

G5 Entertainment

Investor presentation

NASDAQ OMX: [G5EN.ST](https://www.nasdaq.com/quote/G5EN)



G5 Entertainment in brief

- **Game Developer and publisher**
Casual free-to-play (F2P) games
for tablets, smartphones and PCs
- **Puzzle and adventure game genres**,
such as Hidden Object, Match-3 and Mahjong
Solitaire
- Serving **\$90+ billion global market**
- **Female audience 35+**
- **North America** accounted for 63% of group
revenue in 2024

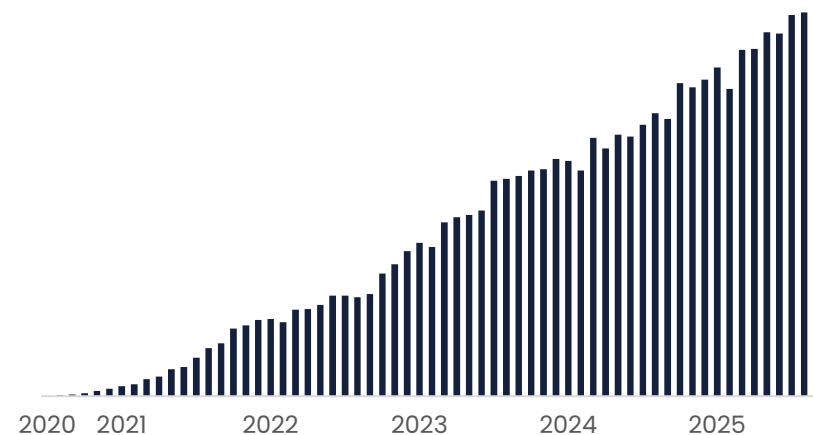
Strong history in sales and downloads

Secret Society: USD 111 M sales
28 M downloads

Hidden City: USD 400 M sales
57 M downloads

G5 Store

Monthly Net Revenue (USD)

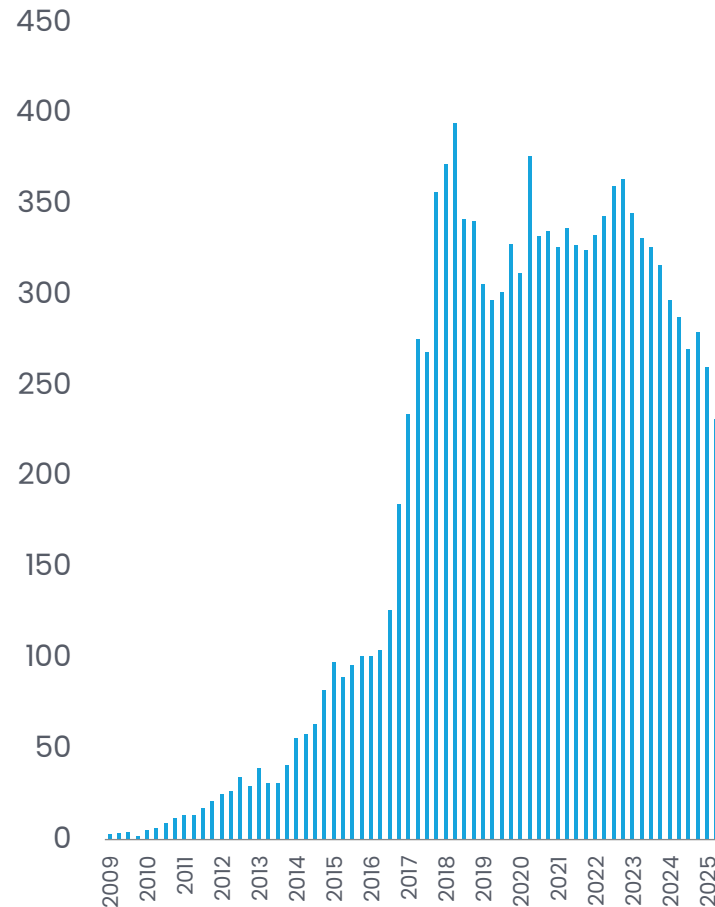


G5 Entertainment in brief (2)

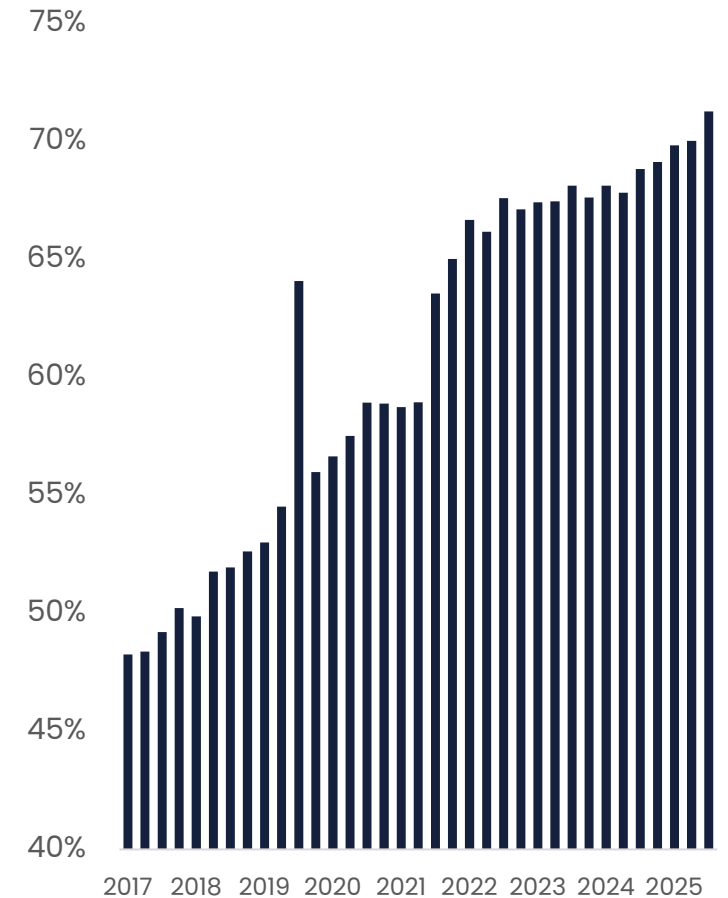
Stable performance in 2024

- **1.1 billion SEK** revenue
- **117 million SEK** EBIT
- **68.4%** Gross Margin
- **G5 Store** boosted gross margin and contributed to stable performance
- **15.22 SEK** EPS
- **8.00 SEK** dividend

Revenue (MSEK)

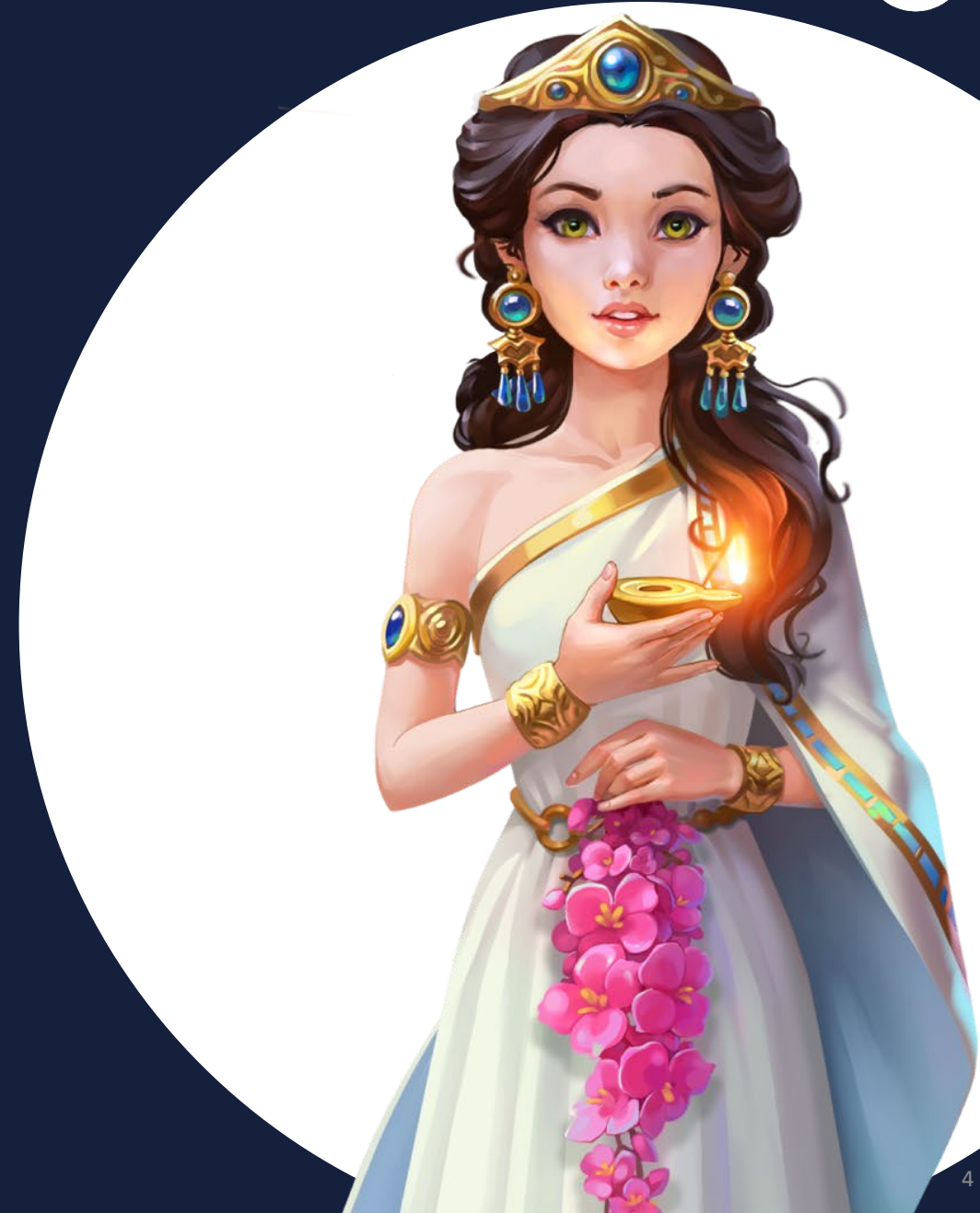


Gross Margin (%)



Mobile Gaming Industry

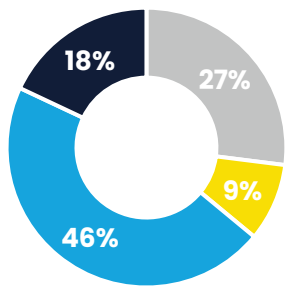
Mobile gaming is the best-performing segment of the overall gaming market.



Global Mobile Gaming: A Growth Market

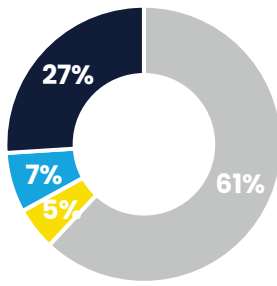
- Mobile gaming is the best-performing segment of the overall gaming market, with global revenues expected to reach **\$106 Bn** USD by 2027
- **48% of 2024 global game revenue** will come from mobile gaming
- With almost **3.4 billion gamers worldwide today** (+5% Y/Y), and 3.8 billion gamers projected by 2027, mobile gaming has more players than any other gaming segment
- Asia is the biggest market, accounting for almost **46%** of total revenues for the industry in 2024, followed by the US
- G5's main market is North America, followed by EU and Japan

2024 Global Games Market per region



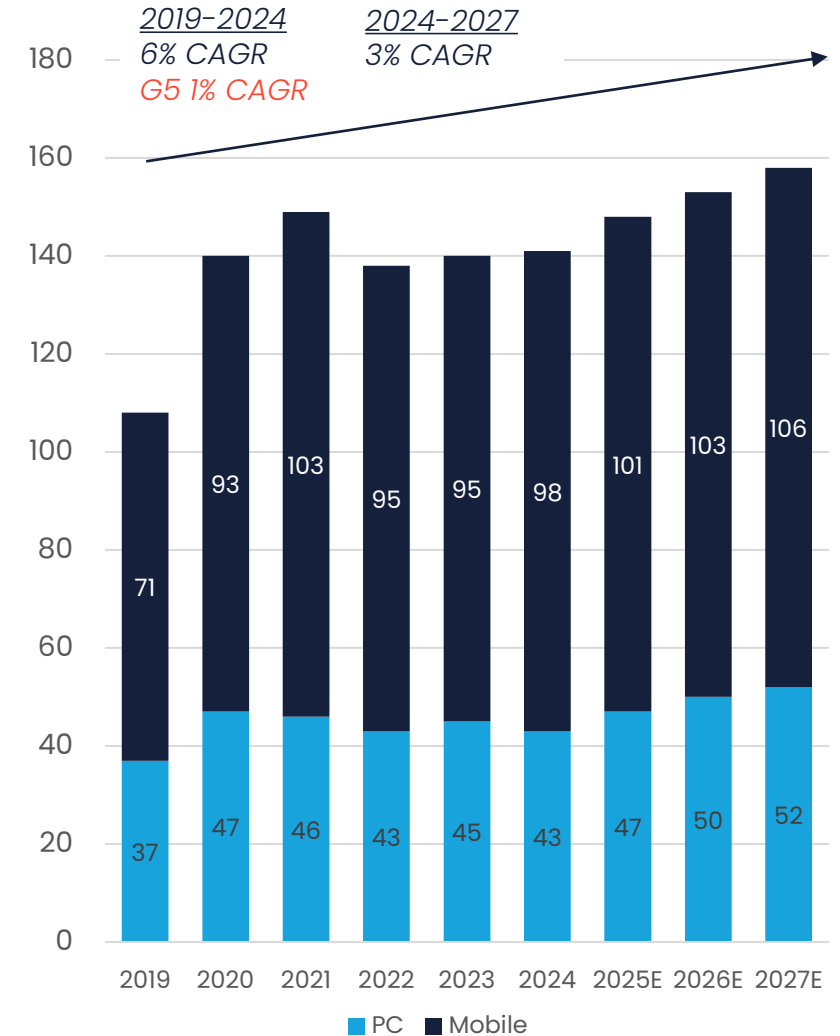
■ North America ■ ROW ■ Asia ■ Europe

G5 Revenue breakdown by geography Q1 2025



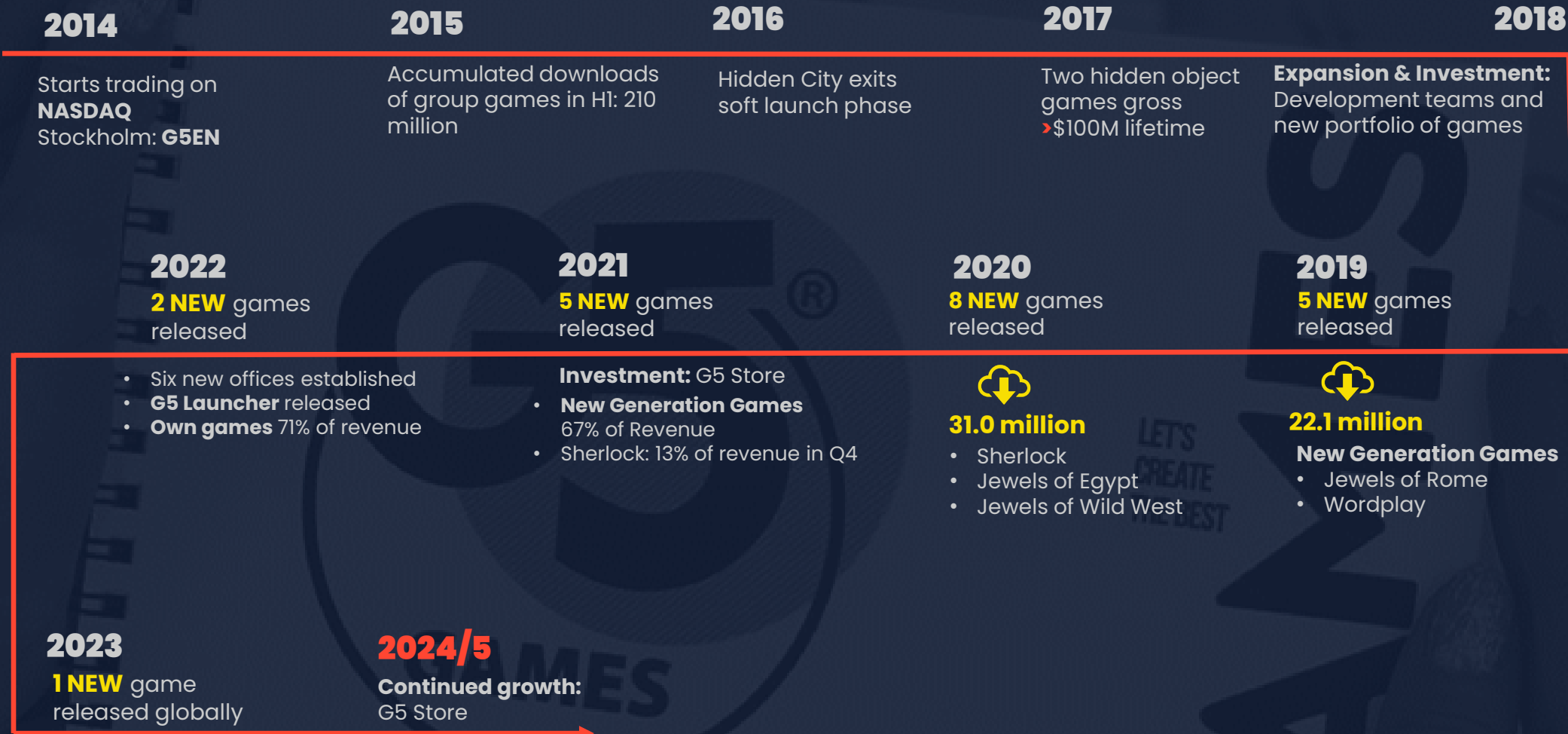
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Global Mobile Games Market Revenues
Mobile & PC Games , Bn USD



*NEWZOO market data

G5 Development: 2014–2025



G5's Portfolio & Development funnel

"G5 has a range of games in the genres that are all liked by the company's target audience."



Target Audience and Game Genre

A Unique Market:

Women Age 35+

Growing demographic

Underserved market

Very loyal audience

Strong paying
audience \$

Hidden Object



Match-3



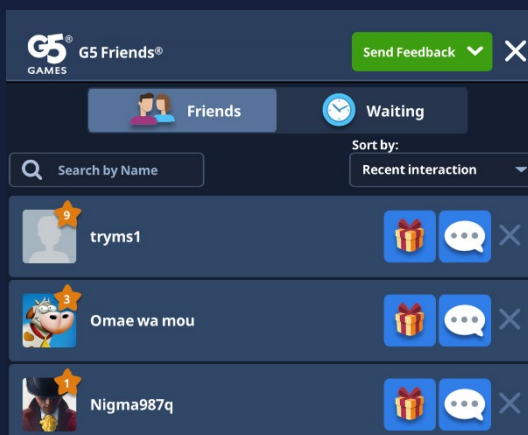
Mahjong / Solitaire



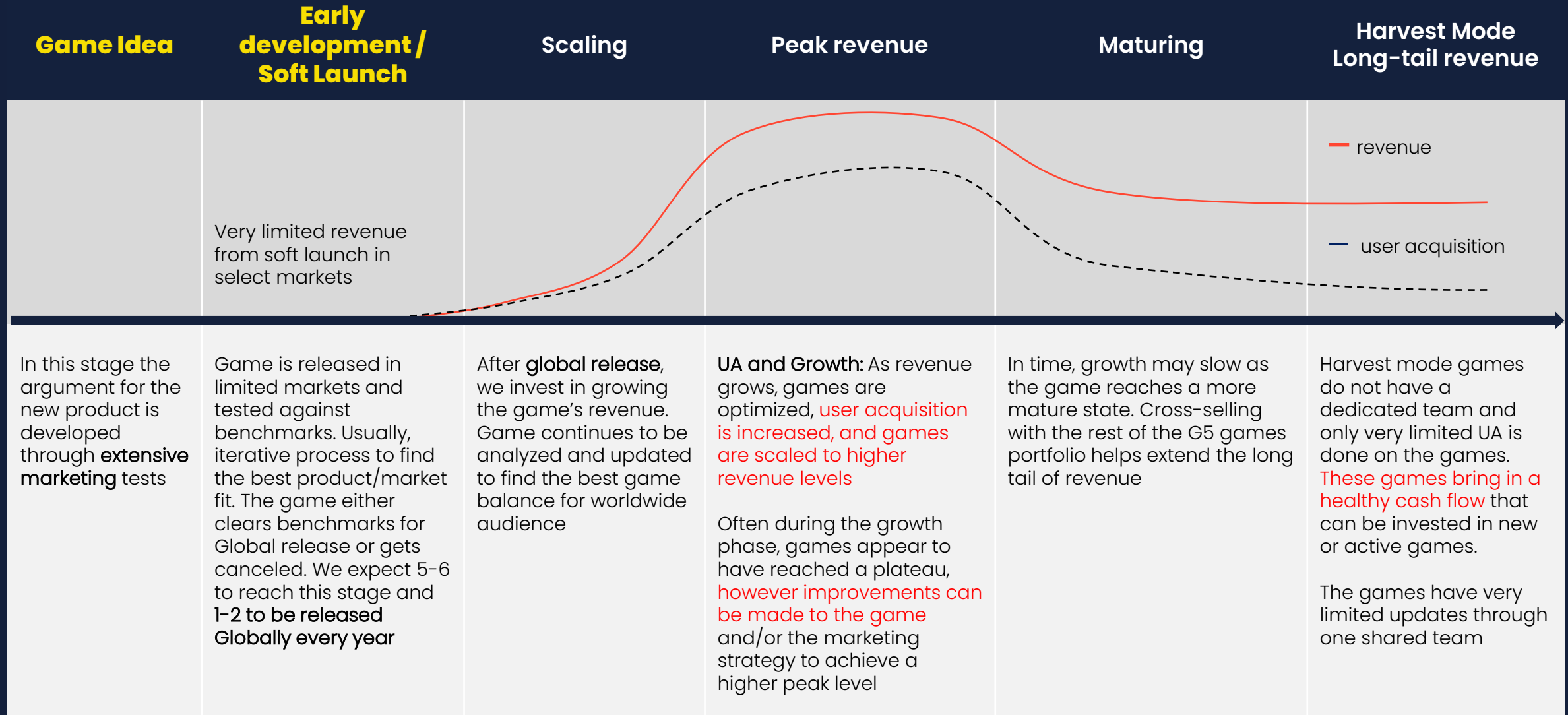
New Genres



G5 Friends Network



New Games Development Funnel



Development funnel stages

1. PRE-PRODUCTION

2. PRODUCTION OF SOFT
LAUNCH VERSION

3. SOFT LAUNCH –
ENGAGEMENT TESTING

4. SOFT LAUNCH –
MONETIZATION TESTING

5. SOFT LAUNCH –
SCALABILITY TESTING

6. PREPARATION FOR
GLOBAL LAUNCH

1 GAMES

14 GAMES

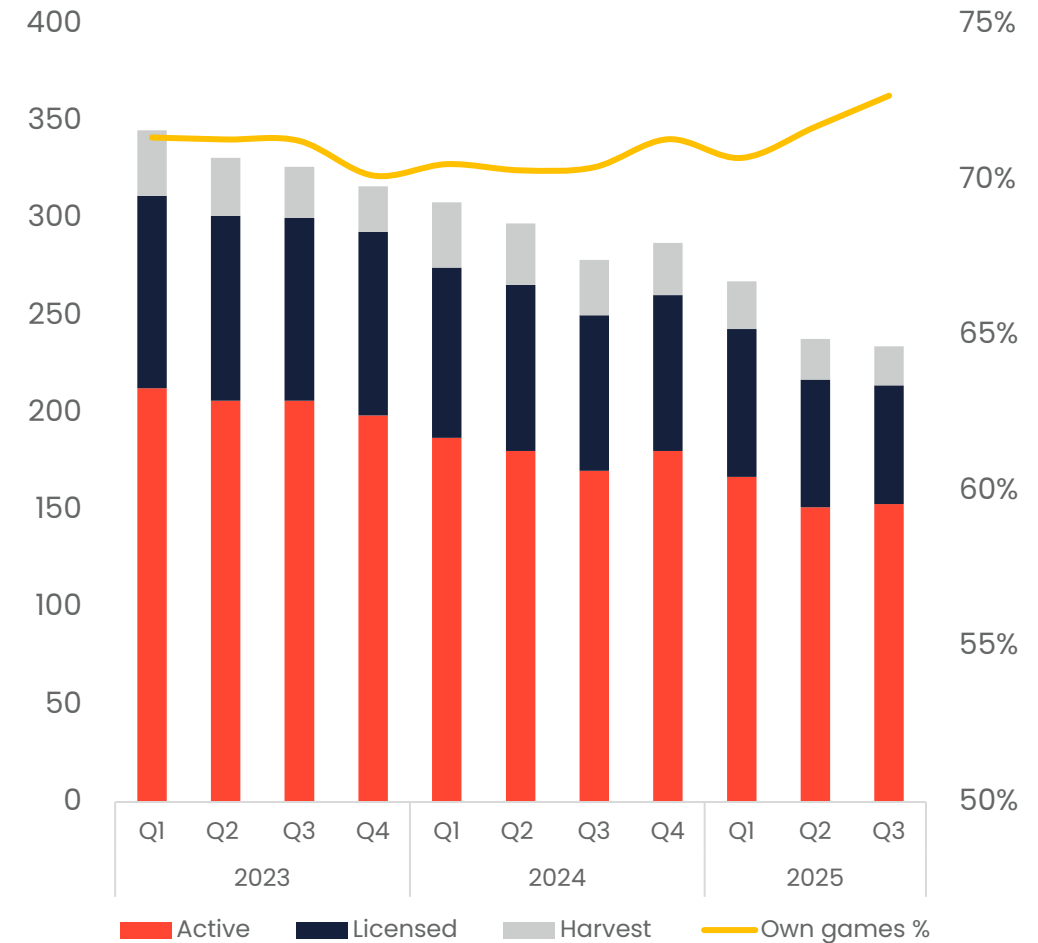
↓
GLOBAL LAUNCH



Our Portfolio Approach

- **Strengthened development teams** giving the company full control over game development and quality combined with tougher approach to underperforming games
- Revenue from Own games have consistently grown and is now **>73%** of the total net revenue
- We plan to work on 30 game ideas, soft-launching 5-6 games. We expect to release **one game globally**. Building on previous technology and game play foundation with an emphasis on engaging storylines and immersive meta-mechanics
- **Balanced and diversified portfolio** with games in different stages in their lifecycle creates a balance between profitability and growth

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



Active: Own and actively managed

Licensed: Licensed

Harvest: Not actively supported games & older games, *Mahjong Journey included in harvest since Q1 2024

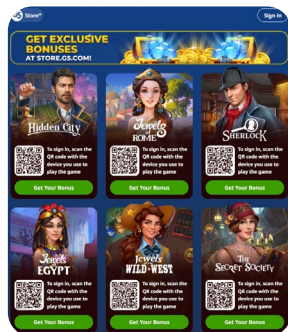
Financials

“We are confident that our strategic initiatives will bear fruit in the coming quarters, reinforcing our position in the market.”



G5 Store

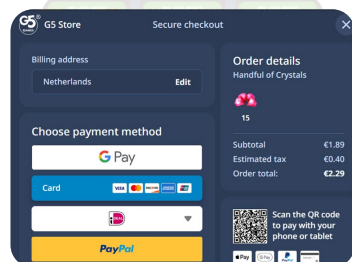
Our D2C and 3rd largest distribution channel



G5 Store

Launched in 2020

Processing fees in G5 Store are low single digits compared to the 12-30% third party application store fees



Web shop

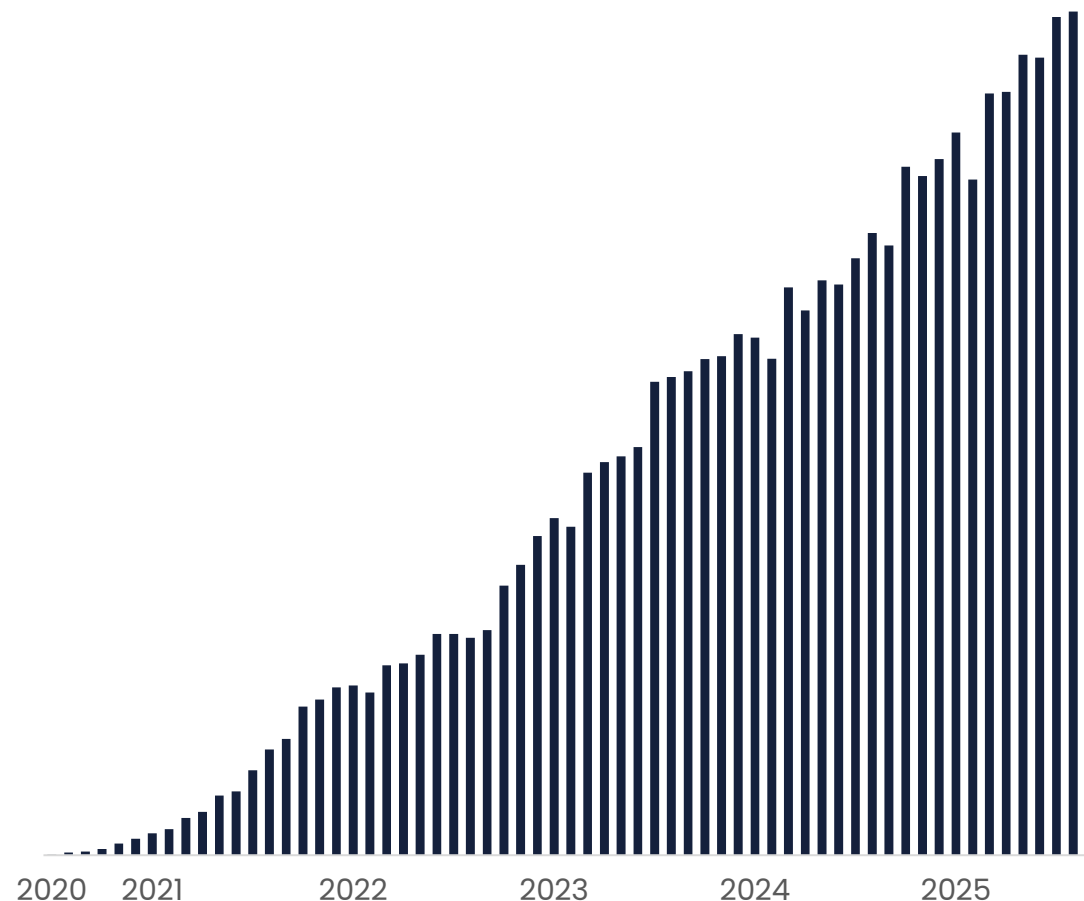
store.g5.com

Launched 2024

Direct payment processing from players on mobile devices

- **G5 Store** accounts for **24.7% of total net revenue (17.1)**
- **Growth** was +26% Y/Y, +5% Q/Q in SEK
+30% Y/Y, +6% Q/Q in USD
- **Web shop** accounted for 3% (2.6% in Q2) of mobile revenue
- **G5 Store as a Distribution Channel** 3rd party games from other mobile developers will be launching soon in G5 Store
 - First game before end of the year

G5 Store – Monthly Net Revenue (USD)



Financial Summary: Q3 2025

Record gross margin and record MAGRPUU

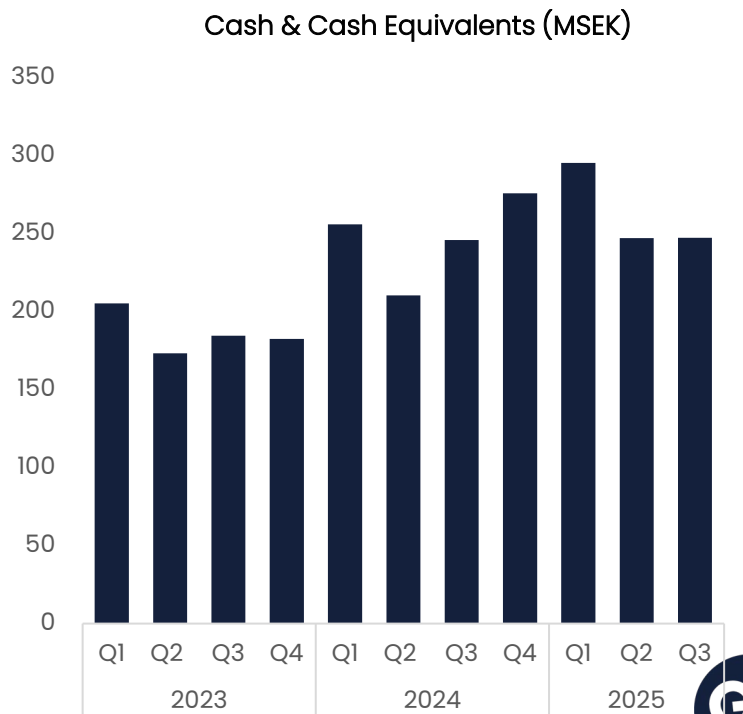
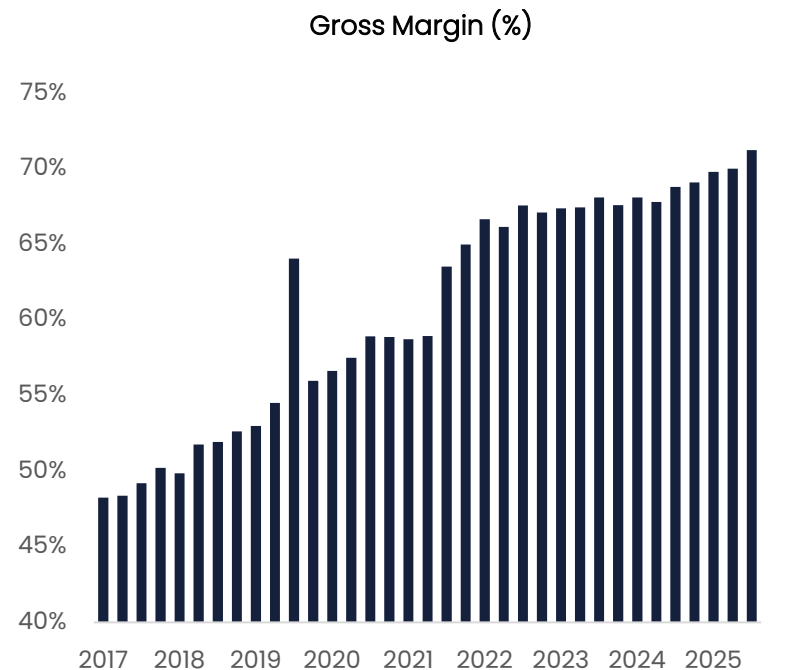
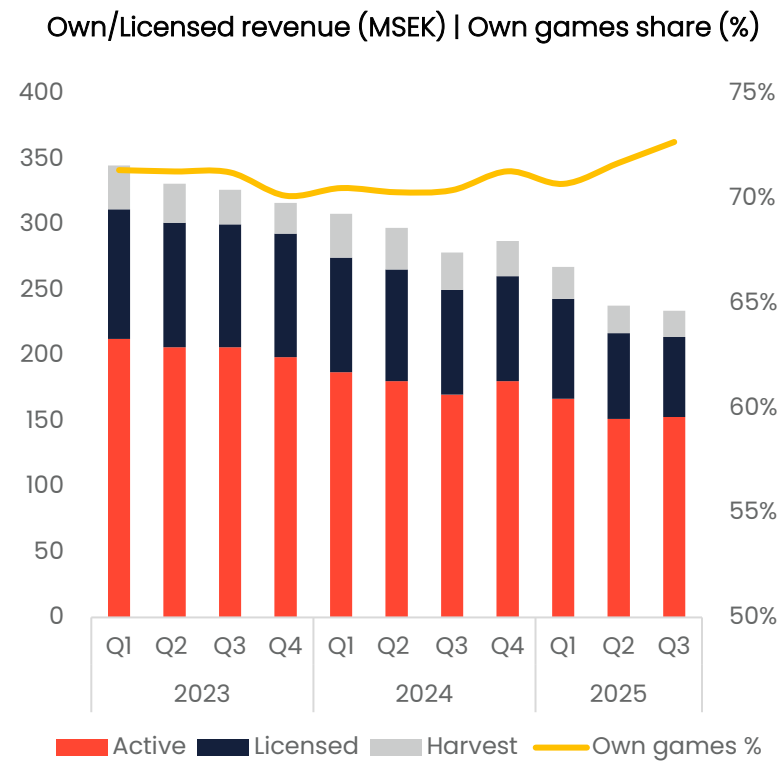
- Revenue was SEK 229 M
+0.2% Q/Q | -7% Y/Y | -15% Y/Y in SEK
- Own games >73% of net revenue (70)
- Active own games: 66% (63) of net revenue, excl. Mahjong Journey that was put in harvest mode in Q1
- G5 Store accounts for 24.7% of total net revenue (17.1)
- Growth was +26% Y/Y, +5% Q/Q in SEK | +30% Y/Y, +6% Q/Q in USD
- Record gross margin 71.2% (68.8) primarily driven by continued growth of the G5 Store
- Record MAGRPPU **\$70.8** (64.9)

**Operating Profit (EBIT) SEK 12.6 M (22.9)
EBIT margin 5.5%**

- EBIT was negatively impacted by revaluations related to fx SEK/USD movement of SEK -0.4 M (-0.4)
- EBIT was also negatively impacted by the increase in UA (21% vs 19% '24)
- Adjusted for negative impact from other income and expenses EBIT margin would be 5.7% (8.6)
- Net capitalization impact on earnings was SEK 0.6 M (-5.4)

Strong balance sheet

- Capitalization impact on cash flow SEK -23.2 M (-25.5)
- Movement of working capital SEK -1.7 M (27.2)
- Repurchases amounted to SEK -8.4 M (0.0)
- Total cash flow for the period SEK 10.4 M (53.3)
- Total cash at end of period **SEK 247.2 M** (245.6)

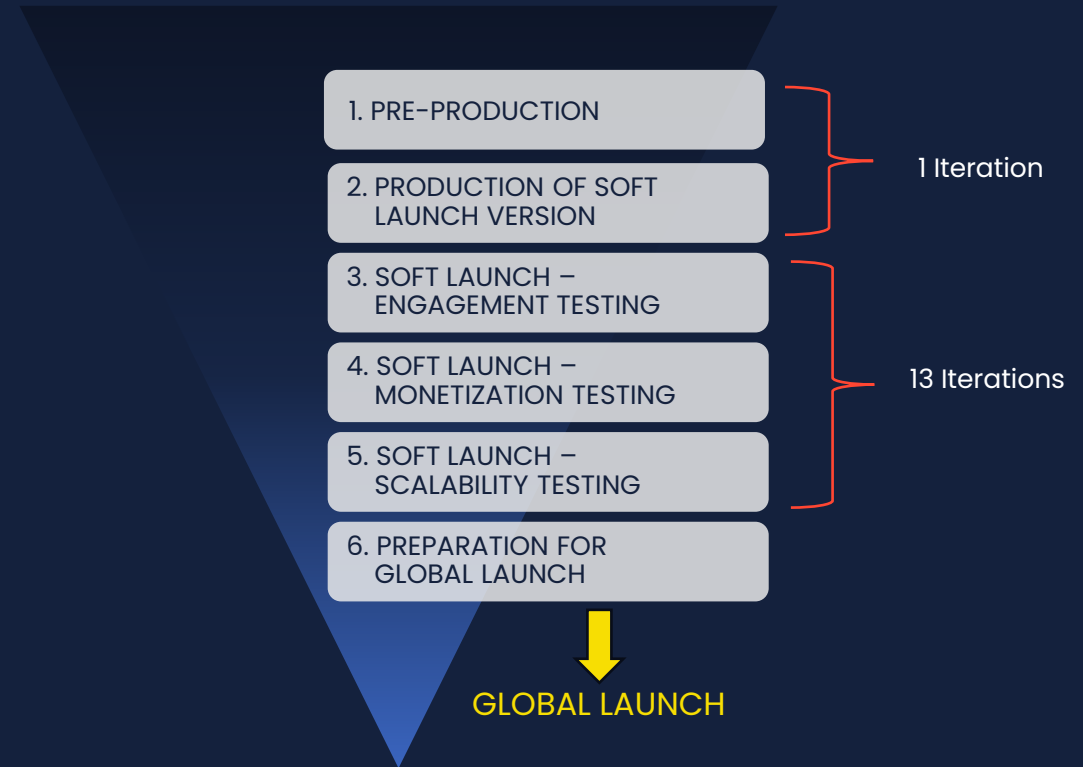


Status and Outlook for 2025/26



- Positive momentum going into the seasonally strong Q4 and Q1
- Continue to improve active games and increase UA to 25% of gross revenue to stabilize top-line and facilitate growth
- 14 iterations on new games made in Q3 with one promising game setting new records on early engagement metrics
- Game update: *Twilight Land* in Late-stage soft launch phase; UA spend will increase in Q4
- New games from 3rd party developers will be released on G5 Store before the end of the year
- Expansion of G5 Store through Web shop and distribution opportunities will boost our gross margin
- Continued operational efficiencies
- Strong financial discipline, strong cash flow generation and zero debt

Development funnel





Contact

Stockholm headquarters

G5 Entertainment AB
Nybrogatan 6, 5th floor
114 34 Stockholm
Sweden

Email: investor@g5.com
www.corporate.g5.com

Connect with us on
LinkedIn