company and utilized as of June 30th, 2026 are as follows:

Euro thousands	Total amount	Disposed	Available
Bank overdrafts	1,050	29	1,021
Short term financing	6,000	5,508	492
Advances on invoices and cash orders subject to collection	1,000	0	1,000
Total	**8,050**	**5,537**	**2,513**

Credit facilities as of June 30th, 2025 were as follows:

Euro thousands	Total amount	Disposed	Available
Bank overdrafts	1,200	902	298
Short term financing	6,500	6,358	142
Advances on invoices and cash orders subject to collection	1,000	0	1,000
Total	**8,700**	**7,260**	**1,440**

The Parent Company Digital Bros S.p.A. and 505 Games S.p.A. centrally manage the Group's financial risks on behalf of the other subsidiaries. This centralised management does not extend to other financial instruments not listed above, including trade receivables and payables arising from operating activities, for which the related financial risks remain with the individual subsidiaries.

The Group maintains a balance between short-term and medium/long-term financial instruments, in line with the expected results. Long-term investments are usually financed through medium/long-term credit lines, including leases, which are often investment specific.

Given the above, medium- and long-term financial payables have a well-distributed range of maturities.

The main financial risks to which the Company and its subsidiaries are exposed are:

- foreign exchange risk;
- interest rate risk;
- funding and liquidity risk;
- customer concentration and credit risk.

Foreign Exchange Risk

The Group's exposure to the US dollar from sales denominated in that currency is partly offset by the fact that a significant number of its videogame development agreements are also denominated in US dollars. An adverse movement in the Euro/US dollar exchange rate would increase development costs and royalties payable after release but would also increase the Euro value of US dollar-denominated revenues. The opposite would apply in the event of a favourable exchange rate movement.

The Group is also exposed to fluctuations in the Chinese Renminbi following the launch of Wuchang: Fallen Feathers. The title's strong performance in China has increased the Group's exposure to the currency and, as a result, movements in the Euro/Renminbi exchange rate may affect the Euro value of revenues generated in Renminbi.

When preparing its short- and medium/long-term forecasts, the Group takes into account the currencies in which its companies operate and uses forward exchange rates derived from independent analysts' reports.

Foreign exchange risk is partly mitigated by the fact that payments in foreign currencies are often made in advance. This gives the Group visibility over the actual cost of videogame production at an early stage and allows exchange rate movements to be factored into pricing decisions. Selling prices may also be adjusted where appropriate to offset adverse currency movements.

Interest Rate Risk

The Group is exposed to increases in interest rates on its short-term borrowings, as higher financing costs cannot be immediately passed on through selling prices.

The Group mitigates this exposure by limiting its reliance on financial debt and maintaining an investment policy aligned with its cash-generating capacity. It can also draw on financing with different maturities and pricing structures depending on market conditions and its funding needs. The Group's short- and medium/long-term planning process provides forward visibility over expected cash requirements.

Liquidity Risk

Videogame development requires significant upfront investment, while the related cash inflows are often generated only after a development cycle lasting several years. This timing mismatch may require the Group to use external financing to fund its development pipeline and meet its other financial commitments.

The Group's ability to raise financing depends on credit market conditions, the terms offered by financial institutions and its own financial performance and financial position. A deterioration in market conditions or in the

Group's credit profile could make new financing, or the renewal of existing facilities, more difficult or expensive to obtain. If sufficient funding were not available when required, the Group could be constrained in its ability to fund planned investments or meet its financial commitments, potentially affecting the execution of its business plans and its financial performance.

Liquidity is managed centrally by the Group's treasury function, which monitors cash flows, funding needs and available liquidity to ensure that adequate financial resources are available when required. The Group has also reduced its reliance on external financing through cash generated from operations. The improvement in the Group's financial position and strong EBITDA have contributed to an improvement in its credit rating and a corresponding reduction in borrowing costs. The short- and medium/long-term planning process also provides forward visibility over the Group's funding needs.

Based on its short- and medium/long-term forecasts, the Group expects its available financial resources, together with cash flows generated from operating activities, to be sufficient to fund planned investments and working capital requirements and to meet its financial obligations as they fall due. The planning process also enables the Group to identify any additional funding requirements in advance.

11. CONTINGENT AQSSETS AND LIABILITIES

As of June 30th, 2026 there were no contingent assets or liabilities, consistent with the previous fiscal year.

12. SUBSEQUENT EVENTS

The following significant events occurred after the end of the reporting period:

- On July 20th, 2026, the Board of Directors approved the proposal for a new medium/long-term incentive scheme, the "Phantom Share Plan 2026-2032", for Executive Directors and selected employees and collaborators with key roles in the pursuing of the Group's objectives. The Phantom Share Plan 2026-2032 will be submitted for approval to the Shareholders' Meeting to be held on October 27th, 2026.
- On July 29th, 2026, the subsidiary 505 Games S.p.A. entered into an agreement for the development and publishing of the sequel to Wuchang: Fallen Feathers with the Chinese development studio Chengdu Recursive Dolphin Technology Co. Ltd., founded by the creative director of the original game. The initial investment is expected to amount to Euro 21.5 million.

13. BUSINESS OUTLOOK

The Company expects a further reduction in its distribution activities in the next fiscal year.

As revenues from commercial activities are expected to remain limited, the Company will continue to focus primarily on coordinating and providing services to Group subsidiaries under arrangements substantially unchanged from the current fiscal year.

The dividends received are expected to remain broadly in line with the current levels, but no revaluations or impairment losses are expected in the next fiscal year. As a result, both revenues and net result are expected to slightly decrease as of June 30th, 2027.

14. OTHER INFORMATION

EMPLOYEES

As of June 30th, 2026, the Company's workforce decreased by four employees compared to June 30th, 2025. The breakdown by category is as follows:

Category	June 30th, 2026	June 30th, 2025	Change
Managers	6	6	0
Office workers	22	25	(3)
Blue-collar workers and apprentices	3	4	(1)
Total employees	**31**	**35**	**(4)**

The average number of employees for the fiscal year is calculated based on the number of employees at the end of each month. The table below provides a breakdown by category, together with comparative figures for the previous fiscal year:

Category	Average no. in 2026	Average no. in 2025	Change
Managers	6	6	0
Office workers	25	25	0
Blue-collar workers and apprentices	3	4	(1)
Total employees	**34**	**35**	**(1)**

The Company's employees are contracted under the current Confcommercio national collective employment agreement for the commercial. distribution and services sector.

ENVIRONMENTAL ISSUES

The videogame industry has a limited environmental impact due to the predominantly digital nature of its activities. Most products are distributed through digital marketplaces and the Company has progressively reduced sales through physical retail channels. Nevertheless, the Company continues to assess measures aimed at further reducing the environmental impact of its operations.

Where possible, obsolete equipment is replaced and its components are appropriately recycled. Documents are primarily stored digitally, with printing limited to legal requirements or specific operational needs. Consumables, including printer toners, are returned to suppliers for appropriate recycling. The Company also encourages the use of digital communication tools, including videoconferencing, as an alternative to business travel, helping to reduce both its environmental impact and travel costs.

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Digital Bros S.p.A.

Financial statements as of June 30th,2026

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Balance sheet as of June 30th, 2026

	Euro thousand	June 30th, 2026	June 30th, 2025
	Non-current assets		
1	Property, plant and equipment	3,281	3,653
2	Investment properties	0	0
3	Intangible assets	147	194
4	Equity investments	16,792	23,854
5	Non-current receivables and other assets	641	641
6	Deferred tax assets	425	4,771
7	Non-current financial activities	0	19,046
	Total non-current assets	**21,286**	**52,159**
	Current assets		
8	Inventories	996	1,192
9	Trade receivables	283	327
10	Receivables from subsidiaries	66,714	44,763
11	Tax receivables	4,689	5,890
12	Other current assets	2,106	1,869
13	Cash and cash equivalent	1,018	20
14	Other current financial assets	0	1,041
	Total current assets	**75,806**	**55,102**
	TOTAL ASSETS	***97,092***	***107,261***
	Capital and reserves		
15	Share capital	(5,740)	(5,706)
16	Reserves	(6,399)	(9,875)
17	Treasury shares	0	0
18	Retained earnings	(48,392)	(38,119)
	Total net equity	**(60,531)**	**(53,700)**
	Non-current liabilities		
19	Employee benefits	(288)	(299)
20	Non-current provisions	(48)	(59)
21	Other non-current payables and liabilities	0	0
22	Non-current financial liabilities	(333)	(934)
	Total non-current liabilities	**(669)**	**(1,292)**
	Current liabilities		
23	Trade payables	(1,188)	(1,364)
24	Payables to subsidiaries	(27,392)	(42,097)
25	Taxes payables	(124)	(132)
26	Short term provisions	0	0
27	Other current liabilities	(1,068)	(824)
28	Current financial liabilities	(6,120)	(7,852)
	Total current liabilities	**(35,892)**	**(52,269)**
	TOTAL LIABILITIES	**(36,561)**	**(53,561)**
	TOTAL NET EQUITY AND LIABILITIES	***(97,092)***	***(107,261)***

Profit and loss statement for the period ended June 30th, 2026

	Euro thousand	June 30th, 2026	June 30th, 2025
1	Gross revenue	5,347	6,971
2	Revenue adjustments	0	0
3	**Net revenue**	**5,347**	**6,971**
4	Purchase of products for resale	(27)	(29)
5	Purchase of services for resale	0	0
6	Royalties	0	0
7	Changes in inventories of finished products	(196)	(757)
8	**Total cost of sales**	**(223)**	**(786)**
9	**Gross profit (3+8)**	**5,124**	**6,185**
10	Other income	380	168
11	Costs for services	(1,900)	(2,771)
12	Rent and leasing	(300)	(324)
13	Payroll costs	(4,663)	(4,481)
14	Other operating costs	(435)	(469)
15	**Total operating costs**	**(7,298)**	**(8,045)**
16	**Gross operating margin (EBITDA) (9+10+15)**	**(1,794)**	**(1,692)**
17	Depreciation and amortization	(826)	(835)
18	Provisions	0	414
19	Asset impairment charge	(74)	(8,313)
20	Impairment reversal	6,973	0
21	**Total depreciation, amortization and impairment adjustments**	**6,073**	**(8,734)**
22	**Operating margin (EBIT) (16+21)**	**4,279**	**(10,426)**
23	Interest and financial income	13,413	13,402
24	Interest and other financial expanses	(7,693)	(2,997)
25	**Net interest income/(expenses)**	**5,720**	**10,405**
26	**Profit/ (loss) before tax (22+25)**	**9,999**	**(21)**
27	Current tax	216	136
28	Deferred tax	58	29
29	**Total taxes**	**274**	**165**
30	**Net profit/loss (26+29)**	**10,273**	**144**

Comprehensive income statement as of June 30th, 2026

Euro thousand	June 30th, 2026	June 30th, 2025
Profit (loss) for the period (A)	**10,273**	**144**
Actuarial gain (loss)	8	8
Income tax relating to actuarial gain (loss)	(2)	(2)
Changes in the fair value	62	(2,199)
Tax effect regarding fair value measurement of financial assets	(4,403)	528
Items that will not be subsequently reclassified to profit or loss (B)	**(4,335)**	**(1,665)**
Total comprehensive income (loss) (A)+(B)	**5,938**	**(1,521)**

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

Cash flow statement as of June 30th, 2026

Euro thousand		June 30th, 2026	June 30th, 2025
A.	**Opening net cash/debt**	**20**	**709**
B.	**Cash flows from operating activities**		
	Profit (loss) for the period	10,273	144
	Depreciation, amortization and non-monetary costs:		
	Provisions and impairment losses	74	8,313
	Amortization of intangible assets	84	91
	Depreciation of property, plant and equipment	742	744
	Net finance income/expense	(5,720)	(10,405)
	Current income taxes	(216)	(136)
	Deferred tax assets	(58)	(29)
	Net change in other provisions	(11)	(436)
	Net change in employee benefit provisions	(19)	12
	Other non-monetary changes	(117)	(54)
	Total cash flows from operating activities (B)	**5,032**	**(1,756)**
C.	**Change in net working capital**		
	Inventories	196	757
	Trade receivables	2	122
	Receivables from subsidiaries	(1,286)	(8,112)
	Tax receivables	1,201	(4,266)
	Other current assets	(237)	110
	Trade payables	(176)	36
	Payables to subsidiaries	(2,600)	12,975
	Tax payables	208	136
	Other current liabilities	244	89
	Other non-current liabilities	0	0
	Non-current receivables and other assets	0	0
	Income taxes paid	0	0
	Interest paid	(413)	(489)
	Total change in net working capital (C)	**(2,861)**	**1,358**
D.	**Cash flows from investing activities**		
	Net payments for intangible assets	(37)	(92)
	Net payments for property, plant and equipment	(370)	(61)
	Net payments for non-current financial assets	5	(260)
	Changes in financial assets	0	(1,174)
	Total cash flows from investing activities (D)	**(402)**	**(1,587)**
E.	**Cash flows from financing activities**		
	Capital increases	34	0
	Increase (decrease) in other components of equity	858	0
	Changes in financial liabilities	(2,333)	868
	Exchange rate changes	670	428
	Total cash flows from financing activities (E)	**(771)**	**1,296**
F.	**Changes in consolidated equity**		
	Dividends paid	0	0
	Changes in treasury shares held	0	0
	Total changes in consolidated equity (F)	**0**	**0**
G.	**Cash flow for the period (B+C+D+E+F)**	**998**	**(688)**
H.	**Closing net cash/debt (A+G)**	**1,018**	**20**

Statement of changes in equity as of June 30th, 2026

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)
Total on July 1st, 2024	**5,706**	18,528	1,141	(142)	(61)	(8,396)	**11,070**	**0**	33,895	4,080	**37,975**	**54,751**
Allocation of previous year result							**0**		4,080	(4,080)	**0**	**0**
Other changes						470	**470**				**0**	**470**
Comprehensive income (loss)					6	(1,671)	**(1,665)**			144	**144**	**(1,521)**
Total on June 30th, 2025	**5,706**	18,528	1,141	(142)	(55)	(9,597)	**9,875**	**0**	37,975	144	**38,119**	**53,700**
Total on July 1st, 2025												
Share capital increase	34	859					**859**				**0**	**893**
Allocation of previous year result							**0**		144	(144)	**0**	**0**
Other changes											**0**	**0**
Comprehensive income (loss)					6	(4,341)	**(4,335)**			10,273	**10,273**	**5,938**
Total on June 30th, 2026	**5,740**	19,387	1,141	(142)	(49)	(13,938)	**6,399**	**0**	38,119	10,273	**48,392**	**60,531**

A) not available;

B) available - can be used to cover losses. Only the share premium reserve is distributable if the legal reserve has reached the limit established by Art. 2430 (one fifth of the share capital);

D) available - can be used to cover losses, for capital increases and for the distribution of dividends.

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Digital Bros S.p.A.

Financial statements
as of June 30th 2026

Explanatory Notes

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1. CONTENT AND OTHER GENERAL INFORMATION

The main activities performed by Digital Bros S.p.A. and its subsidiaries are detailed in the Directors' Report.

Accounting standards

The Company's financial statements as of June 30th, 2026 have been prepared in accordance with International Accounting Standards (IAS/IFRS) and the related interpretations (SIC/IFRIC) endorsed by the European Commission and in force at that date. The financial statements provide comparative information related to the previous fiscal period.

The financial statements have been prepared on a historical cost basis, except for certain office buildings classified as property, plant and equipment, derivative financial instruments, investments in equity and debt instruments, and contingent consideration, which are measured at fair value. Assets and liabilities subject to fair value hedges that would otherwise be measured at amortised cost are adjusted to reflect changes in fair value attributable to the hedged risks.

The consolidated financial statements are presented in Euro, with amounts rounded to the nearest thousand, unless otherwise stated.

Going concern principle

The financial statements as of June 30th, 2026, have been prepared on a going concern basis. The Company has assessed that the uncertainties and risks described in the Directors' Report do not question its ability to continue operating as a going concern. In particular, the Company, in its role as Parent Company of Digital Bros Group has assessed that:

- the consolidated EBITDA as of June 30th , 2026 was positive at Euro 54,220 thousand, increased by Euro 20,763 thousand. The consolidated loss was determined by non-cash items, including depreciation, amortization, impairment losses and write-offs;
- the Group generated significant operating cash flow during the fiscal year and has access to bank credit facilities;
- the investments forecasted in the strategic plan have some flexibility. A portion of planned investments is not subject to binding contractual commitments and development activities are often carried out by Group-owned studios;
- all financial ratios improved significantly during the fiscal year, particularly the adjusted liquidity ratio.

The financial statements and accompanying notes have been prepared in accordance with the supplementary disclosure requirements on formats and reporting prescribed by the Consob Resolution No. 15519 of July 27, 2006, and the Consob Communication No. 6064293 of July 28, 2006.

The financial statements include:

- the balance sheet as of June 30th, 2026 with comparative figures as of June 30th, 2025 (the last fiscal year-end);
- the profit and loss statement for the fiscal year ended June 30th, 2026 with comparative figures as of June 30th, 2025;
- the comprehensive income statement as of 30th, 2026 with comparative figures as of June 30th, 2025;
- the cash flow statement as of 30th, 2026 with comparative figures as of J June 30th, 2025;
- the statement of changes in net equity as of 30th, 2026 with comparative figures as of June 30th, 2025.

The left-hand column of the balance sheet indicates the number of the relevant Note.

The balance sheet components are divided into the following five categories:

- non-current assets;
- current assets;
- equity;
- current liabilities;
- non-current liabilities.

Non-current assets consist of all items that are long-term in nature and include property, plant, and equipment used for more than one year, equity investments, and receivables that will be collected in future years. They also include deferred tax assets, regardless of when they may be realized.

Current assets are short-term in nature and include inventories, trade receivables, cash and cash equivalents, and other current financial assets.

Net equity includes the share capital, reserves, and retained earnings (which include profit for the fiscal year plus any prior fiscal year profits that were not allocated to any specific reserves by the Shareholders' General Meeting).

Non-current liabilities consist of provisions that are not expected to be paid within the next twelve months, such as post-employment benefits, including employee termination indemnities for the Parent Company and its Italian subsidiaries, and payables due beyond June 30th, 2027.

Current liabilities include obligations due by June 30th, 2027 and mainly include trade payables, tax liabilities, and current financial liabilities.

The net financial position is divided into current net financial position and non-current financial position. Its total amount reflects the total net financial assets.

The left-hand column of the consolidated profit and loss statement identifies the number of the related item.

The profit and loss statement is presented in a multi-step format, with expenses classified by nature, and includes the following four intermediate performance measures:

- gross profit, the difference between net revenue and total cost of sales;
- gross operating margin (EBITDA), the difference between gross profit and total operating costs, plus other income;
- operating margin (EBIT), the difference between gross operating margin and total depreciation, amortization and impairment adjustments;
- profit before tax, the difference between the operating margin and the net financial income (expenses).

Net profit is determined as the result from continuing operations, calculated as the difference between profit before tax and income taxes.

The cash flow statement has been prepared using the indirect method, whereby profit for the fiscal year is adjusted for the effects of non-cash transactions, changes in net working capital, cash flows from investing and financing activities, and changes in equity.

The overall changes for the period are calculated as the sum of the following components:

- Cash flows from operating activities;
- Changes in net working capital;
- Cash flows from investing activities;
- Cash flows from financing activities;
- Changes in net equity.

The changes in net equity presents the movements in equity from July 1st, 2025 to June 30th, 2026.

2. ACCOUNTING STANDARDS

The assessment criteria used for preparing the Company's financial statements as of June 30th, 2026, are consistent with those used as of June 30th, 2025, except for the new accounting standards introduced from July 1st, 2025.

Property, plant and equipment

Property, plant, and equipment are recognized at purchase or production cost, net of depreciation and impairment. No assets have been reversed compared to prior years, and no borrowing costs have been capitalized.

Leasehold improvements and costs incurred after acquisition are capitalized only if they enhance the future economic benefits associated with the asset. All other costs are recognised in the profit and loss statement when incurred.

Depreciation is calculated on a straight-line basis over the estimated useful life of the assets or the duration of the lease, as follows:

Asset class	Rate
Buildings	3%
Industrial and commercial equipment	12%/25%
Other assets	20%-25%
Leasehold improvements	17%

Assets held under finance leases are recognized at the lower of fair value at the commencement date or the present value of minimum lease payments, provided that substantially all risks and rewards incidental to ownership are transferred to the Company. The related lease obligations are recognized as financial liabilities. Depreciation is charged on a straight-line basis over the estimated useful life of the related asset class.

Land is not depreciated. However, impairment adjustments are performed if its recoverable amount, defined as the greater of fair value and value in use, falls below its recognized cost.

The book value of property, plant, and equipment is removed upon disposal (i.e., when control of the asset is transferred to the purchaser) or when no future economic benefit is anticipated from its use or disposal. The profit or loss from disposal, calculated as the difference between the net book value of the asset and the consideration received, is recognized in the profit and loss statement at the time of disposal.

The residual values, useful lives, and depreciation methods of property, plant, and equipment are reviewed and adjusted, if necessary, at each year-end.

Right of use for leased assets

The right of use for leased assets is recorded as assets on the effective date of the leasing contract, or the date on which a lessor makes the underlying asset available to the lessee. In some circumstances, the lease agreement may contain different components, requiring the effective date to be determined for each individual lease component.

This item is initially valued at cost and includes the present value of the Liability for leased assets, the payments for leases made before or on the effective date of the agreement, as well as any other initial direct cost. The item can subsequently be further adjusted in order to reflect any restatements of assets / liabilities for leased assets.

The right of use for leased assets is amortized at each fiscal year at the lesser of the contractual duration and the residual useful life of the underlying asset.

The Company's leasing contracts usually do not provide for the transfer of ownership of the underlying asset and therefore amortization is carried out over the contractual term. Amortization starts on the date of the lease.

Should there be a loss in the value of the asset according to the criteria outlined in the principle of onerous contracts, the asset is written down accordingly, regardless of the amortization already accounted for.

Intangible assets

Intangible assets purchased or developed internally are capitalised in accordance with IAS 38 - Intangible Assets when it is likely that their use will generate future economic benefits and when their cost can be reliably determined.

Intangible assets acquired separately are initially recognized at cost. For intangible assets acquired in a business combination, the cost corresponds to the fair value at the acquisition date. After initial recognition, intangible assets are measured at cost less accumulated amortization and any accumulated impairment losses. Amortization of intangible assets with finite useful lives is recognized in profit or loss in a manner consistent with the function of the asset.

The useful life of intangible assets is classified as either finite or indefinite. The Group does not hold intangible assets with indefinite useful lives.

Intangible assets with finite useful lives are amortized systematically over their estimated useful lives, starting from the moment when the asset is available for use. The amortization method is determined individually for each asset, based on the expected trend identified at the time of the video game's release.

The amortization rates applied are as follows:

- Brands/Trademarks - 10%
- ERP licenses and Long-term licenses / User rights - 20%.

An intangible asset is eliminated at the time of disposal (i.e., when control of the asset is transferred to the buyer) or when no future economic benefits are expected from its use or disposal. Any profit or loss resulting from the disposal, calculated as the difference between the net proceeds from disposal and the book value of the asset, is recognized in the profit and loss statement.

Equity investments

Equity investments in subsidiaries are recognized at cost and adjusted for impairment.

Any positive difference arising at the time of acquisition from third parties between the purchase cost and the Company's share of the fair value of equity is included in the carrying amount of the investment.

Equity investments in subsidiaries are tested for impairment in accordance with IAS 36 once a year, or more frequently if necessary. If there is evidence that these investments have been impaired, the related adjustment is duly recognized in the profit and loss statement. If the Company's share of a subsidiary's loss exceeds the carrying amount of the equity investment and if the Company is required to cover such loss, the carrying amount of the investment is reduced to zero and the Company's share of the additional loss is recognized as a provision in the balance sheet. If there is any subsequent indication that an impairment loss may no longer exist or may have decreased, it is reversed in the profit and loss statement up to the cost of the asset.

The gains and losses and assets and liabilities of associated companies are recorded in the financial statements using the equity method, except where the investments have been classified as held for sale. Investments in associates are accounted for using the equity method, unless they are classified as held for sale. Under the equity method, investments are initially recognised at cost and subsequently adjusted to reflect the Company's share of the associate's post-acquisition profit or loss and other changes in net assets. The Company's share of the associate's profit or loss is recognised in the profit and loss statement until the date on which significant influence ceases.

Significant influence is the power to participate in the financial and operating policy decisions of the investee without having control or joint control over those policies. Significant influence may be evidenced, among other factors, by participation in policy-making processes, including decisions concerning dividends or other distributions.

In accordance with IFRS 9, investments in equity instruments other than investments in subsidiaries and associates are measured at fair value. For investments that are not held for trading, the Company may make an irrevocable election at initial recognition to present subsequent changes in fair value in other comprehensive income (FVOCI). The Company has elected to apply this treatment to the relevant investments. Changes in fair value are therefore recognised in other comprehensive income and accumulated in equity. Upon disposal, cumulative gains or losses previously recognised in other comprehensive income are not reclassified to the profit and loss statement. In limited circumstances where insufficient information is available to determine fair value, cost may represent an appropriate estimate of fair value.

Investments in associates and other entities

An associate is an entity over which the Company exercises significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee without having control or joint control over those policies.

A joint venture is a joint arrangement whereby the parties that have joint control of the arrangement have rights to its net assets. Joint control is the contractually agreed sharing of control over an arrangement and exists only when decisions about the relevant activities require the unanimous consent of the parties sharing control.

The considerations applied in determining whether the Company has significant influence or joint control are similar to those applied in assessing control over subsidiaries. Investments in associates and joint ventures are accounted for using the equity method.

Under the equity method, investments in associates and joint ventures are initially recognised at cost. The carrying amount of the investment is subsequently adjusted to reflect the Company's share of changes in the investee's net assets from the acquisition date. The Company's share of the profit or loss of associates and joint ventures is recognised in the profit and loss statement below operating profit and represents its share of the investee's profit or loss after tax and non-controlling interests in the investee's subsidiaries.

The Company's share of changes recognised in the other comprehensive income (OCI) of associates and joint ventures is recognised in its own OCI. Where changes are recognised directly in the equity of an associate or joint venture, the Company recognises its share of those changes, where applicable, in the statement of changes in equity. Unrealised gains and losses arising from transactions between the Company and an associate or joint venture are eliminated to the extent of the Company's interest in the investee.

The financial statements of associates and joint ventures are prepared for the same reporting period as those of the Company. Where necessary, adjustments are made to align their accounting policies with those adopted by the Company.

After applying the equity method, the Company assesses whether there is any indication that an investment in an associate or joint venture may be impaired. Where such an indication exists, the Company determines any impairment loss as the difference between the recoverable amount of the investment and its carrying amount and recognises the resulting loss in the profit and loss statement.

If the Company loses significant influence over an associate or joint control over a joint venture, any retained investment is measured at fair value. Any difference between the carrying amount of the investment at the date significant influence or joint control is lost and the fair value of the retained investment plus any proceeds from disposal is recognised in the profit and loss statement.

In accordance with IFRS 9, investments in equity instruments other than investments in subsidiaries and associates are measured at fair value. For investments that are not held for trading, the Company may make an irrevocable election at initial recognition to present subsequent changes in fair value in other comprehensive income (FVOCI). The Company has elected to apply this treatment to the relevant investments. Changes in fair value are therefore recognised in other comprehensive income and accumulated in equity, with no subsequent reclassification to the profit and loss statement upon disposal. In limited circumstances, cost may represent an appropriate estimate of fair value.

For further information on the accounting policy for financial assets, refer to the relevant note ("Financial Assets") included in the Net Financial Position section.

Impairment of assets

IAS 36 requires an assessment of whether there are indications of impairment of intangible assets, property, plant and equipment, investments in associates and other entities.

The Company therefore assesses the recoverability of the carrying amounts of the above assets and performs impairment testing twice a year for intangible assets. Where there is an indication of impairment, the recoverable amount of the asset is estimated in order to determine the amount of any impairment loss. Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

The recoverable amount of an asset is the higher of its fair value less costs of disposal and its value in use. The value in use of an asset is estimated by calculating the present value of the estimated future cash flows based on the relevant financial plans, using a discount rate that reflects current market assessments of the time value of money and the risks specific to the asset.

An impairment loss is recognised when the recoverable amount is lower than the carrying amount. Where an impairment loss subsequently ceases to exist or decreases, the carrying amount of the asset or cash-generating unit is increased to the revised estimate of its recoverable amount, but may not exceed the carrying amount that would have been determined had no impairment loss been recognised in previous periods. Impairment losses recognised for goodwill are not reversed.

Inventories

Inventories of finished goods are measured at the lower of purchase cost, including directly attributable ancillary costs, and net realisable value, estimated based on market conditions. Cost is determined using the specific cost method.

Where the net realisable value of inventories is lower than their purchase cost, the carrying amount of the relevant items is written down to their net realisable value.

Receivables and payables

Receivables are measured at amortised cost, taking into account their estimated recoverability. The carrying amount of receivables is adjusted through a loss allowance to reflect estimated credit losses, taking into account the specific circumstances of each debtor.

Receivables from customers subject to insolvency proceedings are written off in full or written down based on the amounts expected to be recovered in light of the relevant legal proceedings.

Payables are recognised at their nominal amount.

Employee benefits

Current employee benefits relating to salaries and wages, social security and pension contributions, accrued but unused leave expected to be settled within twelve months of the reporting date, and other fringe benefits arising from the employment relationship are recognized in the period in which the related service is performed.

Benefits payable to employees at the end of their employment, through defined benefit or defined contribution plans, are recognized over the period in which the employee provides service ("vesting period").

Defined benefit plans

Defined benefit plans are based on employees' working life and the remuneration earned over a specified period. The Company's obligation to fund these plans and the annual expense recognized in the profit and loss statement are determined using actuarial valuations based on the projected unit credit method. The net cumulative actuarial gains and losses are recognized entirely in other comprehensive income in the period in which they arise.

The liability for defined benefit plans recognized in the balance sheet reflects the present value of the defined benefit obligation.

Defined contribution plans

Payments related to defined contribution plans made by Company are recognized in the profit and loss statement as costs, when incurred.

Employees participate in defined benefit plans. In particular, the Italian post-employment benefit known as Trattamento di Fine Rapporto (TFR) is a statutory severance indemnity under Article 2120 of the Italian Civil Code. The TFR is a form of deferred remuneration linked to the employee's service seniority and remuneration earned during the service period.

Until December 31, 2006, the TFR was considered a defined benefit plan. Legislative amendments introduced by Law No. 296 of December 27, 2006 ("Finance Act 2007") and subsequent regulations, effective in early 2007, introduced significant changes, including giving employees the option to allocate their accrued TFR either to complementary pension funds or to the Treasury Fund managed by INPS.

As a result, from January 1, 2007, TFR contributions are treated as a defined contribution plan, while previously accrued TFR balances retain their nature as defined benefit obligations under IAS 19.

Actuarial gains and losses in accordance with the IAS 19 amendment for defined benefit plans are recognized in other comprehensive income under items that will not be reclassified to profit or loss and are recorded in the net equity under Other Reserves.

Share-based payments

Certain executives and employees of the Company received remuneration in the form of share-based payments, whereby employees provided services in exchange for equity instruments (equity-settled transactions), through a stock option plan that expired on June 30th, 2026.

As of the reporting date, the Stock Option Plan 2016-2026 had expired. Therefore, as there were no other share-based payment plans outstanding, no dilutive effect from outstanding options was required to be calculated.

Current and non-current provisions

The Company recognises provisions when it has a legal or constructive obligation towards third parties, the amount and/or timing of which is uncertain, it is probable that an outflow of the Company's resources will be required to settle the obligation, and the amount of the obligation can be reliably estimated.

Provisions are reviewed periodically and adjusted to reflect any changes in the estimated costs required to settle the related obligations.

Changes in estimates are recognised in the profit and loss statement in the period in which they arise.

Financial assets and liabilities

Current and non-current financial assets and current and non-current financial liabilities are accounted for in accordance with IFRS 9 – Financial Instruments.

Cash and cash equivalents include cash on hand, bank deposits and other highly liquid financial investments that meet the requirements for classification as cash equivalents.

Current financial assets and investments in securities are recognised on the trade date.

Initial recognition

On initial recognition, financial assets are classified, as appropriate, based on their subsequent measurement at amortised cost, fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the contractual cash flow characteristics of the financial asset and the business model adopted by the Company for managing them. With the exception of trade receivables that do not contain a significant financing component or for which the Company has applied the practical expedient, financial assets are initially measured at fair value plus, in the case of financial assets not measured at fair value through profit or loss, directly attributable transaction costs. Trade receivables that do not contain a significant financing component, or for which the Company has applied the practical expedient, are measured at the transaction price.

Subsequent measurement

For the purposes of subsequent measurement purposes, financial assets are classified into four categories:

- Financial assets at amortized cost (debt instruments);
- Financial assets at fair value through other comprehensive income ("OCI") with reclassification of cumulative gains and losses (debt instruments);
- Financial assets at fair value through other comprehensive income statement ("OCI") with no reclassification of cumulative profits and losses upon derecognition (equity instruments);
- Financial asset at fair value through profit or loss.

Financial assets measured at amortized cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the profit and loss statement when the asset is derecognised or modified, as well as through the amortisation process.

Financial assets measured at fair value through OCI (debt instruments)

For debt instruments measured at fair value through OCI, interest income, foreign exchange gains and losses and impairment gains or losses are recognised in the profit and loss statement and are calculated in the same manner as for financial assets measured at amortised cost. The remaining changes in fair value are recognised in OCI. Upon derecognition, the cumulative change in fair value recognised in OCI is reclassified to the profit and loss statement.

Investments in equity instruments

Upon initial recognition, the Company may make an irrevocable election to classify investments in equity instruments at fair value through OCI where they meet the definition of equity instruments under IAS 32 – Financial Instruments: Presentation and are not held for trading. The election is made on an instrument-by-instrument basis.

Gains and losses on these financial assets are not subsequently reclassified to the profit and loss statement. Dividends are recognised as other income in the profit and loss statement when the right to receive payment is established, except where the Company benefits from such proceeds as a recovery of part of the cost of the financial asset, in which case they are recognised in OCI. Equity instruments measured at fair value through OCI are not subject to impairment.

Financial assets measured at fair value in the profit and loss statements

Financial assets at fair value through profit or loss are recognised in the statement of financial position at fair value, with net changes in fair value recognised in the profit and loss statement.

Derecognition

Financial assets are derecognised when the contractual rights to receive cash flows from the assets have expired, or when the Company transfers its contractual rights to receive the cash flows from the financial asset and substantially all the risks and rewards of ownership.

Financial liabilities include financial payables and other financial liabilities, including liabilities arising from the fair value measurement of derivative financial instruments where their fair value is negative.

Initial recognition

Financial liabilities are classified, upon initial recognition, as financial liabilities at fair value through profit or loss or at amortised cost. Financial liabilities are initially recognised at fair value plus, in the case of financial liabilities measured at amortised cost, directly attributable transaction costs.

Subsequent measurement

For the purposes of subsequent measurement, financial liabilities are classified into two categories:

- Financial liabilities at fair value in the profit and loss statement;
- Financial liabilities at amortized cost (financing and loans).

Financial liabilities measured at fair value in the profit and loss statement

Financial liabilities held for trading include liabilities incurred with the intention of repurchasing or settling them in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9.

Gains and losses on financial liabilities held for trading are recognised in the profit and loss statement.

Financial liabilities measured at amortized cost (financing and loans)

After initial recognition, loans and borrowings are measured at amortised cost using the effective interest method. Gains and losses are recognised in the profit and loss statement when the liabilities are derecognised, as well as through the effective interest amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate. Effective interest amortisation is recognised as finance costs in the profit and loss statement

Derecognition

A financial liability is derecognised when the obligation underlying the liability is discharged, cancelled or expires. Where an existing financial liability is replaced by another liability from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference between the respective carrying amounts is recognised in the profit and loss statement.

Fair value

Fair value is the price that would be received to sell an asset or paid to transfer a liability (exit price) in an orderly transaction between market participants at the measurement date.

For securities traded in regulated markets, fair value is determined by reference to the quoted market price (bid price) at the close of trading on the reporting date. Where a quoted market price is not available, the fair value of financial instruments is measured using the most appropriate valuation techniques, such as discounted cash flow analysis, based on market information available at the reporting date.

Regular way purchases or sales of financial assets are recognised on the trade date, being the date on which the Company commits to purchase or sell the asset.

Lease liabilities

The Company recognises a lease liability at the commencement date of the lease.

The lease liability is measured at the present value of lease payments that have not been paid at the commencement date, including payments that depend on an index or a rate, initially measured using the index or rate at the commencement date, as well as any penalties for terminating the lease where the lease term reflects the exercise of an early termination option and the Company is reasonably certain to exercise that option. The present value is determined using the interest rate implicit in the lease.

The lease liability is subsequently increased to reflect the interest accrued on the liability and reduced by the lease payments made.

Revenue

The IFRS 15 standard – Revenue from Contracts with Customers establishes a new revenue recognition model, providing for:

- the identification of the contract with the customer;
- the identification of the performance obligations in the contract;
- the determination of the transaction price;
- the allocation of the transaction price to the performance obligations in the contract;
- the revenue recognition criteria when the entity satisfies each performance obligation.

Accordingly, revenues from the sale of goods/ the purchase costs are measured at the fair value of the amount received/due, taking into account of any returns, bonuses, trade discounts and volume-related rewards.

Revenue is recognised when (or as) a performance obligation is satisfied by transferring the promised good or service to the customer and the amount of revenue can be measured reliably. Where it is probable that discounts will be granted and their amount can be reliably estimated, the discount is recognised as a reduction in revenue at the same time as the related sale.

A good is transferred when the customer obtains control of it, i.e. when the customer has the ability to direct the use of the asset and obtain the benefits from it. In the case of retail sales, control is generally transferred upon delivery of the goods and payment of the related consideration by the end customer. In the case of wholesale sales, control is generally transferred upon delivery of the products to the customer.

Revenue and costs arising from the provision of services are recognised based on the stage of completion of the services at the reporting date. The stage of completion is determined based on an assessment of the work performed. Where services under a single contract are provided in different fiscal years, the consideration is allocated to the individual services based on their relative fair values.

Reimbursements by third parties of costs incurred on their behalf are recognised as a reduction in the related costs.

Costs

Costs and other operating expenses are recognised when incurred, in accordance with the accrual principle and their correlation with revenues, when they do not generate future economic benefits or such benefits do not meet the requirements for recognition as assets in the statement of financial position.

Advertising costs are recognised in the profit and loss statement when the related services are received, irrespective of their correlation with revenues.

Cost of sales

Cost of sales comprises the production or purchase cost of products, goods and/or services intended for sale and includes all costs relating to materials and processing.

Changes in inventories represent the change in the gross carrying amount of inventories at the end of the reporting period compared with the previous reporting period.

Royalties relating to the exploitation rights of international and domestic licences are classified as components of cost of sales.

Where royalty advances are expected to be fully recouped, the amount utilised is determined by multiplying the royalty per unit by the quantities sold during the reporting period. Where royalty advances are expected to be only partially recouped, the amount utilised is determined separately for each contract based on the estimated future utilisation of the related advances.

Dividends received

Dividends received from associates that are not subsidiaries are recognized only when the right to receive the payment is established and only if the dividends are generated from profits realized after the acquisition of control. If the dividends come from reserves accumulated before the acquisition, they are recognized as a reduction in the carrying amount of the equity investment.

Interest income/expenses and financial income/expenses

Interest income and expense are recognised on an accrual basis and are presented separately in the profit and loss statement under interest income and interest expense, without offsetting.

Current tax

Income taxes include all taxes calculated on the Company's taxable income. Income taxes are recognised in the profit and loss statement, except to the extent that they relate to items recognised directly in equity, in which case the related tax effects are also recognised directly in equity.

Other taxes not based on income, such as property and capital taxes, are recognised under other operating costs.

Deferred tax

Deferred taxes are recognised on all temporary differences arising between the tax base of an asset or liability and its carrying amount, except for taxable temporary differences arising from the initial recognition of goodwill and for temporary differences relating to investments in subsidiaries where the Company is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future.

Deferred tax assets on unused tax losses and tax credits carried forward are recognised to the extent that it is probable that future taxable profit will be available against which they can be utilised. The carrying amount of deferred tax assets is reviewed at least twice a year and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Deferred tax assets and liabilities are measured using the tax rates that are expected to apply in the periods in which the temporary differences are expected to be realised or settled.

Deferred taxes relating to items recognised outside the profit and loss statement are also recognised outside the profit and loss statement, either in equity or in other comprehensive income, consistently with the underlying transaction.

Deferred tax assets and liabilities are classified as non-current assets and liabilities, irrespective of the period in which they are expected to be realised or settled.

Earnings per share

Basic earnings per share is calculated by dividing the profit or loss for the fiscal year by the weighted average number of ordinary shares outstanding during the fiscal year, excluding treasury shares. Diluted earnings per share is equal to basic earnings per share, as there were no convertible financial instruments or other dilutive instruments or options outstanding during the fiscal year.

Foreign currency transactions

Foreign currency transactions are recognised using the exchange rate prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated using the exchange rate prevailing at that date. Exchange differences arising from the settlement of monetary items or from

their translation at exchange rates different from those at which they were translated on initial recognition during the fiscal year or in previous periods are recognised in the profit and loss statement.

Share-based payments – Equity-settled transactions

Employees of the Company, including executives, receive part of their remuneration in the form of share-based payments, whereby employees provide services in exchange for equity instruments ("equity-settled transactions").

The cost of equity-settled transactions is determined by reference to the fair value at the grant date, using an appropriate valuation method.

This cost, together with the corresponding increase in equity, is recognised as an employee cost over the period in which the relevant performance and/or service conditions are satisfied. The cumulative expense recognised for these transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or income recognised in the profit and loss statement for the fiscal year represents the change in the cumulative expense recognised at the beginning and end of the fiscal year.

Service and non-market performance conditions are not taken into account when determining the fair value of the award at the grant date. However, the likelihood that these conditions will be satisfied is taken into account in determining the best estimate of the number of equity instruments that will ultimately vest. Market conditions are reflected in the fair value at the grant date. Any other conditions attached to an award that do not have an associated service requirement are considered non-vesting conditions. Non-vesting conditions are reflected in the fair value of the award and result in the immediate recognition of the related expense, unless service and/or performance conditions also apply.

No expense is recognised for awards that do not ultimately vest because the applicable performance and/or service conditions have not been satisfied. Where awards include a market condition or a non-vesting condition, they are treated as vested irrespective of whether the market or non-vesting condition is satisfied, provided that all other performance and/or service conditions are satisfied.

Where the terms of an award are modified, the minimum expense recognised is the grant-date fair value of the unmodified award, provided that the original vesting conditions are satisfied. An additional expense is recognised for any modification that increases the total fair value of the share-based payment arrangement or is otherwise beneficial to the employee, measured at the date of modification. Where an award is cancelled by the Company or the counterparty, any remaining unrecognised expense is recognised immediately in the profit and loss statement.

The dilutive effect of outstanding options is reflected in the calculation of diluted earnings per share.

New accounting standards

Accounting standards, amendments and IFRS interpretations applied from July 1st, 2025

Further information on the application of accounting standards by Digital Bros S.p.A., is available in the Company's financial statements as of June 30th, 2026, published on the corporate website.

Accounting standards, amendments and IFRS and IFRIC interpretations endorsed by the European Union, not yet mandatory, which were not applied by the Group as of June 30th, 2026

Pursuant to applicable European regulations, the accounting standards adopted by the Company do not include standards and interpretations issued by the IASB and IFRIC as of June 30th, 2026 that had not yet been endorsed by the European Union at that date.

The accounting standards, amendments and interpretations issued as of the reporting date but not yet effective are set out below. The Company will adopt them, where applicable, when they become effective.

IASB and IFRS IC Documents	Effective Date
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7) (issued on 30 May 2024)	01/01/2026
Annual Improvements Volume 11 (issued on 18 July 2024)	01/01/2026
Amendments IFRS 9 — Financial Instruments and IFRS 7 — Financial Instruments: Disclosures for nature-dependent electricity contracts (issued on 18 December 2024)	01/01/2026
IFRS 18 Presentation and Disclosure in Financial Statements (issued on 9 April 2024)	01/01/2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures (issued on 9 May 2024)	01/01/2027
Translation to a Hyperinflationary Presentation Currency - Amendments to IAS 21 (issued on 13 November 2025)	01/01/2027

3. DISCRETIONARY ITEMS AND SIGNIFICANT ESTIMATES

Discretionary assessments

Significant judgements and estimates

The preparation of the financial statements as of June 30th, 2026 and the related notes requires management to make certain judgements, estimates and assumptions that affect the amounts of assets and liabilities recognised in the financial statements and the disclosure of contingent assets and liabilities at the reporting date. These assessments are based on short- and medium/long-term forecasts available prior to the approval of the financial statements, which are regularly updated and approved by the Board of Directors.

Estimates are based on information reflecting the knowledge available at the time they are made, are reviewed periodically and any resulting effects are recognised in the profit and loss statement. Actual results may differ, from these estimates as a result of changes in the factors considered in determining them. In particular, estimates are used to assess the loss allowances on receivables, depreciation and amortisation, impairment losses and other provisions. The main sources of estimation uncertainty relate to the measurement of the investments, the employee benefits and the deferred taxes.

Recoverable amount of investments

Investments are impaired when events or changes in circumstances indicate that their carrying amount may not be recoverable. Events that may result in the impairment of investments include changes that may adversely affect operating performance and reduce the ability of subsidiaries to generate dividends. The recoverable amount of investments is assessed separately for each investee using estimates of expected cash flows and appropriate discount rates to determine their present value. The assessment is therefore based on a number of assumptions concerning future events and actions by the management bodies of the subsidiaries that may not necessarily occur in the manner or within the timeframe expected. The assessment is performed only for investments for which indicators of impairment have been identified.

Employee benefits

The measurement of employee termination benefits ("TFR") is complex due to the need to estimate future cash outflows that may arise from voluntary and involuntary employee departures, taking into account employees' length of service and the statutory revaluation rates applicable to TFR.

The regulations governing TFR were amended during the fiscal year ended June 30th, 2006. However, the measurement continues to involve a degree of complexity due to the residual portion of TFR that remains the responsibility of the Company. For the purposes of this measurement, the Company is assisted by a registered actuary in determining the actuarial assumptions required to prepare the estimate.

Following the approval of the Stock Option Plan 2016-2026, an actuarial valuation was required in accordance with IFRS 2 – *Share-based Payment*. This valuation was performed by an independent professional in previous fiscal years but is no longer required, as the option exercise period ended on June 30th, 2026.

The estimation of liabilities arising from the medium/long-term incentive plan (LTI) approved by the Shareholders' Meeting on June 15th, 2021 is, on the other hand, relatively straightforward. The potential actuarial component of the estimate, relating to the possibility that beneficiaries may not receive the incentive as a result of the bad leaver conditions provided for by the plan, was considered immaterial. Accordingly, the related liability was estimated by the Directors without the assistance of an independent actuary, also considering that the Plan has reached its final year and is unlikely to result in future payments.

Deferred tax assets

The measurement of deferred tax assets and liabilities involves two main areas of uncertainty. The first relates to the recoverability of deferred tax assets. To address this uncertainty, the Company compares the deferred tax assets recognised by the Italian Group companies with the related five-year forecasts approved by the Board of Directors every six months, taking into account the applicable rules governing their utilisation in future fiscal years.

The second relates to the determination of the applicable tax rate, which is assumed to remain constant over time based on the tax rates currently applicable, adjusted where changes in tax rates have already been enacted or substantively enacted.

4. RELATIONS WITH STARBREEZE

In the previous years, Digital Bros Group and the Swedish group Starbreeze ("Starbreeze") have entered various commercial and financial transactions.

In May 2016, the Group reverted to Starbreeze the rights related to the videogame PAYDAY 2 for a consideration of USD 30 million and a potential earn-out payments of up to USD 40 million, corresponding to 33% of the net revenues generated by the future release of the videogame PAYDAY 3.

After several purchases of Starbreeze shares on the market, the Company interest exceeded 20% of the company's voting rights. The Company had continuously reviewed the existence of a significant influence over Starbreeze within the framework of IAS 28 but the moment when it occurred was at the Starbreeze's Shareholders' Meeting held on May 15th, 2025. During that meeting, Digital Bros proposed changes to the size and composition of the Board of Directors, which were approved, resulting in the appointment of the Digital Bros Group CFO, Stefano Salbe, as a Director of Starbreeze AB. From that date, the Group considered to have a significant influence over the Swedish company, as the relevant criteria provided by IAS 28 were met, in particular the representation in the Board of Directors and participation in the company's policy-making processes, including participation in decisions about dividends and other distributions.

During the fiscal year, the Company wrote off completely the investment in Starbreeze under IAS 28 by an incremental Euro 5.7 million to reflect the Starbreeze consolidated losses pro quota in addition to the previous fiscal year write-off. The actual carrying amount of the investment is zero. As of June 30th, 2026, the fair value of the investment, based on the market price of Starbreeze shares listed on Nasdaq Stockholm, amounted to Euro 2.8 million.

As of June 30th, 2026, the Company holds the same amount of shares as last fiscal year amounting at no. 87 million Starbreeze A shares and no. 223.4 million Starbreeze B shares, representing 19.11% of Starbreeze's share capital and 37.67% of its voting rights.

5. BALANCE SHEET AS OF JUNE 30TH, 2026

	Euro thousand	June 30th, 2026	June 30th, 2025	Change	
	Non-current assets				
1	Property, plant and equipment	3,281	3,653	(372)	-10.2%
2	Investment properties	0	0	0	0.0%
3	Intangible assets	147	194	(47)	-24.2%
4	Equity investments	16,792	23,854	(7,062)	-29.6%
5	Non-current receivables and other assets	641	641	0	0.0%
6	Deferred tax assets	425	4,771	(4,346)	-91.1%
7	Non-current financial assets	0	19,046	(19,046)	n.m.
	Total non-current assets	**21,286**	**52,159**	**(30,873)**	**-59.2%**
	Current assets				
8	Inventories	996	1,192	(196)	-16.5%
9	Trade receivables	283	327	(44)	-13.3%
10	Receivables from subsidiaries	66,714	44,763	21,951	49.0%
11	Tax receivables	4,689	5,890	(1,201)	-20.4%
12	Other current assets	2,106	1,869	237	12.7%
13	Cash and cash equivalent	1,018	20	998	n.m.
14	Other current financial assets	0	1,041	(1,041)	n.m.
	Total current assets	**75,806**	**55,102**	**20,704**	**37.6%**
	TOTAL ASSETS	***97,092***	***107,261***	***(10,169)***	***-9.5%***
	Capital and reserves				
15	Share capital	(5,740)	(5,706)	(34)	0.6%
16	Reserves	(6,399)	(9,875)	3,476	-35.2%
17	Treasury shares	0	0	0	0.0%
18	Retained earnings	(48,392)	(38,119)	(10,273)	26.9%
	Total net equity	**(60,531)**	**(53,700)**	**(6,831)**	**12.7%**
	Non-current liabilities				
19	Employee benefits	(288)	(299)	11	-3.6%
20	Non-current provisions	(48)	(59)	11	-18.8%
21	Other non-current payables and liabilities	0	0	0	0.0%
22	Non-current financial liabilities	(333)	(934)	601	-64.3%
	Total non-current liabilities	**(669)**	**(1,292)**	**623**	**-48.3%**
	Current liabilities				
23	Trade payables	(1,188)	(1,364)	176	-12.9%
24	Payables to subsidiaries	(27,392)	(42,097)	14,705	-34.9%
25	Taxes payables	(124)	(132)	8	-5.8%
26	Short term provisions	0	0	0	n.m.
27	Other current liabilities	(1,068)	(824)	(244)	29.7%
28	Financial liabilities	(6,120)	(7,852)	1,732	-22.1%
	Total current liabilities	**(35,892)**	**(52,269)**	**16,377**	**-31.3%**
	TOTAL LIABILITIES	**(36,561)**	**(53,561)**	**17,000**	**-31.7%**
	TOTAL NET EQUITY AND LIABILITIES	***(97,092)***	***(107,261)***	***10,169***	***-9.5%***

NON CURRENT ASSETS

1. Property, plant and equipment

Property, plant and equipment go from Euro 3,653 thousand to Euro 3,281 thousand as of June 30th, 2026. Details are provided below:

Euro thousand	July 1st, 2025	Invest.	Disposals	Deprec'n	Use of accum. dep'n	June 30th, 2026
Industrial buildings	2,860	326	0	(679)	0	**2,507**
Land	635	0	0	0	0	**635**
Indust. and comm. equipment	126	11	0	(46)	0	**91**
Other assets	12	33	0	(10)	0	**35**
Leasehold improvements	20	0	0	(7)	0	**13**
Total	**3,653**	**370**	**0**	**(742)**	**0**	**3,281**

The change in property, plants and equipment as of June 30th, 2025 is detailed as follows:

Euro thousand	July 1st, 2024	Invest.	Disposals	Deprec'n	Use of accum. dep'n	June 30th, 2025
Industrial buildings	3,538	1	0	(679)	0	**2,860**
Land	635	0	0	0	0	**635**
Indust. and comm. equipment	135	35	0	(44)	0	**126**
Other assets	28	0	(62)	(16)	62	**12**
Leasehold improvements	0	25	0	(5)	0	**20**
Total	**4,336**	**61**	**(62)**	**(744)**	**62**	**3,653**

Property, plant and equipment, except for land, are depreciated over the useful life of each individual asset.

Industrial building as of June 30th, 2026 included:

Euro thousand	June 30th, 2026	June 30th, 2025	Change
Trezzano sul Naviglio warehouse	1,354	1,110	244
Via Labus (Milan) offices	289	310	(21)
Via Tortona (Milan) offices (IFRS16)	864	1,440	(576)
Total	**2,507**	**2,860**	**(353)**

Investments made during the fiscal year mainly related to the extraordinary refurbishment of the warehouse in Trezzano sul Naviglio.

The movements in gross property, plant and equipment and the related accumulated depreciation for the current and previous fiscal years are as follows:

June 30th, 2026

Gross amount of property, plant and equipment

Euro thousand	July 1st, 2025	Investments	Disposals	June 30th, 2026
Industrial buildings	8,161	326	0	**8,487**
Land	635	0	0	**635**
Plant and equipment	2,513	11	0	**2,524**
Other assets	1,493	33	0	**1,526**
Leasehold improvements	25	0	0	**25**
Total	**12,827**	**370**	**0**	**13,197**

Accumulated depreciation

Euro thousand	July 1st, 2025	Investments	Disposals	June 30th, 2026
Industrial buildings	(5,301)	(679)	0	**(5,980)**
Land	0	0	0	**0**
Plant and equipment	(2,387)	(46)	0	**(2,433)**
Other assets	(1,481)	(10)	0	**(1,491)**
Leasehold improvements	(5)	(7)	0	**(12)**
Total	**(9,174)**	**(742)**	**0**	**(9,916)**

June 30th, 2025

Gross amount of property, plant and equipment

Euro thousand	July 1st, 2023	Investments	Disposals	June 30th, 2024
Industrial buildings	8,160	1	0	**8,161**
Land	635	0	0	**635**
Plant and equipment	2,478	35	0	**2,513**
Other assets	1,555	0	(62)	**1,493**
Leasehold improvements	0	25	0	**25**
Total	**12,828**	**61**	**(62)**	**12,827**

Accumulated depreciation

Euro thousand	July 1st, 2024	Investments	Disposals	June 30th, 2025
Industrial buildings	(4,622)	(679)	0	**(5,301)**
Land	0	0	0	**0**
Plant and equipment	(2,343)	(44)	0	**(2,387)**
Other assets	(1,527)	(16)	62	**(1,481)**
Leasehold improvements	0	(5)	0	**(5)**
Total	**(8,492)**	**(744)**	**62**	**(9,174)**

The Company's property, plant and equipment are unburdened by liens, mortgages or other securities.

3. Intangible assets

All of the Company's intangible assets have finite useful lives. No intangible assets have been recognised in connection with internally generated development costs or business combinations.

Intangible assets decrease by Euro 47 thousand, net of Euro 84 thousand amortization. The following table presents the movements by asset category for the current and previous fiscal years:

Euro thousand	July 1st, 2025	Investments	Disposals	Amort'n	June 30th, 2026
Concessions and licenses	191	31	0	(82)	140
Trademarks and similar rights	1	1	0	(1)	1
Other intangible assets	2	5	0	(1)	6
Total	**194**	**37**	**0**	**(84)**	**147**

Euro thousand	July 1st, 2024	Investments	Disposals	Amort'n	June 30th, 2025
Concessions and licenses	188	92	0	(89)	191
Trademarks and similar rights	2	0	0	(1)	1
Other intangible assets	3	0	0	(1)	2
Total	**193**	**92**	**0**	**(91)**	**194**

Concessions and licenses amount to Euro 191 thousand, decreasing by Euro 82 thousand and relate to expenditure on ERP systems.

Movements on intangible assets and accumulated amortization in the current and previous reporting periods were as follows:

June 30th, 2026

Gross amount of intangible assets

Euro thousands	July 1st, 2025	Investments	Disposals	June 30th, 2026
Concessions and licenses	3,568	31	0	3,599
Trademarks and similar rights	1,518	1	0	1,519
Other intangible assets	106	5	0	111
Total	**5,192**	**37**	**0**	**5,229**

Accumulated amortization

Euro thousands	July 1st, 2025	Investments	Disposals	June 30th, 2026
Concessions and licenses	(3,377)	(82)	0	(3,459)
Trademarks and similar rights	(1,517)	(1)	0	(1,518)
Other intangible assets	(104)	(1)	0	(105)
Total	**(4,998)**	**(84)**	**0**	**(5,082)**

June 30th, 2025

Gross amount of intangible assets

Euro thousands	July 1st, 2024	Investments	Disposals	June 30th, 2025
Concessions and licenses	3,476	92	0	3,568
Trademarks and similar rights	1,518	0	0	1,518
Other intangible assets	106	0	0	106
Total	**5,100**	**92**	**0**	**5,192**

Accumulated amortization

Euro thousands	July 1st, 2024	Investments	Disposals	June 30th, 2025
Concessions and licenses	(3,288)	(89)	0	(3,377)
Trademarks and similar rights	(1,516)	(1)	0	(1,517)
Other intangible assets	(103)	(1)	0	(104)
Total	**(4,907)**	**(91)**	**0**	**(4,998)**

4. Equity investments

Equity investments amount to Euro 16,792 thousand, decreasing by Euro 7,062 thousand. The following table details the equity investments as of June 30th, 2026, together with comparatives for the previous fiscal year:

Euro thousand	June 30, 2026	June 30, 2025	Change
505 Games S.p.A.	10,100	10,100	0
Digital Bros Game Academy S.r.l.	157	169	(12)
Digital Bros Game China	100	100	0
Digital Bros Holdings Ltd.	0	125	(125)
Kunos Simulazioni S.r.l.	4,676	4,676	0
Digital Bros Asia Pacific Ltd.	100	100	0
Rasplata B.V.	0	0	0
AvantGarden S.r.l.	495	495	0
Seekhana Ltd.	0	0	0
Supernova Games S.r.l.	100	100	0
Chrysalide Jeux et Divertissement Inc.	0	0	0
Ingame Studios a.s.	830	830	0
Total subsidiaries (A)	**16,558**	**16,695**	**(137)**
MSE&DB S.l.u.	0	1,305	(1,305)
Starbreeze AB	0	5,682	(5,682)
Total associated companies (B)	**0**	**6,987**	**(6,987)**
Noobz from Poland s.a.	234	172	62
Total other equity investments (C)	**234**	**172**	**62**
Total equity investments (A)+(B)+(C)	**16,792**	**23,854**	**(7,062)**

Equity investments in subsidiaries

The equity investments in subsidiaries decrease by Euro 135 thousand mainly as a result of the liquidation of Digital Bros Holdings Ltd. for Euro 125 thousand and the impairment of the investment in Digital Bros Game Academy S.r.l. of Euro 12 thousand.

At the reporting date, the carrying amount of equity investments compared with the Group's share of the respective subsidiaries' equity was as follows:

Company	Location	Carrying amount (a)	Capital (b)	Pro-rata share of equity (c)	Profit/(loss) for the fiscal year	Change d=c-a
505 Games S.p.A.	Milan	10,100	10,000	25,540	(2,500)	15,440
Digital Bros Game Academy S.r.l.	Milan	157	300	157	(12)	0
Digital Bros China (Shenzhen) Ltd.	Shenzhen	100	100	172	8	72
Kunos Simulazioni S.r.l.	Rome	4,676	10	53,040	13,137	48,364
Digital Bros Asia Pacific (HK) Ltd.	Hong Kong	100	100	259	22	159
AvantGarden S.r.l.	Milan	495	100	308	53	(187)
Supernova Games S.r.l.	Milan	100	100	1,697	1,185	1,597
Rasplata BV	Amsterdam	0	2	(2,452)	6,102	(2,452)
Seekhana Ltd.	Milton Keynes	0	840	1	(4)	1
Chrysalide Jeux et Divertissement Inc.	Québec City	0	0	1,342	64	1,342
Ingame Studios a.s.	Brno	830	410	2,587	184	1,757

All the subsidiaries are 100% owned, with the exception of Seekhana Ltd., which is controlled with a 60% stake and Chrysalide Jeux et Divertissement Inc. with a 75% stake.

During the fiscal year, the liquidation of Digital Bros Holdings Ltd. was finalized.

At the end of the fiscal year, the Company performed impairment tests on all investments with a significant carrying amount, as well as on investments whose carrying amount exceeded the Company's share of the investee's equity at the reporting date. For each of these investments, the carrying amount was compared with its recoverable amount.

Impairment testing as of June 30th, 2026 was based on the expected cash flows and revenues included in the 2027-2031 Strategic Plan, approved by the Board of Directors on July 20th, 2026, and reflected the expected development of the underlying businesses. The long-term growth rate ("g") ranged between 0% and 1.0%, unchanged compared to the previous fiscal year. The discount rates applied were determined based on the Weighted Average Cost of Capital ("WACC"), taking into account the expected return on invested capital and financing costs for a sample of comparable companies operating in the same industry, as well as the country in which each investee operates.

The WACC used for the impairment tests performed on equity investments by geographical area are as follows.

2026	Italy	Netherlands	UK	Czech Republic
WACC post tax	9,7%	9,15%	10,67%	10,51%

The WACC used for impairment testing on equity investments in the previous fiscal year was:

2025	Italy	Netherlands	UK	Czech Republic
WACC post tax	10.14%	9.38%	11.04%	10.74%

A reasonably possible change in the key assumptions used to determine the recoverable amount, namely a ±1% change in the discount rate, would not have a significant impact on the results of the impairment tests.

The investments in Seekhana Ltd. and Rasplata B.V. had already been fully impaired in the previous fiscal year by Euro 505 thousand and Euro 2,269 thousand, respectively.

The investment in Digital Bros Game Academy S.r.l., which had been impaired by Euro 143 thousand as of June 30th, 2025, was further impaired for Euro 12 thousand during the current fiscal year, based on the outcome of the impairment test.

Equity investments in associates

Investments in associates and joint ventures decreased by Euro 6,987 thousand, reflecting:

- a negative alignment of Euro 5,682 thousand of the carrying amount of the investment in Starbreeze after the recognition of the pro-quota losses of the associate's under IAS 28 as of June 30th, 2026. The fair value of the investment amounted to Euro 2.8 million, based on the market price of Starbreeze shares at that date;
- a decrease of Euro 1,305 thousand after the sale of the 50% of the Spanish joint venture MSE&DB S.L. for a nominal consideration of Euro 5 thousand. The disposal was agreed as part of an overall amendment to the contractual arrangements for Blades of Fire, which also provided for a reduction in the applicable royalty rate, as previously described.

Other equity investments

Other investments increase by Euro 62 thousand, as a result of the fair value measurement of the no.70,000 shares held in Noobz from Poland S.A., representing 4.5% of its share capital and listed on the NewConnect market of the Warsaw Stock Exchange. As the investment is classified as a financial asset at fair value through other comprehensive income, the difference between its carrying amount and market value as of June 30th, 2026 was recognised in other comprehensive income and accumulated in an equity reserve.

5 Non-current receivables and other assets

Non-current receivables and other assets amount to Euro 641 thousand, unchanged from the previous fiscal year:

Euro thousand	June 30th 2026	June 30th 2025	Changes
Guarantee deposit – rental of offices in Via Tortona, Milan	635	635	0
Other guarantee deposits	6	6	0
Total non-current receivables and other assets	**641**	**641**	**0**

Non-current receivables and other assets consist entirely of security deposits relating to contractual obligations. The most significant amount relates to Euro 635 thousand paid to Matov Imm. S.r.l. as a security deposit for the lease of the Company's offices at Via Tortona 37 in Milan.

6. Deferred tax assets

As of June 30th, 2026, deferred tax assets amount to Euro 425 thousand, decreasing by Euro 4,346 thousand compared to June 30th, 2025. They consist of Euro 413 thousand relating to IRES and Euro 12 thousand relating to IRAP.

The most significant change related to the reversal of deferred tax assets accumulated up to May 15th, 2025 when the investment in Starbreeze was measured at fair value through other comprehensive income (OCI). The related fair value changes, based on the difference between the carrying amount and the market value of the Starbreeze shares, were recognised in OCI and accumulated in an equity reserve.

Deferred tax assets are recognised on temporary differences between the tax bases of assets and liabilities and their carrying amounts and are measured using the tax rates expected to apply when the temporary differences reverse, based on tax rates that have been enacted or substantively enacted. The IRES tax rate applied was 24%.

The following table provides a breakdown of the temporary differences relating to IRES as of June 30th, 2026, together with comparative figures for the previous fiscal year:

Description	Temporary differences as of June 30, 2025	Changes in temporary differences in the year	Temporary differences as of June 30, 2026	Defered tax assets for IRES as of June 30th, 2026[a)]
Taxed loss allowance on receivables	917	0	917	220
Directors' remuneration not accrued in the fiscal year	99	244	343	82
Employee termination benefits (TFR)	207	(8)	199	48
Inventory obsolescence provision	221	0	221	53
Securities valuation reserve	18,390	(18,341)	49	12
Other	(8)	0	(8)	(2)
Total	**19,826**	**(18,104)**	**1,722**	**413**

(a) Calculated as 24% of temporary differences

CURRENT ASSETS

As of June 30th, 2026, the Company had no receivables or payables with a remaining maturity of more than five years, nor any payables secured by collateral over the Company's assets. There were no significant effects from changes in foreign exchange rates after the end of the fiscal year, nor any receivables or payables relating to transactions requiring the purchaser to resell the underlying assets at a future date.

The following table provides a breakdown of current assets as of June 30th, 2026 based on the geographical area:

	Euro thousand	Italy	EU	Non-EU	Total
8	Inventories	996	0	0	996
9	Trade receivables	283	0	0	283
10	Receivables from subsidiaries	54,619	0	12,095	66,714
11	Tax receivables	4,689	0	0	4,689
12	Other current assets	2,106	0	0	2,106
13	Cash and cash equivalents	1,018	0	0	1,018
14	Other financial assets	0	0	0	0
	Total current assets	**63,711**	**0**	**12,095**	**75,806**

8. Inventories

Inventories consist of finished products for resale. During the reporting period, the activities related to the distribution of video games were only limited to the sales of inventories, with purchase of products for resale almost nil. As of June 30th, 2026, inventories decreased by Euro 196 thousand.

Inventories are recognised net of obsolescence adjustments, which amount to Euro 100 thousand during the fiscal year. Details below:

	June 30th, 2026	June 30th, 2025	Change
Video games	669	793	(124)
Trading cards	327	399	(72)
Total inventories	**996**	**1,192**	**(196)**

9. Trade receivables

Changes in trade receivables compared to the prior fiscal year are as follows:

Euro thousand	June 30th, 2026	June 30th, 2025	Change
Trade receivables - Italy	751	1,483	(732)
Trade receivables - EU	0	35	(35)
Trade receivables - Rest of the world	0	0	0
Provision for doubtful accounts	(468)	(1,191)	723
Total trade receivables	**283**	**327**	**(43)**

Trade receivables amount to Euro 283 thousand as of June 30th, 2026, compared to Euro 327 thousand as of June 30th, 2025, a decrease of Euro 43 thousand. The Company's trade receivables mainly relate to Italian customers. Trade receivables are recognised net of the provision for doubtful accounts. The provision for doubtful accounts amounts to Euro 468 thousand, decreasing by Euro 723 thousand compared to June 30th, 2025, following its utilisation to write off certain receivables that were no longer considered recoverable. The provision is estimated based on both an individual assessment of each receivable to determine its recoverability and the application of IFRS 9.

The following table breaks down trade receivables as of June 30th, 2026 by due date, together with comparative figures as of June 30th, 2025. All figures are stated net of the provision for doubtful accounts:

Euro thousand	June 30th, 2026	% on total	June 30th, 2025	% on total
Current	175	62%	214	65%
0 - 30 days overdue	0	0%	0	0%
30 - 60 days overdue	0	0%	0	0%
60 - 90 days overdue	0	0%	0	0%
> 90 days overdue	108	38%	113	35%
Total trade receivables	**283**	**100%**	**327**	**100%**

10. **Receivables from subsidiaries**

Receivables from subsidiaries amount to Euro 66,714 thousand, increasing by Euro 21,951 thousand compared to the last fiscal year. All receivables from subsidiaries are financial in nature. Details below:

Euro thousand	June 30th, 2026	June 30th, 2025	Change
505 Games S.p.A.	54,619	36,476	18,143
505 Go Inc.	6,682	983	5,699
505 Games Australia Pty Ltd.	3,884	3,581	333
Chrysalide Jeux et Divertissement Inc.	1,482	860	622
505 Games Japan KK	47	37	10
505 Mobile S.r.l.	0	2,826	(2,826)
Total receivables from subsidiaries	**66,714**	**44,763**	**21,951**

The most significant change relates to the Euro 18,143 thousand increase in receivables from 505 Games S.p.A. to finance its investments.

Based on its medium/long-term plans, the Company believes that all receivables from subsidiaries are recoverable.

11. Tax receivables

As of June 30th, 2026, tax receivables amount to Euro 4,689 thousand, decreasing by Euro 1,201 thousand compared to Euro 5,890 thousand as of June 30th, 2025.

Tax receivables as of June 30th, 2026 are analyzed as follows:

Euro thousand	June 30th, 2026	June 30th, 2025	Change
Receivable under domestic tax group consolidation	4,525	5,725	(1,200)
Other receivables	164	165	(1)
Total tax receivables	**4,689**	**5,890**	**(1,201)**

The decrease in the receivable from the national tax consolidation scheme reflects the increase of the taxable income of the Italian subsidiaries.

12. Other current assets

Other current assets increase from Euro 1,869 thousand as of June 30th, 2025 to Euro 2,106 thousand. Details are provided in the table below:

Euro thousand	June 30th, 2026	June 30th, 2025	Change
VAT receivables	1,563	1,302	261
Receivables from suppliers	340	357	(17)
Advances to employees	182	190	(8)
Other receivables	21	20	1
Total other current assets	**2,106**	**1,869**	**237**

NET EQUITY

The net equity as of June 30th, 2026 is as follows:

Euro thousand	June 30th, 2026	June 30th, 2025	Change
Share capital	5,740	5,706	34
Legal reserve	1,141	1,141	0
Share premium reserve	19,387	18,528	859
IFRS adoption reserve	(142)	(142)	0
Reserve for actuarial gains and losses	(49)	(55)	6
Reserve for measurement of securities	(18,316)	(13,975)	(4,341)
Stock option reserve	4,378	4,378	0
Retained earnings	38,814	38,670	144
Application of IFRS 9	(695)	(695)	0
Profit /(loss) for the year	10,273	144	10,129
Total shareholders' equity	**60,531**	**53,700**	**6,831**

The changes in net equity are detailed in the statement of changes in net equity. A summary is provided below:

Euro thousand	June 30th, 2026	June 30th, 2025	Change
Opening net equity	53,700	54,751	(1,051)
Share capital increase	34	0	34
Share premium reserve increase	859	0	859
Actuarial gains (losses)	6	6	0
Change in reserve for measurement of securities	(4,341)	(1,668)	(2,673)
Change in reserve for financial instruments	0	(3)	3
Stock option reserve	0	470	(470)
Profit/(loss) for the year	10,273	144	10,129
Closing net equity	**60,531**	**53,700**	**6,831**

The share capital as of June 30th, 2026 increased by Euro 34 thousand compared to June 30th, 2025, following the subscription of no. 85,000 shares under the Stock Option Plan 2016-2026. The share capital as of June 30th, 2026 amounts to Euro 5,740,014.80 and is divided into no. 14,350,037 ordinary shares with a nominal value of Euro 0.4 each. No other classes of shares are outstanding. There are no rights, privileges or restrictions attached to ordinary shares.

The exercise period of the 2016-2026 Stock Option Plan expired on June 30th, 2026.

The decrease of Euro 4,341 thousand in the securities valuation reserve reflected:

- the adjustment of Euro 4,388 thousand following the reversal of deferred tax assets recognised up to May 15th, 2025 in connection with the fair value measurement of the Starbreeze shares, for which the difference between the carrying amount and market value had been recognised in an equity reserve;
- the increase of Euro 47 thousand in the valuation reserve relating to the fair value measurement of other investments, reflecting the measurement of the investment held in Noobz from Poland S.A..

The Company has not issued any profit-sharing shares, bonds convertible into shares or similar securities or instruments.

NON-CURRENT LIABILITIES

19. Employee benefits

Employee benefits represent the actuarial value of the Company's employee termination benefits ("TFR"), as calculated by an independent actuary, and decreased by Euro 11 thousand compared to the previous fiscal year.

For the actuarial valuation as of June 30th, 2026, an iBoxx Corporate A discount rate with a duration of more than ten years was used, consistently with the rate applied at the end of the previous fiscal year. The use of an iBoxx Corporate AA discount rate would not have resulted in significant differences.

The calculation methodology can be summarised as follows:

- projection, for each employee in service at the measurement date, of the TFR accrued as of December 31st, 2006 and subsequently revalued;

- determination, for each employee, of the probability-weighted TFR payments expected to be made by the Company upon termination of employment due to dismissal, resignation, disability, death or retirement, as well as in the event of requests for advances;
- discounting of each probability-weighted payment.

The estimate is based on the actual headcount as of June 30th, 2026, which consisted of 31 employees.

The economic and financial assumptions used in the actuarial calculation as of June 30th, 2026 were as follows:

- annual interest rate of 4.02%;
- annual increase in remuneration rate of 3%;
- annual inflation rate of 2%.

The economic and financial parameters used in the actuarial calculation as of June 30th, 2025 were as follows:

- annual interest rate of 3.7%;
- annual increase in remuneration rate of 3%;
- annual inflation rate of 2%.

The following table presents the movements in TFR during the fiscal year, together with comparative figures for the previous fiscal year:

Euro thousand	**June 30, 2026**	**June 30, 2025**
Provision for employee termination indemnities as of July 1st, 2025	**299**	**295**
Utilization of provision for payments to leavers	(14)	0
Provision of the period	138	121
Measurement of supplementary pension schemes	(127)	(109)
Actuarial measurement	(8)	(8)
Provisions for employee termination indemnities as of June 30th, 2026	**288**	**299**

The Company does not have any supplementary pension plans in place.

20. Non-current provisions

Non-current provisions consist solely of the sales representatives' termination indemnity provision. The item amount to Euro 48 thousand as of June 30th, 2026, a Euro 11 thousand decrease compared to the previous fiscal year.

21. Other non-current payables and liabilities

As of June 2026, similarly to the previous fiscal year, there are no other non-current payables and liabilities.

CURRENT LIABILITIES

The following table breaks down total current liabilities as of June 30th, 2026 by geographical area:

	Euro thousands	Italy	Other EU	NON-EU	Total
23	Trade payables	(1,109)	(79)	0	(1,188)
24	Payables to subsidiaries	(17,871)	(2,058)	(7,463)	(27,392)
25	Tax payables	(124)	0	0	(124)
26	Current provisions	0	0	0	0
27	Other current liabilities	(1,068)	0	0	(1,068)
28	Current financial liabilities	(6,120)	0	0	(6,120)
	Total current liabilities	**(26,292)**	**(2,137)**	**(7,463)**	**(35,892)**

23. Trade payables

Trade payables due within a year increase by Euro 176 thousand and mainly consist of payables for the purchase of services. The balance is analysed below:

Euro thousand	June 30th, 2026	June 30th, 2025	Change
Trade payables – Italy	(1,109)	(1,226)	117
Trade payables – EU	(79)	(138)	59
Trade payables – Rest of world	0	0	0
Total trade payables	**(1,188)**	**(1,364)**	**176**

24. Payables to subsidiaries

Payables to subsidiaries amount to Euro 27,392 thousand, decreasing by Euro 14,707 thousand compared to the previous fiscal year. They are analyzed as follows:

Euro thousand	June 30th, 2026	June 30th, 2025	Change
Kunos Simulazioni S.r.l.	(12,539)	(15,961)	3,422
505 Games (US) Inc.	(3,555)	(2,377)	(1,178)
Supernova Games Studios S.r.l.	(2,184)	(1,776)	(408)
Ingame Studios a.s.	(2,058)	(1,619)	(439)
505 Mobile S.r.l.	(2,012)	0	(2,012)
505 Games Ltd.	(1,726)	(8,582)	6,856
DR Studios Ltd.	(993)	(6,450)	5,457
505 Games Mobile (US)	(949)	(923)	(26)
Avantgarden S.r.l.	(901)	(436)	(465)
Digital Bros Asia Pacific (HK) Ltd.	(135)	(183)	48
Digital Bros Game Academy S.r.l.	(109)	(321)	212
Digital Bros China (Shenzen) Ltd.	(105)	(91)	(14)
Game Entertainment S.r.l.	(98)	(169)	71
505 Pulse S.r.l.	(28)	(128)	100
505 Games GmbH	0	(2,975)	2,975
Digital Bros Holdings Ltd.	0	(106)	106
Total	**(27,392)**	**(42,097)**	**14,707**

The most significant change relates to the amounts payable to 505 Games Ltd. and DR Studios Ltd.. During the fiscal year, these subsidiaries distributed dividends to the Company, which were settled through the intercompany current accounts used to offset balances between Group companies on a quarterly basis.

25. Tax payables

Tax payables decrease from Euro 132 thousand to Euro 124 thousand as of June 30th, 2026. Tax payables primarily consist of payables related to salaries, additional monthly salary payments and the Directors' remuneration for the month of July 2026.

26. Current provisions

As of June 30th, 2026, there are no current provisions, consistent with the previous fiscal year.

27. Other current liabilities

Other current liabilities increase by Euro 244 thousand, from Euro 824 thousand to Euro 1,068 thousand. Details are provided below:

Euro thousand	June 30th, 2026	June 30th, 2025	Change
Amounts due to social security institutions	(218)	(188)	(30)
Amounts due to employees	(842)	(592)	(250)
Amounts due to contract staff	0	(36)	36
Other payables	(8)	(8)	0
Total other current liabilities	**(1,068)**	**(824)**	**(244)**

Amounts due to employees include the accruals for unused holiday and leave, the fourteenth-month salary payment and the variable remuneration component, which had not been accrued at the end of the previous fiscal year.

NET FINANCIAL POSITION

The Company's net financial position as of June 30th, 2026 is analyzed in detail below with comparative figures from the previous fiscal year:

	Euro thousand	June 30th, 2026	June 30th, 2025	Change
10	Receivables from subsidiaries	66,714	44,763	21,951
13	Cash and cash equivalents	1,018	20	998
14	Other current financial assets	0	1,041	(1,041)
24	Payables to subsidiaries	(27,392)	(42,097)	14,705
28	Current financial liabilities	(6,120)	(7,852)	1,732
	Current net financial position	**34,220**	**(4,125)**	**38,345**
7	Non-current financial assets	0	19,046	(19,046)
22	Non-current financial liabilities	(333)	(934)	601
	Non-current financial liabilities	**(333)**	**18,112**	**(18,445)**
	Total net financial position	***33,887***	***13,987***	***19,900***

The net financial position was positive at Euro 33,887 thousand, increasing by Euro 19,900 thousand compared to Euro 13,987 thousand as of June 30th, 2025. The net financial position, excluding the impact of IFRS 16, was positive at Euro 34,796 thousand compared to Euro 15,490 thousand as of June 30th, 2025.

Current net financial position

Changes in receivables and payables related to the Company's subsidiaries have been described above.

13. Cash and cash equivalents

Cash and cash equivalents amount to Euro 1,018 thousand as of June 30th, 2026, an increase of Euro 998 thousand compared to June 30th, 2025. They have no encumbrances and consist entirely of current account deposits available on demand.

14. Other financial assets

As of June 30th, 2026, there were no other financial assets.

In the previous fiscal year, other current financial assets amounted to Euro 1,041 thousand and related entirely to the portion due within 12 months of the financial receivable from Rasplata B.V. related to the loan granted by the Company to the Dutch subsidiary. The balance was fully settled during the fiscal year following the transfer to 505 Games S.p.A. of the intellectual property, trademark and technology relating to Crime Boss: Rockay City. As a result of the transaction, the amounts due between the two subsidiaries were offset through the intercompany current accounts managed by Digital Bros as part of the Group's centralised cash management system.

28. Current financial liabilities

Total current financial liabilities consist of loans to subsidiaries due within a year and other current financial liabilities for a total of Euro 6,120 thousand. Details are as follows:

Euro thousands	June 30th, 2026	June 30th, 2025	Change
Liabilities for bank accounts	(29)	(902)	873
Liabilities for bank loans relating to import	(5,509)	(6,358)	849
Lease contracts liabilities	(576)	(575)	(1)
Other current financial liabilites	(6)	(17)	11
Total current financial liabilities	**(6,120)**	**(7,852)**	**1,732**

7. Non current financial assets

As of June 30th, 2026, there were no other non-current financial assets. As of June 30th, 2025, the balance amounted to Euro 19,046 thousand and consisted entirely of the portion due beyond 12 months of the financial receivable from Rasplata B.V., net of a loss allowance of Euro 9,146 thousand.

22. Non-current financial liabilities

Non-current financial liabilities only consist of other non-current financial liabilities of Euro 333 thousand, relating to the long-term portion of lease liabilities recognized in accordance with IFRS 16.

The following table shows finance and operating lease payments by maturity:

Euro thousand	June 30, 2026	June 30, 2025	Change
Within 1 year	582	592	(10)
1-5 years	333	934	(601)
Beyond than 5 years	0	0	0
Total	**915**	**1.526**	**(611)**

The following table details the net financial position in accordance with the Guidelines on disclosure requirements pursuant to the regulation on the prospectus issued by ESMA (European Securities and Markets Authority) on March 4th, 2021:

	Euro thousand	June 30, 2026	June 30, 2025	Change	
A.	Cash	1,018	20	998	n.m.
B.	Cash equivalents	0	0	0	0.0%
C.	Other current financial assets	66,714	45,804	20,910	45.7%
D.	**Liquidity (A + B + C)**	**67,732**	**45,824**	**21,908**	**47.8%**
E.	Current financial debt[1]	27,392	42,097	(14,705)	-34.9%
F.	Current portion of non-current financial debt	6,120	7,852	(1,732)	-22.1%
G.	**Net current financial indebtedness (E+F)**	**33,512**	**49,949**	**(16,437)**	**-32.9%**
H.	**Net current financial indebtedness (G-D)**	**(34,220)**	**4,125**	**(38,345)**	**n.m.**
I.	Non-current financial debt[2]	333	934	(601)	-64.3%
J.	Debt instruments	0	0	0	0.0%
K.	Non-current financial other payables	0	0	0	0.0%
L.	**Non-current financial indebtedness (I+J+K)**	**333**	**934**	**(601)**	**-64.3%**
M.	***Total financial indebtedness (H+L)***	**(33,887)**	**5,059**	**(38,946)**	**n.m.**

[1] with debt instrument, but without the current portion of the non-current financial debt
[2] without the current portion of debt instruments

As of June 30th, 2026, there was no difference between total financial indebtedness as presented in the table above and the net financial position discussed in the previous paragraph. As of June 30th, 2025, the difference of Euro 19,046 thousand related to the portion due after 12 months of the financial receivable from the Dutch subsidiary Rasplata B.V..

CONTRACTUAL OBLIGATIONS AND RISKS

Contractual obligations relating to credit mandates decreased by Euro 16,233 thousand, from Euro 41,283 thousand to Euro 25,050 thousand as of June 30th, 2026.The following table details these commitments:

Euro thousand	June 30, 2026	June 30, 2025	Change
UniCredit credit mandate	4,750	12,600	(7,850)
Intesa SanPaolo credit mandate.	11,650	14,100	(2,450)
Banco BPM credit mandate	4,500	10,350	(5,850)
Monte dei Paschi credit mandate	4,150	4,233	(83)
Total	**25,050**	**41,283**	**(16,233)**

6. PROFIT AND LOSS STATEMENT

3. Net revenue

Total net revenue amounted to Euro 5,347 thousand, compared to Euro 6,971 thousand as of June 30th, 2025.

Euro thousand	June 30, 2026	June 30, 2025	Change	Change %
Gross sales – Italy	5,347	6,971	(1,624)	-23.3%
Gross sales – Other countries	0	0	0	0.0%
Total gross revenue	**5,347**	**6,971**	**(1,624)**	**-23.3%**
Total revenue adjustments	**0**	**0**	**0**	**0.0%**
Total net revenue	**5,347**	**6,971**	**(1,624)**	**-23.3%**

Total gross revenues amounted to Euro 5,347 thousand, decreasing by 23.3% from Euro 6,971 thousand in the previous fiscal year. The performance is consistent with the continued reduction in distribution activities over recent years.

Gross revenue is analyzed as follows:

Euro thousand	June 30, 2026	June 30, 2025	Change	%
Revenue from video games for consoles	205	637	(432)	-67.8%
Revenue from trading cards	40	673	(633)	-94.1%
Revenue from other products and services	5,102	5,661	(559)	-9.9%
Total gross revenue	**5,347**	**6,971**	**(1,624)**	**-23.3%**

Revenues from other products and services consist of the coordination activities performed by the Company for its subsidiaries, including centralised services relating to finance, management control, human resources management and business development.

8. Cost of sales

Cost of sales is analyzed as follows:

Euro thousand	June 30, 2026	June 30, 2025	Change	%
Purchases of products for resale	(27)	(29)	2	-6.0%
Change in inventories of finished products	(196)	(757)	561	-74.2%
Total cost of sales	**(223)**	**(786)**	**563**	**-71.6%**

Consistent with the previous fiscal year, distribution activities during the period were limited to the sale of existing inventories, as reflected in the almost complete elimination of purchases of products for resale. Inventories of finished goods decreased by Euro 196 thousand.

10. Other income

Other income amounted to Euro 380 thousand and included Euro 212 thousand relating to the insurance reimbursement received for damages to the warehouse in Trezzano sul Naviglio. The remaining amount related to the recharge of costs incurred on behalf of subsidiaries.

11. Costs of services

Costs for services are detailed as follows:

Euro thousand	June 30, 2026	June 30, 2025	Change	Change %
Advertising, marketing, trade fairs and exhibitions	(1)	(22)	21	-96.3%
Transport and freight	(5)	(10)	5	-51.0%
Sub-total: sales related services	**(6)**	**(32)**	**26**	**-82.0%**
Sundry insurance	(34)	(27)	(7)	26.2%
Legal and notary consultancy fees	(1,232)	(1,359)	127	-9.4%
Postage and telegraph	(204)	(193)	(11)	5.6%
Travel and subsistence costs	(86)	(175)	89	-50.8%
Utilities	(84)	(95)	11	-12.0%
Maintenance	(78)	(86)	8	-9.5%
Statutory Auditors' fees	(74)	(74)	0	0.0%
Sub-total: general services	**(1,792)**	**(2,009)**	**217**	**-10.8%**
Intercompany services	(102)	(730)	628	-86.1%
Total costs for services	**(1,900)**	**(2,771)**	**871**	**-31.4%**

Total costs for services amounted to Euro 1,900 thousand, decreasing by Euro 871 thousand compared to the previous fiscal year, as a result of lower intercompany services for Euro 628 thousand and lower consultancy fees for Euro 127 thousand.

12. Lease and rental costs

Lease and rental costs amounted to Euro 300 thousand compared to Euro 324 thousand as of June 30th, 2025. As of June 30th, 2026, they included Euro 203 thousand of ancillary expenses relating to the rental of the Company's offices and Euro 97 thousand of lease costs for cars and warehouse equipment that do not fall within the scope of application of IFRS 16 because of their small amount or the short residual duration of the lease.

13. Payroll costs

Payroll costs include the Directors' fees approved by the Shareholders' Meeting, the amounts paid to temporary workers and contract staff and the cost of cars assigned to employees. Payroll costs amounted to Euro 4,663 thousand, increasing by Euro 182 thousand compared to the previous fiscal year:

Euro thousand	June 30, 2026	June 30, 2025	Change	Change %
Wages and salaries	(2,323)	(2,071)	(252)	12.2%
Social contributions	(869)	(792)	(77)	9.8%
Employee termination indemnity	(139)	(123)	(16)	12.7%
Stock option plan	0	(470)	470	n.m.
Directors' fees	(1,210)	(965)	(245)	25.4%
External collaborators	(41)	0	(41)	n.m.
Agents' commission	0	(3)	3	-88.4%
Other payroll costs	(81)	(57)	(24)	41.8%
Total payroll costs	**(4,663)**	**(4,481)**	**(182)**	**4.1%**

Total payroll costs increased during the current fiscal year, reflecting the accrual of variable remuneration for employees and Directors, which had not been accrued in the previous fiscal year.

Payroll costs include wages and salaries, social contributions and the employee termination indemnity. Details below:

Euro thousand	June 30, 2026	June 30, 2025	Change	Change %
Wages and salaries	(2,323)	(2,071)	(252)	12.2%
Social contributions	(869)	(792)	(77)	9.8%
Employee termination indemnity	(139)	(123)	(16)	12.7%
Total payroll costs	**(3,332)**	**(2,986)**	**(346)**	**11.6%**
Average number of employees	34	35	(1)	-2.9%
Average cost per employee	**(98)**	**(85)**	**(13)**	**14.9%**

The average cost per employee amounted to Euro 98 thousand, increased compared to the previous fiscal year as a result of the recognition of the variable remuneration.

As of June 30th, 2026, the Company's workforce decreased by four employees compared to June 30th, 2025. The breakdown by category is as follows:

Category	June 30th, 2026	June 30th, 2025	Change
Managers	6	6	0
Office workers	22	25	(3)
Blue-collar workers and apprentices	3	4	(1)
Total employees	**31**	**35**	**(4)**

The average number of employees for the fiscal year is calculated based on the number of employees at the end of each month. The table below provides a breakdown by category, together with comparative figures for the previous fiscal year:

Category	Average no. in 2026	Average no. in 2025	Change
Managers	6	6	0
Office workers	25	25	0
Blue-collar workers and apprentices	3	4	(1)
Total employees	**34**	**35**	**(1)**

The Company's employees are contracted under the current Confcommercio national collective employment agreement for the commercial. distribution and services sector.

14. Other operating costs

Total other operating costs amounted to Euro 435 thousand, down 7.2%. The following table provides details of operating costs, together with prior fiscal year comparatives:

Euro thousand	June 30, 2026	June 30, 2025	Change	Change %
Purchases of sundry materials	(10)	(19)	9	-49.2%
General & administrative costs	(372)	(382)	10	-2.6%
Entertainment expenses	0	(4)	4	-90.7%
Bank charges	(53)	(64)	11	-16.8%
Total other operating costs	**(435)**	**(469)**	**34**	**-7.2%**

21. Depreciation, amortization and impairment adjustments

Euro thousand	June 30, 2026	June 30, 2025	Change	Change %
Depreciation and amortisation	(826)	(835)	9	-1.0%
Provisions	0	414	(414)	n.m.
Asset impairment charge	(74)	(8,313)	8,239	-99.1%
Impairment reversal	6,973	0	6,973	n.m.
Total depreciation, amortization and impairment adjustments	**6,073**	**(8,734)**	**14,807**	**n.m.**

Total depreciation, amortization and impairment adjustments was positive at Euro 6,073 thousand compared to the negative Euro 8,734 thousand in the previous fiscal year. The change mainly reflected the reversal of Euro 6,973 thousand of the impairment loss recognised on the financial receivable from Rasplata B.V. in the previous fiscal year, which originally amounted to Euro 8,042 thousand. The reversal followed the repayment of the receivable by the subsidiary during the fiscal year.

Asset impairment charges as of 30th, 2026 are analyzed as follows:

Euro thousand	June 30, 2026	June 30, 2025	Change
Impairment of the investment in Rasplata BV	0	(8,042)	8,042
Impairment of the investment in Game Network S.r.l	0	(159)	159
Impairment adjustment to trade receivables	(42)	(78)	36
Impairment of the investment in Digital Bros Holdings Ltd.	(20)	0	(20)
Impairment of the investment in Digital Bros Game Academy S.r.l.	(12)	(34)	22
Total asset impairment change	**(74)**	**(8,313)**	**8,239**

25. Net financial income/ (expenses)

Net financial income amounted to Euro 5,720 thousand compared to Euro 10,405 thousand in the previous fiscal year. Furter details are analysed as follows:

	Euro thousand	June 30, 2026	June 30, 2025	Change	Change %
23	Interest and financial income	13,413	13,402	11	0.1%
24	Interest and financial expenses	(7,693)	(2,997)	(4,696)	n.m.
25	**Net interest and financial income**	**5,720**	**10,405**	**(4,685)**	**-45.0%**

Details about net interest and financial income are provided in the table below:

Euro thousand	June 30, 2026	June 30, 2025	Change	Change %
Dividends from subsidiaries	12,000	10,000	2,000	20.0%
Financial income	579	2,419	(1,840)	-76.1%
Currency exchange gains	834	983	(149)	-15.2%
Net interest and financial income	**13,413**	**13,402**	**11**	**0.1%**

Dividends received during the fiscal year were entirely distributed by Kunos Simulazioni S.r.l. and increased by Euro 2,000 thousand compared to the previous fiscal year.

Financial income relates to the interest accrued on the loan granted to the subsidiary Rasplata B.V. up to December 31st, 2025, as previously described.

Financial expenses amounted to Euro 7,693 thousand and included Euro 5,683 thousand relating to the Company's share of losses of the associate Starbreeze, recognised in accordance with IAS 28. Until May 15th, 2025, the investment had instead been measured at fair value, with changes in fair value recognised in other comprehensive income.

Interest and financial expenses are analyzed as follows:

Euro thousand	June 30, 2026	June 30, 2025	Change	Change %
Interest expenses on bank accounts	(392)	(450)	58	-12.9%
Interest expenses on loans and leases	(21)	(32)	11	**-34.3%**
Interest expense on borrowings	0	(7)	7	n.m.
Total interest expenses on sources of finance	**(413)**	**(489)**	**76**	**-15.6%**
Currency exchange losses	(297)	(880)	583	-66.3%
Share of losses of Starbreeze	(5,683)	(1,628)	(4,055)	n.m.
Impairment of the investment in MSE&DB S.L.	(1,300)	0	(1,300)	n.m.
Total interest and financial expenses	**(7,693)**	**(2,997)**	**(4,696)**	**n.m.**

29. Total taxes

Current and deferred taxes as of June 30th, 2026 are detailed as follows:

Euro thousand	June 30, 2026	June 30, 2025	Change	Change %
Current taxes	216	136	80	58.9%
Deferred taxes	58	29	29	98.1%
Total taxes	**274**	**165**	**109**	**65.9%**

Current taxes for the fiscal year were follows

Euro thousand	June 30, 2026	June 30, 2025	Change	Change %
IRES	216	136	80	58.8%
IRAP	0	0	0	n.m.
Total current taxes	**216**	**136**	**80**	**58.8%**

IRES for the period is as follows:

Euro thousand	June 30, 2025	June 30, 2024	Change
Taxable income for IRES	(979)	(1.016)	37
IRES rate	24.0%	24.0%	
IRES for the period	235	244	(9)
Prior fiscal year taxes	(19)	(108)	89
IRES for the period	**216**	**136**	**80**

IRES for the period is reconciled with the result reported in the financial statements as follows

Euro thousand	June 30, 2026		June 30, 2025	
Company's profit before tax	**9,999**		**(20)**	
IRES rate	**24.0%**		**24.0%**	
Theoretical tax charge	**(2,400)**	**-24.0%**	**5**	**-24.0%**
Tax effect of non-taxable dividends	2,736	27.4%	2,280	n.m
Tax effect of of non-taxable reversals of impairment losses	1,674	16.7%	0	n.m
Net tax effect of non-deductible costs	(1,715)	-17%	(2,110)	n.m
Net tax effect of the reversal of deferred tax assets not included in the items above	(60)		69	
Taxes on income for the year and effective tax rate	**235**	**2.3%**	**244**	**n.m.**

The Company did not recognise any IRAP expense for the fiscal year ended June 30th, 2026, due to the absence of a taxable base, consistent with the previous fiscal year. The reconciliation of the IRAP tax expense for the fiscal year is presented below:

Euro thousand	June 30, 2026		June 30, 2025	
Operating margin/EBIT of the Company	**861**		**1,501**	
IRAP rate	**5.57%**		**5.57%**	
Theoretical IRAP	**(48)**	-5.6%	**(84)**	-5.6%
Tax effect of non-deductible costs	93	10.8%	97	6.5%
Tax on income for the period and effective tax rate	**0**	**0.0%**	**0**	**0.0%**

Digital Bros S.p.A falls within the scope of application of the 5.57% IRAP rate for industrial holding companies.

7. FINANCIAL INSTRUMENTS AND FINANCIAL RISK MANAGEMENT (IFRS 7)

The main financial instruments used by the Company are:

- Bank overdrafts;
- Sight and short-term bank deposits;
- Import financing;
- Export financing;
- Commercial credit lines (factoring of trade receivables and advances on notes);
- Finance leases;
- Medium-term product development financing.

The purpose of these instruments is to finance the Company's operating activities.

Credit facilities granted to the Company and utilized as of June 30th, 2026 are as follows:

Euro thousands	**Total amount**	**Disposed**	**Available**
Bank overdrafts	1,050	29	1,021
Short term financing	6,000	5,508	492
Advances on invoices and cash orders subject to collection	1,000	0	1,000
Total	**8,050**	**5,537**	**2,513**

Credit facilities as of June 30th, 2025 were as follows:

Euro thousands	**Total amount**	**Disposed**	**Available**
Bank overdrafts	1,200	902	298
Short term financing	6,500	6,358	142
Advances on invoices and cash orders subject to collection	1,000	0	1,000
Total	**8,700**	**7,260**	**1,440**

The Company seeks to maintain an appropriate balance between short-term and medium/long-term financing. Its core business, namely the marketing of videogames, mainly requires investments in net working capital, which are financed through short-term credit facilities, while long-term investments are generally financed through medium/long-term credit facilities.

Accordingly, medium/long-term financial liabilities have a well-balanced maturity profile.

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Financial instruments: Digital Bros S.p.A. balance sheet as of June 30th, 2026

Category of financial assets in terms of IFRS 9

Financial instruments – Assets as of June 30, 2026 (in Euro thousands)	**FVTPL**	**Assets at amortized cost**	**FVTOCI**	**Carrying amount as of June 30, 2026**	**Notes**
Non-current receivables and other assets	-	641	-	641	5
Non-current financial assets	-	0	-	0	7
Trade receivables	-	283	-	283	9
Receivables from subsidiaries	-	66,714	-	66,714	10
Other current assets	-	2,106	-	2,106	12
Cash and cash equivalents	-	1,018	-	1,018	13
Other current financial assets	-	0	-	0	14
Total	**-**	**70,762**	**-**	**70,762**	

Category of financial liabilities in terms of IFRS 9

Financial instruments – Liabilities as of June 30, 2026 (in Euro thousands)	**FVTPL**	**Liabilities at amortized cost**	**FVTOCI**	**Carrying amount as of June 30, 2026**	**Notes**
Other non-current liabilities	-	-	-	-	21
Non-current financial liabilities	-	333	-	333	22
Trade payables	-	1,188	-	1,188	23
Payables to subsidiaries	-	27,392	-	27,392	24
Other current liabilities	-	1,068	-	1,068	27
Current financial liabilities	-	6,120	-	6,120	28
Total	**-**	**36,101**	**-**	**36,101**	

Financial instruments: Digital Bros S.p.A. balance sheet as of June 30th, 2025

Category of financial assets in terms of IFRS 9

Financial instruments – Assets as of June 30th, 2025 (in Euro thousands)	**FVTPL**	**Assets at amortized cost**	**FVTOCI**	**Carrying amount as of June 30, 2025**	**Notes**
	-				
Non-current receivables and other assets	-	641	-	641	5
Non-current financial assets	-	19,046	-	19,046	7
Trade receivables	-	327	-	327	9
Receivables from subsidiaries	-	44,763	-	44,763	10
Other current assets	-	1,869	-	567	12
Cash and cash equivalents	-	20	-	20	13
Other current financial assets	-	1,041	-	1,041	14
Total	**-**	**67,707**	**-**	**66,405**	

Category of financial liabilities in terms of IFRS 9

Financial instruments – Liabilities as of June 30th, 2025 (in Euro thousands)	**FVTPL**	**Liabilities at amortized cost**	**FVTOCI**	**Carrying amount as of June 30, 2025**	**Notes**
Other non-current liabilities	-	-	-	-	21
Non-current financial liabilities	-	934	-	934	22
Trade payables	-	1,364	-	1,364	23
Payables to subsidiaries	-	42,097	-	42,097	24
Other current liabilities	-	824	-	824	27
Current financial liabilities	-	7,852	-	7,852	28
Total	-	**53,071**	-	**53,071**	

The main risks deriving from the Company's financial instruments are:

- Foreign rate risk;
- Interest rate risk;
- Liquidity risk.

Interest rate risk

The Company is exposed to the risk of rising interest rates on short-term financial instruments, as any increase cannot be immediately passed through to sales prices.

Liquidity Risk

Videogame development requires significant upfront investment, while the related cash inflows are often generated only after a development cycle lasting several years. This timing mismatch may require the Group to use external financing to fund its development pipeline and meet its other financial commitments.

The Group's ability to raise financing depends on credit market conditions, the terms offered by financial institutions and its own financial performance and financial position. A deterioration in market conditions or in the Group's credit profile could make new financing, or the renewal of existing facilities, more difficult or expensive to obtain. If sufficient funding were not available when required, the Group could be constrained in its ability to fund planned investments or meet its financial commitments, potentially affecting the execution of its business plans and its financial performance.

Liquidity is managed centrally by the Group's treasury function, which monitors cash flows, funding needs and available liquidity to ensure that adequate financial resources are available when required. The Group has also reduced its reliance on external financing through cash generated from operations. The improvement in the Group's financial position and strong EBITDA have contributed to an improvement in its credit rating and a corresponding reduction in borrowing costs. The short- and medium/long-term planning process also provides forward visibility over the Group's funding needs. Based on its short- and medium/long-term forecasts, the Group expects its available financial resources, together with cash flows generated from operating activities, to be sufficient to fund planned investments and working capital requirements and to meet its financial obligations as they fall due. The planning process also enables the Group to identify any additional funding requirements well in advance

Foreign Exchange Risk

The Group's exposure to the US dollar from sales denominated in that currency is partly offset by the fact that a significant number of its videogame development agreements are also denominated in US dollars. An adverse movement in the Euro/US dollar exchange rate would increase development costs and royalties payable after release but would also increase the Euro value of US dollar-denominated revenues. The opposite would apply in the event of a favourable exchange rate movement.

The Group is also exposed to fluctuations in the Chinese Renminbi following the launch of Wuchang: Fallen Feathers. The title's strong performance in China has increased the Group's exposure to the currency and, as a result, movements in the Euro/Renminbi exchange rate may affect the Euro value of revenues generated in Renminbi. .

The following table shows the Group's financial obligations by contractual maturity, in the worst-case scenario and using undiscounted amounts, considering the earliest date by which the Company could be asked for payment and providing the number of the relevant note.

Financial liabilities as of June 30th, 2026 (Euro thousand)	**Carrying amount**	**Within a year**	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**More than 5 years**	**Total**	**Notes**
Non-current financial liabilities	333		333	0				333	22
Current financial liabilities	6,120	6,120						6,120	28
Total	**6,453**	**6,120**	**333**	**0**				**6,453**	

Financial liabilities as of June 30th, 2025 (Euro thousand)	**Carrying amount**	**Within a year**	**1 to 2 years**	**2 to 3 years**	**3 to 4 years**	**4 to 5 years**	**More than 5 years**	**Total**	**Notes**
Non-current financial liabilities	934		610	324				934	22
Current financial liabilities	7,852	7,852						7,852	28
Total	**8,786**	**7,852**	**610**	**324**				**8,786**	

The Company has sufficient financial resources to meet its obligations that are due within the fiscal year, relying on available liquidity, unused credit lines and facilities amounting to approximately Euro 2.5 million as of the reporting date, and on cash flows generated by its core operations.

Fair value of financial assets and liabilities and valuation techniques

The table below presents the fair value of financial assets and liabilities, classified according to the valuation methods and techniques used to determine their fair value.

Financial assets for which fair value cannot be objectively determined are not presented.

The fair value of amounts due to banks was calculated based on the yield curve at the reporting date, without making any assumptions regarding credit spreads.

The fair value of financial instruments quoted in an active market is based on market prices at the reporting date. The market prices used are bid or ask prices, depending on whether the position held is an asset or a liability. The fair value of financial instruments not quoted in an active market and of derivative financial instruments is determined using commonly accepted market valuation models and techniques based on observable market inputs.

Fair value has not been separately calculated for trade receivables and payables and other financial assets, as their carrying amounts approximate their fair value.

With regard to lease liabilities and amounts due to other lenders, their fair value is not considered to differ significantly from their carrying amount.

Euro thousand	Carrying amount as of June 30th, 2026	*Mark to Market*	*Mark to Model*	Total fa*ir value*	Notes
		Fair Value	*Fair Value*		
Non-current financial assets	0	0	-	0	7
Receivables from subsidiaries	66,714	66,714		66,714	10
Cash and cash equivalents	1,018	1,018	-	1,018	13
Other current financial assets	0	0	-	0	14
Non-current financial liabilities	333	333	-	333	22
Payables to subsidiaries	27,392	27,392		27,392	24
Current financial liabilities	6,120	6,120	-	6,120	28

Euro thousand	Carrying amount as of June 30th, 2025	*Mark to Market*	*Mark to Model*	Total *Fair value*	Notes
		Fair Value	*Fair Value*		
Non-current financial assets	19,046	19,046	-	19,046	7
Cash and cash equivalents	20	20	-	20	13
Other current financial assets	1,041	1,041	-	1,041	14
Non-current financial liabilities	934	934	-	934	22
Current financial liabilities	7,852	7,852	-	7,852	28

Fair Value hierarchy

For financial instruments measured at fair value, IFRS 7 requires fair value measurements to be classified according to a hierarchy that reflects the significance of the inputs used in determining fair value. The following levels are identified:

- Level 1: quoted prices in active markets for the assets or liabilities being measured;
- Level 2: inputs other than quoted prices included within Level 1 that are directly or indirectly observable in the market;
- Level 3: inputs that are not based on observable market data.

In determining the fair value of financial instruments, the Company uses different measurement and valuation techniques. The following table provides a summary of the techniques applied for the fiscal years ended June 30th, 2026 and June 30th, 2025:

Carrying amount as of June 30, 2026	Instrument	Level 1	Level 2	Level 3	Total	Notes
Investments	Listed shares	234			234	4

Carrying amount as of June 30 2025	Instrument	Level 1	Level 2	Level 3	Total	Notes
Investments	Listed shares	5,854			5,854	4

8. NON-RECURRING ITEMS

The consolidated profit and loss statement according to the Consob Resolution 15519 of July 27th, 2006 is as follows:

	Euro thousand	June 30th, 2026		June 30th, 2025	
		Total	Of which non recurring	Total	Of which non recurring
1	Gross revenue	5,347	0	6,971	0
2	Revenue adjustments	0	0	0	0
3	**Net revenue**	**5,347**	**0**	**6,971**	**0**
4	Purchase of products for resale	(27)	0	(29)	0
5	Purchase of services for resale	0	0	0	0
6	Royalties	0	0	0	0
7	Changes in inventories of finished products	(196)	0	(757)	0
8	**Total cost of sales**	**(223)**	**0**	**(786)**	**0**
9	**Gross profit (3+8)**	**5,124**	**0**	**6,185**	**0**
10	Other income	380	0	168	0
11	Costs for services	(1,900)	0	(2,771)	0
12	Rent and leasing	(300)	0	(324)	0
13	Payroll costs	(4,663)	0	(4,481)	0
14	Other operating costs	(435)	0	(469)	0
15	**Total operating costs**	**(7,298)**	**0**	**(8,045)**	**0**
16	**Gross operating margin (EBITDA) (9+10+15)**	**(1,794)**	**0**	**(1,692)**	**0**
17	Depreciation and amortization	(826)	0	(835)	0
18	Provisions	0	0	414	(414)
19	Asset impairment charge	(74)	0	(8,313)	0
20	Impairment reversal	6,973	0	0	0
21	**Total depreciation, amortization and impairment adjustments**	**6,073**	**0**	**(8,734)**	**(414)**
22	**Operating margin (EBIT) (16+21)**	**4,279**	**0**	**(10,426)**	**(414)**
23	Interest and financial income	13,413	0	13,402	0
24	Interest and other financial expenses	(7,693)	0	(2,997)	0
25	**Net interest income/(expenses)**	**5,720**	**0**	**10,405**	**0**
26	**Profit/ (loss) before tax (22+25)**	**9,999**	**0**	**(21)**	**(414)**
27	Current tax	216	0	136	0
28	Deferred tax	58	0	29	0
29	**Total taxes**	**274**	**0**	**165**	**0**
30	**Net profit/loss (26+29)**	**10,273**	**0**	**144**	**(414)**

9. CONTINGENT ASSETS AND LIABILITIES

As of June 30th, 2026 and consistent with the previous fiscal year, there were no contingent assets and liabilities.

10. RELATED PARTY TRANSACTIONS

All commercial and financial transactions between Digital Bros S.p.A. and its subsidiaries and associates have been conducted at arm's length and cannot be classified as atypical or unusual transactions, pursuant to Consob Resolution 17221 of March 12th, 2010.

Transactions between Digital Bros and subsidiaries

Commercial and financial transactions between Digital Bros S.p.A. and other Group companies as of June 30th, 2026 were carried out on an arm's length basis. The following table provides a summary of year-end balances and transactions during the fiscal year, together with comparative figures for the previous fiscal year:

Euro thousands	**Receivables**		**Payables**		**Revenue**	**Costs**
	Trade	Financial	Trade	Financial		
505 Games S.p.A.	0	54,619	0	0	5,102	27
505 Go Inc.	0	6,682	0	0	0	0
505 Games Australia Pty Ltd.	0	3,884	0	0	0	0
Rasplata B.V.	0	2,173	0	0	578	0
Chrysalide Jeux et Divertissement Inc.	0	1,482	0	0	0	0
505 Games Japan KK	0	47	0	0	0	0
Kunos Simulazioni S.r.l.	0	0	0	(12,539)	0	0
505 Games (US) Inc.	0	0	0	(3,555)	0	0
Supernova Games Studios S.r.l.	0	0	0	(2,184)	0	0
Ingame Studios a.s.	0	0	0	(2,058)	0	0
505 Mobile S.r.l.	0	0	0	(2,012)	0	0
505 Games Ltd.	0	0	0	(1,726)	0	0
DR Studios Ltd.	0	0	0	(993)	0	0
505 Games Mobile (US)	0	0	0	(949)	0	0
Avantgarden S.r.l.	0	0	0	(901)	52	0
Digital Bros Asia Pacific (HK) Ltd.	0	0	0	(135)	0	0
Digital Bros Game Academy S.r.l.	0	0	0	(109)	48	0
Digital Bros China (Shenzen) Ltd.	0	0	0	(105)	0	0
Game Entertainment S.r.l.	0	0	0	(98)	0	0
505 Pulse S.r.l.	0	0	0	(28)	0	0
Total	**0**	**68,887**	**0**	**(27,392)**	**5,780**	**27**

The balance relating to Rasplata B.V. is presented gross of the related impairment loss.

The Company also centrally manages the Group's cash resources through intercompany current accounts, to which outstanding balances between the different subsidiaries are transferred at least quarterly. These accounts do not bear interest.

Other related parties

Other related party transactions solely refer to the property leased by Matov Imm. S.r.l. to Digital Bros S.p.A.. Matov Imm. S.r.l. is owned by Abramo and Raffaele Galante.

The following table details financial statement balances and total transactions for the period, together with the comparatives for the previous year:

June 30th, 2026

Euro thousands	Receivables		Payables		Revenues	Costs
	Trade	Financial	Trade	Financial		Trade
Matov Imm. S.r.l.	0	635	0	(909)	0	(798)
Total as of June 30th, 2026	**0**	**635**	**0**	**(909)**	**0**	**(798)**

June 30th, 2025

Euro thousands	Receivables		Payables		Revenues	Costs
	Trade	Financial	Trade	Financial		
Matov Imm. S.r.l.	0	635	0	(1,502)	0	(856)
Total as of June 30th, 2025	**0**	**635**	**0**	**(1,502)**	**0**	**(856)**

The financial receivable due to Digital Bros S.p.A. from Matov Imm. S.r.l. relates to the security deposit paid as a guarantee on the lease agreements for the premises located at Via Tortona 37, Milan.

The financial liability reflects the application of IFRS 16 to lease payments that the Company is required to recognize over the period from the reporting date through the contractual expiry.

Tax consolidation

Following the introduction of the tax consolidation regime into the Italian tax system, Digital Bros S.p.A., as the parent company, elected to apply the regime as the consolidating entity together with 505 Mobile S.r.l., Game Entertainment S.r.l., Game Service S.r.l., 505 Games S.p.A., Digital Bros Game Academy S.r.l., Kunos Simulazioni S.r.l., Avantgarden S.r.l., 505 Pulse S.r.l. and Supernova Games S.r.l..

Participation in the national tax consolidation regime required the adoption of specific rules governing intercompany relationships, aimed at ensuring that none of the participating companies is adversely affected.

The profit and loss statement and the balance sheet statement drafted in accordance with the Consob Resolution No. 15519 of July 27, 2006, are as follows:

	Euro thousand	June 30th, 2026		June 30th, 2025	
		Total	Of which non-recurring	Total	Of which non-recurring
1	Gross revenue	5,347	0	6,971	0
2	Revenue adjustments	0	0	0	0
3	**Net revenue**	**5,347**	**0**	**6,971**	**0**
4	Purchase of products for resale	(27)	0	(29)	0
5	Purchase of services for resale	0	0	0	0
6	Royalties	0	0	0	0
7	Changes in inventories of finished products	(196)	0	(757)	0
8	**Total cost of sales**	**(223)**	**0**	**(786)**	**0**
9	**Gross profit (3+8)**	**5,124**	**0**	**6,185**	**0**
10	Other income	380	0	168	0
11	Costs for services	(1,900)	0	(2,771)	0
12	Rent and leasing	(300)	(202)	(324)	(250)
13	Payroll costs	(4,663)	0	(4,481)	0
14	Other operating costs	(435)	0	(469)	0
15	**Total operating costs**	**(7,298)**	**(202)**	**(8,045)**	**(250)**
16	**Gross operating margin (EBITDA) (9+10+15)**	**(1,794)**	**(202)**	**(1,692)**	**(250)**
17	Depreciation and amortization	(826)	(576)	(835)	(576)
18	Provisions	0	0	414	0
19	Asset impairment charge	(74)	0	(8,313)	0
20	Impairment reversal	6,973	0	0	0
21	**Total depreciation, amortization and impairment adj.**	**6,073**	**(576)**	**(8,734)**	**(576)**
22	**Operating margin (EBIT) (16+21)**	**4,279**	**(778)**	**(10,426)**	**(826)**
23	Interest and financial income	13,413	0	13,402	0
24	Interest and other financial expenses	(7,693)	(20)	(2,997)	(30)
25	**Net interest income/(expenses)**	**5,720**	**(20)**	**10,405**	**(30)**
26	**Profit/ (loss) before tax (22+25)**	**9,999**	**(798)**	**(21)**	**(856)**
27	Current tax	216	0	136	0
28	Deferred tax	58	0	29	0
29	**Total taxes**	**274**	**0**	**165**	**0**
30	**Net profit/loss (26+29)**	**10,273**	**(798)**	**144**	**(856)**

Balance sheet statement according to the Consob Resolution n. 15519 of July 27th,2006

	Euro thousand	June 30th, 2026		June 30th, 2025	
		Total	Of which with related parties	Total	Of which with related parties
	Non-current assets				
1	Property, plant and equipment	3,281	0	3,653	0
2	Investment properties	0	0	0	0
3	Intangible assets	147	0	194	0
4	Equity investments	16,792	0	23,854	0
5	Non-current receivables and other assets	641	635	641	635
6	Deferred tax assets	425	0	4,771	0
7	Non-current financial activities	0	0	19,046	0
	Total non-current assets	**21,286**	**635**	**52,159**	**635**
	Current assets				
8	Inventories	996	0	1,192	0
9	Trade receivables	283	0	327	0
10	Trade receivables to subsidiaries	66,714	0	44,763	0
11	Tax receivables	4,689	0	5,890	0
12	Other current assets	2,106	0	1,869	0
13	Cash and cash equivalents	1,018	0	20	0
14	Other current financial assets	0	0	1,041	0
	Total current assets	**75,806**	**0**	**55,102**	**0**
	TOTAL ASSETS	***97,092***	***635***	***107,261***	***635***
	Shareholders' equity				
15	Share capital	(5,740)	0	(5,706)	0
16	Reserves	(6,399)	0	(9,875)	0
17	Treasury shares	0	0	0	0
18	Retained earnings	(48,392)	0	(38,119)	0
	Total net equity	**(60,531)**	**0**	***(53,700)***	**0**
	Non-current liabilities				
19	Employee benefits	(288)	0	(299)	0
20	Non-current provisions	(48)	0	(59)	0
21	Other non-current payables and liabilities	0	0	0	0
22	Non-current financial liabilities	(333)	(333)	(934)	(927)
	Total non-current liabilities	**(669)**	**(333)**	**(1,292)**	**(927)**
	Current liabilities				
23	Trade payables	(1,188)	0	(1,364)	0
24	Payables to subsidiaries	(27,392)	0	(42,097)	0
25	Tax payables	(124)	0	(132)	0
26	Short term provisions	0	0	0	0
27	Other current liabilities	(1,068)	0	(824)	0
28	Current financial liabilities	(6,120)	(576)	(7,852)	(575)
	Total current liabilities	**(35,892)**	**(576)**	**(52,269)**	**(575)**
	TOTAL LIABILITIES	**(36,561)**	**(909)**	**(53,561)**	**(1,502)**
	TOTAL NET EQUITY AND LIABILITIES	***(97,092)***	***(909)***	***(107,261)***	***(1,502)***

11. ATYPICAL OR UNUSUAL TRANSACTIONS

No atypical or unusual transactions occurred during the fiscal year, as defined by the Consob Communication DEM 6064293 of July 28th, 2006, consistent with the previous fiscal year.

12. OTHER INFORMATION

Income from equity investments other than dividends

The Company did not receive any income from equity investments other than dividends, pursuant to Art. 2425 (15) of the Italian Civil Code.

Directors' fees

The fees paid to Directors amounted to Euro 1,210 thousand.

Statutory Auditors' fees

The fees paid to members of the Board of Statutory Auditors amounted to Euro 71 thousand.

Financial instruments issued by the Company

As of June 30th, 2026, the Company had no financial instruments outstanding, as the exercise period for the options granted under the Stock Option Plan 2016-2026 expired at the end of the fiscal year.

Shareholders loans with subordination clauses

The Company is not party to any shareholder loans with subordination clauses.

Capital earmarked for a specific use

The Company has not earmarked any capital for a specific use.

Loans earmarked for a specific use

The Company has not earmarked any loans for a specific use.

Off-balance sheet agreements

There were no off-balance sheet agreements.

13. OWNERSHIP STRUCTURE (pursuant to Art. 123 bis T.U.F.)

Share capital structure

As of June 30th, 2026, the share capital amounted to Euro 5,740,014.80, increasing by Euro 34 thousand compared to June 30th, 2025 following the subscription of no. 85,000 shares under the Stock Option Plan 2016-2026. It consists of no. 14,350,037 ordinary shares with a nominal value of Euro 0.4 each.

No other classes of shares are outstanding, and ordinary shares are not subject to any rights, privileges or restrictions.

Restrictions on the transfer of securities

There are no statutory restrictions on the transfer of securities, such as limits on the possession of shares or the need to obtain permission from the issuer or from other shareholders.

Securities carrying special rights

No securities granting special rights of control have been issued.

Employee share ownership: exercise of voting rights

There are no employee share ownership schemes.

Restriction on voting rights

There are no restrictions on voting rights**.**

Shareholders agreements

There are no shareholders' agreements in place.

Appointment and replacement of Directors and By-law amendments

Please refer to the Report on the Corporate governance and ownership structure available in the Governance / Corporate Governance Report section at www.digitalbros.com.

Authorization to increase share capital and/or purchase of treasury shares

No powers to authorize share capital increases have been granted to the Board of Directors.

Change of control clauses

There are no change of control clauses.

Severance payments to Directors in the event of resignation, dismissal, or termination of the relationship following a public takeover offer

No agreements are in place regarding severance payments to Directors in the event of dismissal, resignation, revocation, nor if the termination of the relationship occurs due to a public takeover offer as of the reporting date.

14. ASSETS REVALUATION

No revaluations were made on the Company's assets pursuant to Art 110 D.L. 104/2020.

15. LOANS GRANTED TO EXECUTIVES AND SUPERVISORY BODIES

No loans have been granted to members of the Company's administrative, management and supervisory bodies, pursuant to Art. 43 (1) of the Fourth Council Directive 78/660/EEC.

16. AUDIT FEES

Pursuant to Art. 149- duodecies of the Issuers Regulation, fees paid to the external auditors EY S.p.A. amounted to Euro 124 thousand as of June 30th, 2026.

17. ALLOCATION OF NET PROFIT FOR THE YEAR

As of June 30th, 2026, the Company realized a net profit of Euro 10,273 thousand. The Board of Directors proposes that the Shareholders' Meeting approve the distribution of a dividend of Euro 0.21 per share, for a total amount of approximately Euro 3,014 thousand, the allocation of Euro 7 thousand to the legal reserve and to carry-forward the remaining Euro 7,252 thousand as Retained earnings, based on the number of shares currently outstanding.

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 S.p.A, hereby declare, including in accordance with Art. 154-bis (3) and (4) of Legislative Decree 58 of February 24th, 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 financial statements for the period July 1st, 2025 – June 30th, 2026. No significant issues have arisen.

We also confirm that:

1. the financial statements of Digital Bros S.p.A.as of June 30th, 2026:
   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 19th, 2002;
   b. reflect the accounting books and records;
   c. give a true and fair view of the results and financial position of the issuer;
2. the Directors' Report as of June 30th, 2026 accompanying the 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. is exposed.

Milan, September 24th, 2026

Signed

Chairman of the Board of Directors	Chief Financial Officer
Abramo Galante	Stefano Salbe