



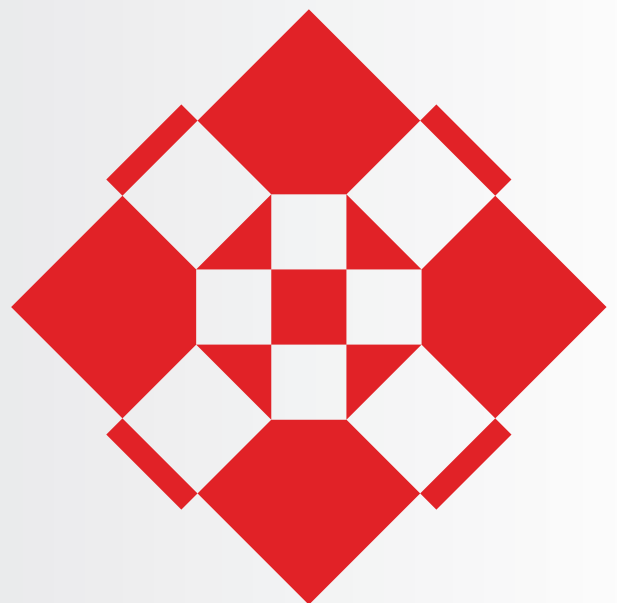
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2025

**CONSOLIDATED
FINANCIAL STATEMENT**

Ten Square Games S.A. Group
as at 31 December 2025

This English language translation has been prepared solely for the convenience of English speaking readers. Despite all the efforts devoted to this translation discrepancies, omissions or approximations may exist. In case of any differences between the Polish and the English versions, the Polish version shall prevail. Ten Square Games S.A., its representatives and employees decline all responsibility in this regard.

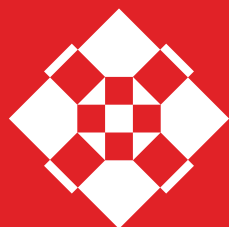


Wrocław, March 23, 2026

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**CONSOLIDATED
FINANCIAL
STATEMENT**



SELECTED FINANCIAL DATA

STATEMENT OF COMPREHENSIVE INCOME

	PLN		EUR	
	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
Bookings	352,349,651	398,136,040	83,156,247	92,499,428
Revenues	361,903,386	386,453,121	85,410,976	89,785,122
Cost of sales	61,631,940	66,321,422	14,545,440	15,408,536
Operating profit (loss)	87,700,289	76,240,949	20,697,699	17,713,152
Gross profit (loss)	85,617,513	74,101,949	20,206,153	17,216,196
Net profit (loss)	76,963,750	67,077,028	18,163,823	15,584,087
EBITDA	100,492,973	94,196,249	23,716,835	21,884,729
Adjusted EBITDA	98,154,937	109,734,349	23,165,047	25,494,714

CASH FLOW STATEMENT

	PLN		EUR	
	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
Net operating cash flow	97,936,267	113,883,393	23,113,440	26,458,667
Net cash flow from investment activities	-18,775,719	-17,595,267	-4,431,162	-4,087,930
Net cash flow from financial activity	-103,225,739	-117,060,919	-24,361,781	-27,196,905

BALANCE SHEET

	PLN		EUR	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Fixed assets	194,253,018	206,435,574	45,958,553	48,311,625
Current assets	178,789,881	210,414,131	42,300,111	49,242,717
Equity	220,367,790	243,263,256	52,137,079	56,930,320
Long-term liabilities	7,090,393	25,410,058	1,677,525	5,946,655
Short-term liabilities	145,584,716	148,176,391	34,444,060	34,677,367

EUR/PLN exchange rate	2025	2024
for the balance-sheet data	4.2267	4.2730
for the data from the profit and loss statement and cash flow statement	4.2372	4.3042

In order to convert the balance-sheet data, the average exchange rate quoted by the National Bank of Poland at the balance sheet date was adopted.

In order to convert the positions of the comprehensive income statement and the cash flow statement, the exchange rate which is the arithmetical average of the exchange rates quoted by the National Bank of Poland at the last day of each month of a given period was adopted.

SPECIFICATION	1Q 2025	2Q 2025	3Q 2025	4Q 2025	TOTAL 2025
Profit on the operating activity (EBIT)	30,618,819	23,661,566	21,677,546	11,742,357	87,700,288
amortization (excluding capitalized part)	3,173,305	3,113,215	3,280,113	3,226,052	12,792,685
write-downs for impairment of value	0	0	0	0	0
EBITDA	33,792,124	26,774,781	24,957,659	14,968,409	100,492,973
non-cash impact of incentive scheme (excluding capitalized portion)	495,000	1,605,476	1,050,237	-307,479	2,843,234
deferred result (revenue minus commissions) – consumables	-500,670	2,485,739	-1,015,236	722,306	1,692,139
deferred result (revenue minus commissions) – durable	-3,267,444	-3,820,779	-2,912,650	3,137,077	-6,863,796
costs of potential and completed acquisitions (M&A) and review of strategic options	-9,613	0	0	0	-9,613
Adjusted EBITDA	30,509,397	27,045,217	22,080,010	18,520,313	98,154,937

SPECIFICATION	1Q 2024	2Q 2024	3Q 2024	4Q 2024	TOTAL 2024
Profit on the operating activity (EBIT)	19,108,496	23,278,311	15,606,945	18,247,197	76,240,949
amortization (excluding capitalized part)	4,505,560	4,428,755	3,953,275	3,873,425	16,761,015
write-downs for impairment of value	0	0	0	1,194,285	1,194,285
EBITDA	23,614,056	27,707,066	19,560,220	23,314,907	94,196,249
non-cash impact of incentive scheme (excluding capitalized portion)	2,854,621	311,924	441,425	369,466	3,977,436
deferred result (revenue minus commissions) – consumables	2,150,783	1,100,237	1,594,588	1,212,215	6,057,823
deferred result (revenue minus commissions) – durable	-819,647	-1,775,914	4,919,341	3,532,579	5,856,359
costs of potential and completed acquisitions (M&A) and review of strategic options	-310,254	0	0	-43,264	-353,518
Adjusted EBITDA	27,489,559	27,343,313	26,515,574	28,385,903	109,734,349



CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT	Note	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
Revenues from the sales of services	1	361,903,386	386,453,121
Costs of services sold	2.1	61,631,940	66,321,422
Gross profit (loss) on sales		300,271,446	320,131,699
Other operating income	3	1,281,651	2,152,011
Selling cost	2.2	188,067,130	215,850,037
General and administrative costs	2.3	25,201,981	27,973,481
Other operating costs	3	583,697	2,219,243
Operating profit (loss)		87,700,289	76,240,949
Financial income	4	4,078,092	5,494,448
Financial expense	4	6,684,325	7,565,160
Loss (profit) due to shares in associates	11	523,457	-68,288
Profit (loss) before taxation		85,617,513	74,101,949
Income tax	5	8,653,763	7,024,921
Net profit (loss) on continued activity		76,963,750	67,077,028
Profit (loss) on discontinued activity		0	0
Net profit (loss)		76,963,750	67,077,028
Net profit (loss) attributable to Parent Entity		76,963,750	67,077,028
Items that may be reclassified subsequently to profit or loss		-11,511,958	-10,923,234
Subject to reclassification to profit or loss – foreign exchange differences on translation of foreign financial statements		-11,511,958	-10,923,234
Items that will not be reclassified to profit or loss		0	0
Other comprehensive income		-11,511,958	-10,923,234
Total comprehensive income		65,451,792	56,153,794
Total comprehensive income attributable to non-controlling shareholders		0	0
Total comprehensive income attributable to Parent Entity		65,451,792	56,153,794

Profit per share

CALCULATION OF PROFIT PER SHARE	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
number of shares		
the weighted average number of shares for the purpose of calculating the value of basic profit per share (in units)	6,476,000	6,908,940
the weighted average number of shares for the purpose of calculating the value of diluted profit per share (in units)	6,359,865	6,775,060
net profit attributable to Parent Entity	76,963,750	67,077,028
net earnings per share in PLN		
basic for the financial period	11.88	9.71
diluted for the financial period	12.10	9.90
net earnings per share on continued operations in PLN		
basic for the financial period	11.88	9.71
diluted for the financial period	12.10	9.90
net earnings per share attributable to discontinued operations in PLN		
basic for the financial period	0.00	0.00
diluted for the financial period	0.00	0.00



3. CONSOLIDATED STATEMENT OF FINANCIAL POSITION

ASSETS	Note	31.12.2025	31.12.2024
Fixed assets		194,253,018	206,435,574
Tangible fixed assets	8	8,545,720	11,758,779
Intangible fixed assets other than goodwill	9	49,330,875	56,330,638
Goodwill	9, 10	106,835,902	108,453,418
Other financial assets	11	24,787,733	24,408,483
Deferred tax assets	5	4,752,788	5,484,256
Current assets		178,789,881	210,414,131
Receivables	13	38,355,915	40,864,028
Current income tax receivable	5	354,651	1,744,941
Contract assets	1.3	18,244,579	22,630,967
Loans granted		1,508,847	1,399,344
Cash and cash equivalents	14	120,325,889	143,774,851
TOTAL ASSETS		373,042,899	416,849,705



LIABILITIES	Note	31.12.2025	31.12.2024
Equity		220,367,790	243,263,256
Equity attributable to owners of the Parent Entity		220,367,790	243,263,256
Share capital	15	647,600	647,600
Share premium		490,305	490,305
Capital from the settlement of the incentive scheme	26	102,292,075	99,448,841
Foreign exchange differences on translation of statements of foreign operations		-11,565,549	-10,923,234
Retained earnings		142,450,485	169,365,699
Own shares (negative value)	25	-13,947,126	-15,765,955
Long-term liabilities		7,090,393	25,410,058
Deferred income tax provisions	5	1,032,520	1,143,594
Provision for employee benefits	21	2,675,264	2,946,201
Lease liabilities	17	3,382,609	5,586,049
Other liabilities	18	0	15,734,214
Short-term liabilities		145,584,716	148,176,391
Trade liabilities	16	16,574,685	10,543,440
Provision for income tax	5	23,435,773	23,435,773
Current tax liabilities	5	0	0
Lease liabilities	17	2,501,192	2,363,832
Other liabilities	18	20,581,516	16,976,560
Provisions for employee benefits	21	4,171,244	6,966,436
Contract liabilities	1.3	78,320,306	87,890,350
Total liabilities		152,675,109	173,586,449
TOTAL EQUITY & LIABILITIES		373,042,899	416,849,705





CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY	Share capital	Share premium	Capital from the settlement of the incentive scheme	Foreign exchange differences on translation	Retained earnings	Own shares	Equity attributable to owners of the Parent Entity	Total equity
Equity as at 01.01.2025	647,600	490,305	99,448,841	-10,923,234	169,365,699	-15,765,955	243,263,256	243,263,256
Contribution to share capital	0	0	0	0	0	1,515	1,515	1,515
Share-based payments	0	0	2,843,234	0	0	0	2,843,234	2,843,234
Foreign exchange differences	0	0	0	0	8,848,669	0	8,848,669	8,848,669
Payment of dividends	0	0	0	0	-100,040,676	0	-100,040,676	-100,040,676
Net profit	0	0	0	0	76,963,750	0	76,963,750	76,963,750
Transfer of treasury shares	0	0	0	0	-1,817,314	1,817,314	0	0
Other comprehensive income	0	0	0	-642,315	-10,869,643	0	-11,511,958	-11,511,958
Total comprehensive income	0	0	0	-642,315	66,094,107	0	65,451,792	65,451,792
Change in equity	0	0	2,843,234	-642,315	-26,915,214	1,818,829	-22,895,466	-22,895,466
Equity as at 31.12.2025	647,600	490,305	102,292,075	-11,565,549	142,450,485	-13,947,126	220,367,790	220,367,790

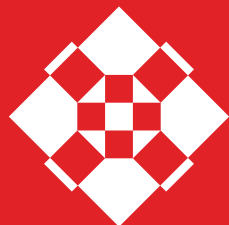
STATEMENT OF CHANGES IN CONSOLIDATED EQUITY	Share capital	Share premium	Capital from the settlement of the incentive scheme	Foreign exchange differences on translation	Retained earnings	Own shares	Equity attributable to owners of the Parent Entity	Total equity
Equity as at 01.01.2024	733,482	490,305	95,471,416	-8,035,808	220,987,589	-18,636,050	291,010,934	291,010,934
Contribution to share capital	0	0	0	0	0	3,406	3,406	3,406
Share-based payments	0	0	3,977,425	0	0	0	3,977,425	3,977,425
Foreign exchange differences	0	0	0	0	6,707,617	0	6,707,617	6,707,617
Payment of dividends	0	0	0	0	0	0	0	0
Net profit	0	0	0	0	67,077,028	0	67,077,028	67,077,028
Transactions in treasury shares	-85,882	0	0	0	-117,370,727	2,866,689	-114,589,920	-114,589,920
Other comprehensive income	0	0	0	-2,887,426	-8,035,808	0	-10,923,234	-10,923,234
Total comprehensive income	0	0	0	-2,887,426	59,041,220	0	56,153,794	56,153,794
Change in equity	-85,882	0	3,977,425	-2,887,426	-51,621,890	2,870,095	-47,747,678	-47,747,678
Equity as at 31.12.2024	647,600	490,305	99,448,841	-10,923,234	169,365,699	-15,765,955	243,263,256	243,263,256

5. CONSOLIDATED CASH FLOW STATEMENT

CONSOLIDATED CASH FLOW STATEMENT	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
OPERATING ACTIVITY		
Profit/loss before taxation	85,617,513	74,101,949
Total adjustments:	20,531,769	41,042,651
Depreciation and amortization	12,792,685	16,761,015
Foreign exchange gain/loss	805,526	-1,754,288
Interest paid on lease	488,489	636,693
Interest on deposit	-658,168	-845,183
Interest on liabilities (Rortos)	1,105,588	2,270,975
Change in receivables	2,508,114	6,186,619
Change in liabilities and accrued expenses	6,521,505	1,418,930
Change in contract liabilities	-9,570,044	11,656,037
Change in contract assets	4,386,388	239,329
Impairment loss on intangible assets and goodwill	0	1,194,285
Share based payments	2,843,234	3,977,425
Loss on associates	-523,457	68,288
Loss/profit on sale of fixed assets	-168,091	-767,474
Cash from operating activity	106,149,282	115,144,600
Income tax (paid) / refunded	-8,213,015	-1,261,207
A. Net operating cash flow	97,936,267	113,883,393

CONSOLIDATED CASH FLOW STATEMENT	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
INVESTMENT ACTIVITY		
Repayment of loans granted	0	0
Purchase of intangible and tangible fixed assets	-3,060,402	-4,271,718
Sale of intangible assets and tangible fixed assets	173,965	356,498
Purchase of shares	-1,220,561	-2,369,057
Earn-Out payment	-14,668,721	-10,957,715
Loans granted	0	-353,275
Interest on loans	0	0
B. Net cash flow from investment activities	-18,775,719	-17,595,267
FINANCIAL ACTIVITY		
Net proceeds from issue of shares and other capital instruments and additional payments to capital	1,515	3,406
Dividends and other payments to owners	-100,040,678	0
Payments of finance lease liabilities	-2,677,474	-3,283,663
Purchase of own shares	0	-114,589,920
Interest on lease	-488,489	-636,693
Other financial inflows and outflows	-20,613	1,445,951
C. Net cash flow from financing activity	-103,225,739	-117,060,919
D. Total net cash flow	-24,065,191	-20,772,793
– change in cash due to exchange rate losses/gains	616,229	1,721,926
E. Balance-sheet change in cash, including foreign exchange	-23,448,962	-19,050,867
F. Cash at the beginning of the period	143,774,851	162,825,718
G. Cash at the end of the period	120,325,889	143,774,851





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II

**GENERAL
INFORMATION**



REPORTING ENTITY'S DATA



Name	Ten Square Games
Name of higher level entity	N/A
Legal form	Joint-stock company
Registered seat	45 Traugutta Street, 50-416 Wrocław
Country	Poland
Registration country	Poland
Core business activity	publishing activity with regard to computer games (58.21.Z)
Authority keeping the register	District Court, VI Commercial Division of the National Court Register
Entry no.	0000704863
Statistical Business Number (REGON)	021744780
Tax Identification Number (NIP)	8982196752
Company duration	indefinite
Name of the reporting entity	Ten Square Games
Name of the ultimate parent company of the group	none
Principal place of business	Poland

Ten Square Games Sp. z o. o. was registered on 21 October 2011, entry no. 0000399940. Ten Square Games S.A. was established through the transformation of Ten Square Games Sp. z o. o., which was registered by the District Court on 20 November 2017. There were no changes in the name or other identification data in later periods.

The shares of the Parent Company have been listed on the Warsaw Stock Exchange since May 2018. Below is key information related to the stock exchange listing:

Name	TSGAMES
Share ticker on WSE	TEN
IPO date	11.05.2018
Market / Segment	WSE, Main Market
WSE sector classification	Games
Index membership	WIG.GAMES, mWIG40, WIG
ISIN	PLTSQGM00016
Number of shares listed on the WSE	6.476.000

2. FUNCTIONAL CURRENCY AND PRESENTATION CURRENCY

The consolidated financial statement is presented in Polish zlotys (PLN), which is the functional currency and the presentation currency of the Group.

3. PRESENTED PERIODS

The consolidated financial statement includes data for the period from 1 January 2025 to 31 December 2025. Comparative data are presented as at 31 December 2024 for the consolidated statement of financial situation and for the period from 1 January 2024 to 31 December 2024 for the consolidated statement of comprehensive income, consolidated statement of cash flows and consolidated statement of changes in equity.

4. GOING CONCERN ASSUMPTION

The consolidated financial statement has been prepared assuming that the Group (including the Issuer) shall continue their activities for the period of at least 12 months after the last balance-sheet date, i.e. 31.12.2025. The Management Board of the Parent Entity, as at the date of signing the statement, was not aware of any facts or circumstances which could indicate a threat to the continuation of activity for the period of at least 12 months after the balance-sheet date due to an intended or forced discontinuance or material limitation of the activity.



COMPOSITION OF THE COMPANY'S BODIES AS AT 31.12.2025

MANAGEMENT BOARD:

- » **Andrzej Ilczuk** – President of the Management Board;
- » **Janusz Dziemidowicz** – Member of the Management Board;
- » **Magdalena Jurewicz** – Member of the Management Board.

During the reporting period and thereafter, up to the date of preparation of this financial statement, there were no changes in the composition of the governing body.

SUPERVISORY BOARD:

- » **Rafał Olesiński** – Chairman of the Supervisory Board;
- » **Wiktor Schmidt** – Vice Chairman of the Supervisory Board;
- » **Marcin Bitos** – Member of the Supervisory Board;
- » **Maciej Marszałek** – Member of the Supervisory Board;
- » **Arkadiusz Pernal** – Member of the Supervisory Board;
- » **Kinga Stanisławska** – Member of the Supervisory Board.

During and after the reporting period, until the date of preparation of these financial statements, there were no changes in the composition of the supervising body.

6. SHAREHOLDING STRUCTURE

6.1. List of shareholders holding directly or indirectly through subsidiaries at least 5% of the total number of votes at the issuer's general meeting

SHAREHOLDER	number of shares as of 23.03.2026 and 31.12.2025	% share in the share capital	number of votes at GMS	% share in the number of votes
Shareholders' Agreement ^[1]	1,969,176	30.4%	1,969,176	30.4%
own shares acquired by the Company	113,135	1.8%	113,135	1.8%
others (including no entity holding more than 5% of shares)	4,393,689	67.8%	4,393,689	67.8%
TOTAL	6,476,000	100.0%	6,476,000	100.0%

SHAREHOLDER	number of shares as of 31.12.2024	% share in the share capital	number of votes at GMS	% share in the number of votes
Shareholders' Agreement ^[1]	1,969,176	30.4%	1,969,176	30.4%
own shares acquired by the Company	116,135	1.8%	116,135	1.8%
others (including no entity holding more than 5% of shares)	4,390,689	67.8%	4,390,689	67.8%
TOTAL	6,476,000	100.0%	6,476,000	100.0%

SHAREHOLDER	number of shares as of 31.12.2024	% share in the share capital	number of votes at GMS	% share in the number of votes
Shareholders' Agreement ^[1]	1,969,176	30.41%	1,969,176	30.41%
TFI Allianz S.A.	360,360	5.56%	360,360	5.56%
own shares acquired by the Company	131,280	2.03%	131,280	2.03%
others (including no entity holding more than 5% of shares)	4,015,184	62.00%	4,015,184	62.00%
TOTAL	6,476,000	100.00%	6,476,000	100.00%

[1] The shareholders' agreement of the Company dated October 21, 2019, regarding the implementation of a stable policy towards the Company and the coordinated exercise of voting rights from the Company's shares (Current Report No. 30/2019). The parties to the shareholders' agreement include, among others, Family Foundations associated with Maciej Popowicz and Arkadiusz Pernal, the founders of the Company.

6.2. List of shares held by members of the Management Board and Supervisory Board

SHAREHOLDER	number of shares as of 23.03.2026 and 31.12.2025	% share in the share capital	number of votes at GMS	% share in the number of votes
President of the Management Board – Andrzej Ilczuk	17,813	0.3%	17,813	0.3%
Member of the Management Board – Janusz Dziemidowicz	90,849	1.4%	90,849	1.4%
Member of the Management Board – Magdalena Jurewicz	22,024	0.3%	22,024	0.3%
Member of the Supervisory Board – Maciej Marszatek	44,000	0.7%	44,000	0.7%
Member of the Supervisory Board – Rafał Olesiński	669	0.0%	669	0.0%
Member of the Supervisory Board – Kinga Stanisławska	105	0.0%	105	0.0%
TOTAL MANAGEMENT BOARD AND SUPERVISORY BOARD	175,460	2.7%	175,460	2.7%
others	6,300,540	97.3%	6,300,540	97.3%
TOTAL	6,476,000	100.0%	6,476,000	100.0%

SHAREHOLDER	number of shares as of 31.12.2024	% share in the share capital	number of votes at GMS	% share in the number of votes
President of the Management Board – Andrzej Ilczuk	14,888	0.23%	14,888	0.23%
Member of the Management Board – Janusz Dziemidowicz	88,249	1.36%	88,249	1.36%
Member of the Management Board – Magdalena Jurewicz	19,424	0.30%	19,424	0.30%
Member of the Supervisory Board – Maciej Marszatek	44,000	0.68%	44,000	0.68%
Member of the Supervisory Board – Rafał Olesiński	669	0.01%	669	0.01%
Member of the Supervisory Board – Kinga Stanisławska	105	0.00%	105	0.00%
TOTAL MANAGEMENT BOARD AND SUPERVISORY BOARD	167,335	2.58%	167,335	2.58%
others	6,308,665	97.42%	6,308,665	97.42%
TOTAL	6,476,000	100.00%	6,476,000	100.00%

6.3. Series of shares

SERIES OF SHARES	number of shares as of 23.03.2026, 31.12.2025 and 31.12.2024	nominal value of shares (per one share)	nominal value of shares
A	6,476,000	0.1 PLN	647,600.00

6.4. Description of changes in shareholding structure

Changes in the shareholding structure between December 31, 2024 and March 23, 2026 result from the transactions described in:

1. the notification received on March 28, 2025 regarding a change in the shareholding in the Company, submitted by TFI Allianz Polska S.A., as announced by the Company in current report no. 6/2025;
2. the notifications received on May 21, 2025 regarding changes in the shareholding in the Company, submitted by Members of the Management Board, i.e. Andrzej Ilczuk, Janusz Dziemidowicz and Magdalena Jurewicz, as announced by the Company in current report no. 13/2025. The notifications were related to the allocation of shares under the incentive program (second tranche);
3. the change in the number of treasury shares held by the Company is related to the settlement of the existing incentive programs in the Company – including the program described above addressed to Members of the Management Board.



TEN SQUARE GAMES CAPITAL GROUP

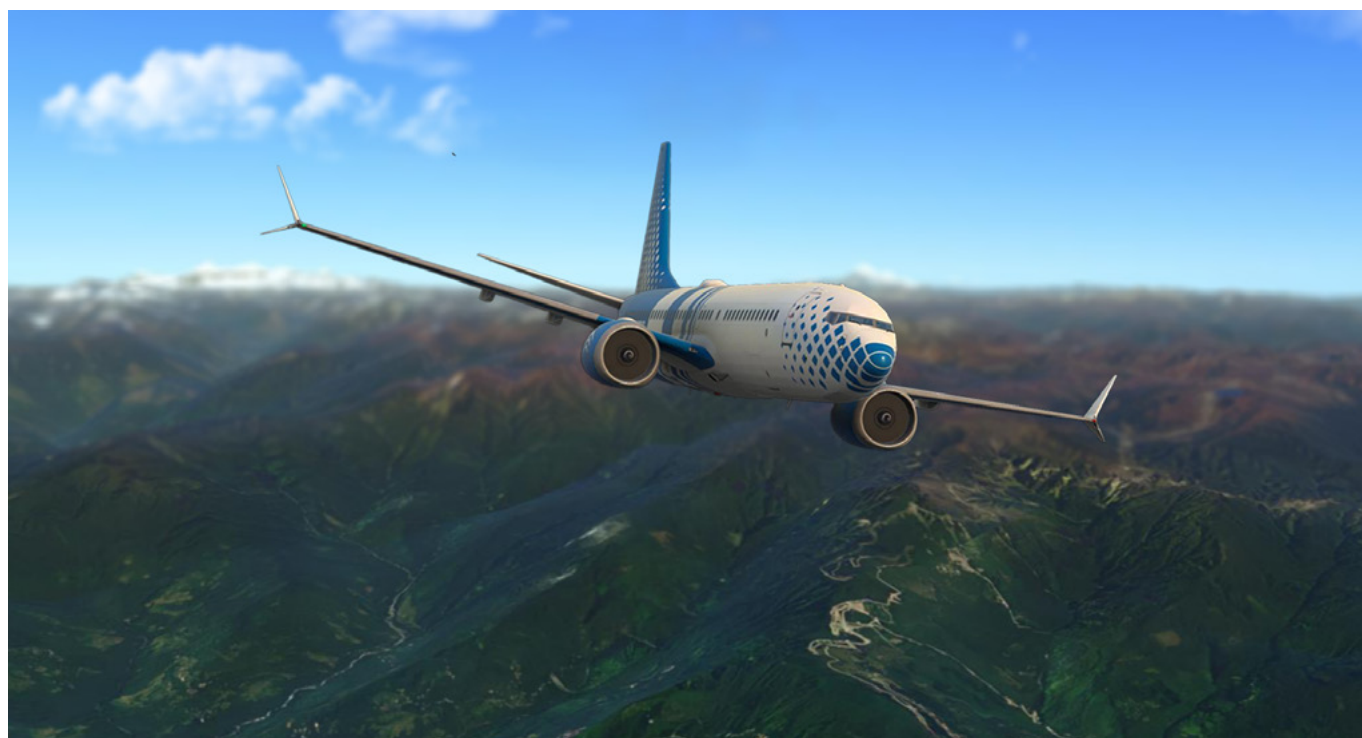
On October 14, 2015, the first subsidiary, Play Cool Zombie Sport Games Sp. z o. o. was registered.

Ten Square Games S.A. acquired 100% of the shares of Rortos S.r.l. on July 5, 2021, in performance of the provisions of the sales agreement concluded on June 30, 2021.

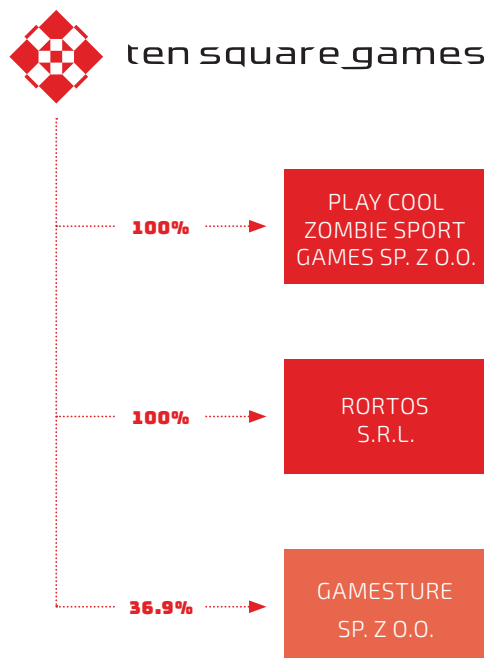
Ten Square Games S.A. acquired 24.8% of shares in Gamesture Sp. z o. o. on March 11, 2022. On January 31, 2023 Ten Square Games S.A. acquired 12% of shares in Gamesture Sp. z o. o. (which was registered in court on March 17, 2023) and currently holds 36.9% of the shares of this company.

Changes in 2025:

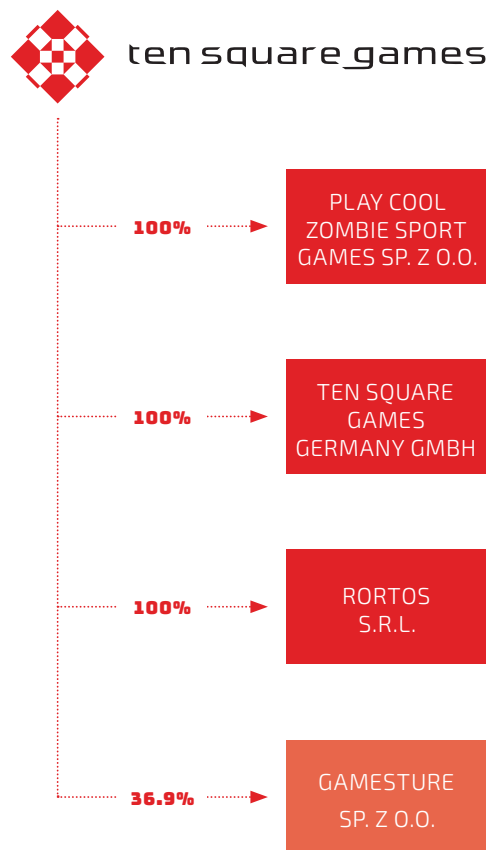
As at 30 September 2025, the closing balance sheet of the subsidiary Ten Square Games Germany GmbH was prepared and approved. The Group is currently awaiting confirmation of the completion of tax settlements to be issued by the German tax authorities, as well as the final deregistration from the commercial register. The dissolved entity had not conducted any operational activities for over a year; therefore, its liquidation had no impact on the Group's operations.



As of 23.03.2026 and 31.12.2025:



As of 31.12.2024:



A more detailed description of the Group's strategy, business model and main products is presented in the Management Board's Report on Activities, which constitutes an integral part of this report.

8

INFORMATION ON CONSOLIDATION

Ten Square Games S.A. is the Parent Entity in the Group, which prepares consolidated financial statements. The subsidiaries are subject to the consolidated financial statement from the date of a given company's establishment till the date of discontinuation of exercising control.

Information on subsidiaries as at 23.03.2026:

	POLAND		ABROAD
NAME	PLAY COOL ZOMBIE SPORT GAMES SP. Z O.O.	GAMESTURE SP. Z O.O.	RORTOS S.R.L.
Status within the Group	Subsidiary company	Associated company	Subsidiary company
Legal form	Limited liability company	Limited liability company	Limited liability company
Registered seat	45 Traugutta Street, 50-416 Wrocław	8 Grodziska Street, 60-363 Poznań	Via del Pontiere 11, 37122 Verona
Registration country	Poland	Poland	Italy
Core business activity	publishing activity with regard to computer games (58.21.Z)	Computer consultancy activities (62.02.Z)	Design, development, installation, maintenance and management of software
Authority keeping the register	District Court. VI Commercial Division of the National Court Register in Wrocław	District Court. VIII Commercial Division of the National Court Register in Poznań	Companies' Register of Verona
Registry no.	0000580667	0000531228	4132300239
Statistical REGON no	362748821	360207363	Economic and Administrative Index No. VR 394801
Tax identification number	8982214450	7811902941	4132300239 (same as register number)
Company duration	indefinite	indefinite	Indefinite
% of capital held by the Parent Company	100%	36.9%	100%

9. AUDITING COMPANY

UHY ECA Audyt Spółka z o.o.
31A Połczyńska Street, 01-377 Warsaw
registered on the list of audit firms under number 3886.

10. STATEMENT OF THE MANAGEMENT BOARD

The Management Board of the Parent Entity states that, to the best of their knowledge, this consolidated financial statement and the comparative data have been prepared in accordance with the accounting policy of the Group and that they give a true and fair view of the Group's assets, financial position and results of operations.

The Management Board also declares that the Management Board report on activities gives a true picture of the Group's development, achievements and situation, including a description of the main threats and risks.



MANAGEMENT BOARD INFORMATION

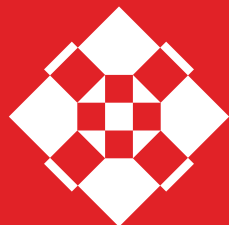
The Management Board of the Company announces that the selection of the audit firm to conduct the audit of the annual standalone and consolidated financial statements for the financial year 2025 was made by the Supervisory Board of the Company through a resolution adopted on March 20, 2024, following a recommendation presented by the Audit Committee.

The Supervisory Board selected the audit firm UHY ECA Audyt Spółka z o.o. to conduct the reviews of the semi-annual financial statements of Ten Square Games S.A. and the semi-annual consolidated financial statements of the Ten Square Games S.A. Capital Group for the periods from January 1, 2024, to June 30, 2024, and from January 1, 2025, to June 30, 2025. Additionally, the firm was appointed to audit the annual standalone financial statements of Ten Square Games S.A. and the annual consolidated financial statements of the Ten Square Games S.A. Capital Group for the years 2024 and 2025.

The audit firm and the members of the team conducting the audit of the annual standalone and consolidated financial statements for the financial year 2025 met the conditions necessary to prepare an impartial and independent audit report in accordance with applicable regulations, professional standards, and ethical principles.

Ten Square Games S.A. complies with the applicable legal regulations regarding the rotation of the audit firm and the key statutory auditor, as well as the mandatory cooling-off periods.

Ten Square Games S.A. (the Parent Entity) has a policy for the selection of the audit firm and a policy governing the provision of non-audit services to the issuer by the audit firm, an entity affiliated with the audit firm, or a member of its network, including services that are conditionally exempt from the prohibition on being provided by the audit firm.



ten square_games

III

**BASIS OF
PREPARATION
AND ACCOUNTING
POLICY**



COMPLIANCE WITH THE INTERNATIONAL FINANCIAL REPORTING STANDARDS

These consolidated financial statements as at December 31, 2025 have been prepared in accordance with International Accounting Standards, International Financial Reporting Standards and the interpretations issued by the International Accounting Standards Board, as endorsed by the European Union (hereinafter referred to as "EU IFRS").

In preparing the consolidated financial statements as at December 31, 2025, the Company has applied all new and amended standards and interpretations issued by the International Accounting Standards Board and the IFRS Interpretations Committee, endorsed for use in the European Union, that are applicable to its operations.

Standards, interpretations and amendments to published Standards endorsed by the EU as at 23 March 2026, which have not yet become effective for annual periods beginning on 1 January 2025, include:

1. Amendments to IAS 21 "The Effects of Changes in Foreign Exchange Rates" – translation to a hyperinflationary presentation currency;
2. Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" – amendments to the classification and measurement of financial instruments;
3. Amendments to IFRS 9 "Financial Instruments" and IFRS 7 "Financial Instruments: Disclosures" – contracts referencing nature-dependent electricity;
4. Amendments to IFRS 7 "Financial Instruments: Disclosures", IFRS 9 "Financial Instruments", IFRS 10 "Consolidated Financial Statements" and IAS 7 "Statement of Cash Flows" – Annual Improvements to IFRS Accounting Standards – Volume 11;
5. IFRS 18 "Presentation and Disclosure in Financial Statements";
6. IFRS 19 "Subsidiaries without Public Accountability: Disclosures".

In preparing the financial statements as at 31.12.2025, the Group has not opted for early application of any standard, interpretation or amendment that has been published but has not yet become effective under European Union legislation. According to the Company's estimates, the early application by the Company of these standards, interpretations and amendments to standards would not have a material impact on these financial statements.

2. CHANGES IN ACCOUNTING PRINCIPLES (POLICY)

There were no changes in accounting policies during 2025.

3. DESCRIPTION OF THE ADOPTED ACCOUNTING PRINCIPLES (POLICY)

3.1. Consolidation – subsidiaries, associates

Subsidiaries are all economic entities over which the Group has control. The Group has control over an entity if it is subject to or if it has a right to variable return on its contribution into an entity and if it can influence these returns through exercising control over such an entity. Subsidiaries are subject to full consolidation from the date of transferring control to the group. The consolidation is discontinued at the date of discontinuation of exercising control. The costs related to the acquisition of a business entity are recognized as costs of the period.

Intra-group transactions, settlements and unrealized gains on transactions between the Group's entities are eliminated. Unrealized losses are also eliminated. If it is necessary, the amounts reported by subsidiaries are adjusted so that they comply with the accounting principles of the Group.

In accordance with IAS 28, the Group measures investments in associates using the equity method. An investment in an associate is initially recognized at cost, and the carrying amount is increased or decreased to recognize the investor's share of the investee's profits or losses after the acquisition date. An associate is an entity over which the investor has significant influence and which is neither a subsidiary of the investor nor a joint venture of the investor. The management board of the Parent Company each time considers the existence of a significant influence and dependence of the company in which the shares are purchased.

3.2. Earnings per share

Net profit/loss per share for each period is determined as the quotient of the net profit/loss for the given period attributable to the Company's shareholders and the weighted average number of shares outstanding during that period. The weighted average number of shares outstanding includes any treasury shares, if applicable.

For the purpose of calculating diluted earnings per share, the profit or loss attributable to ordinary shareholders of the parent entity and the weighted average number of outstanding shares are adjusted for the effect of all potentially dilutive ordinary shares.

3.3. Cash flows

The statement of cash flows is prepared in accordance with the key requirements of IAS 7 Statement of Cash Flows.

Cash flows from operating activities

Cash flows from operating activities are presented using the indirect method, where the net result is adjusted for the effects of non-cash transactions, any settlements related to past or future cash inflows or outflows, and income or expense items associated with cash flows from investing or financing activities.

Cash flows from investing and financing activities

The main categories of cash inflows and outflows arising from investing and financing activities are presented separately.



3.4. Revenues and costs of operating activity

Revenues are gross inflows of economic benefits of a given period, arising in the course of (ordinary) economic activity of the Group and resulting in an increase of equity, other than an increase of equity resulting from the contributions of shareholders.

Revenues include only gross inflows of economic benefits received and receivable by the Group. Sales income is understood as due or received amounts from the sales of material elements and services, minus the effective VAT tax. The revenue is measured at the fair value of the received or due payment, taking into account the amounts of trade discounts granted by the Group. Sales of services are recognized in the accounting period in which the services were provided.

The specific nature of the activity of Group's companies is based mainly on retail sales to the end customer (natural person). Upon concluding an agreement with the user, concerning the purchase of objects or services in a game, the transfer of the goods takes place immediately through the channels of Internet distribution upon receiving payment through a financial intermediary (payment aggregator). In the course of ongoing activities of the Group's companies, concluding agreements with customers takes place on a continuous basis, with the use of remote agreements (i.e. the acceptance of the terms and conditions of the provision of services and making payment on the terms defined by the Group's companies).

THE GROUP DISTINGUISHES FOUR SOURCES OF REVENUES

REVENUES

MICRO-PAYMENTS

- » revenues from additional functionalities purchased by the players

SUBSCRIPTION

- » subscription revenues

ADVERTISEMENTS

- » revenues from advertisements displayed in games

LICENSES

- » revenues from the users' activity in games which are shared with the Company's commercial partners on the basis of license agreements



Revenues from additional functionalities purchased by the players (micro-payments)

With regard to the games, premium packages, including, for instance, notes and pearls (virtual currency), are available to users. Players can convert their virtual game currency into virtual durables, such as rods, lures or other accessories, to improve the performance of the equipment and thus the results achieved in the game, or into consumables – e.g. amplifiers (+x% of fish weight) or another chance to draw a card. The Group verifies an average estimated conversion period of virtual currency into goods in a game for a group of paying users and subsequently estimates the amount of potential liability due to the realization of premium packages. The amount of such a liability reduces the revenue of a given period and is recognized as an accrued income settlement (balance sheet item).

In the case of games made available via Facebook and on digital distribution platforms such as Google Play and the App Store, payments received from users for additional functionalities are reduced by the distributors by their commissions. In the case of games shared through own website, the payments for additional functionalities received from users are decreased by commissions due for payment aggregators. Both the commissions of distributors and aggregators shall be recognized by the Group in the costs of sales.

Revenue from subscription purchases

Certain games in the Group's portfolio are monetized under a subscription-based model. This means that, in order to fully access the game, a player purchases a time-based subscription (e.g. monthly).

The Group recognizes revenue over time, i.e. in accordance with the duration of the license period.

Revenues from advertisements displayed in games (advertisements)

Revenues due to advertisements displayed by players shall be recognized by the Group in the amount resulting from the sales report, received from an advertising intermediary.

Revenues from the users' activity in games which are shared with the Company's commercial partners on the basis of license agreements (licenses)

Revenues due to the users' activity in games shall be recognized by the Group in the amount due resulting from the sales report, received from a partner (a part of revenues due to users' payment, after deduction of applicable taxes, commissions, returns and discounts).

Costs of goods and services sold

shall be recognized by the Group in the same period as revenues from sales of these components, according to the principle of matching revenues and costs. In this item, the Group shall recognize the costs of manufacturing services, direct costs and a reasonable proportion of indirect costs related to the maintenance of games after their launch, i.e. after the so-called soft launch. In this item, the following positions shall be recognized: costs of server maintenance, personnel costs of design departments as well as the depreciation of (games) development costs and depreciation of IT equipment.

Selling costs

– include mainly costs connected with advertising, marketing and promotion of games as well as commissions for intermediation in the execution of transactions, set off by a payment aggregator or an on-line shop.

General and administrative costs

– this item primarily includes personnel costs related to the Management Board and support departments, as well as costs associated with administration and maintaining office functionality.

3.5. Revenues and costs of financial activity

Financial revenues include mainly interest on free resources on bank accounts, commissions and interest on granted loans, interest due to delay in settling receivables, the amount of released provisions concerning financial activity, revenues on sales of securities, exchange gains, restoration of lost value of investments, the value of cancelled credits and loans as well as profits from settlement of derivative instruments.

Financial costs include mainly interest on credits and loans, interest for delay in the payment of receivables, created provisions for certain or probable losses on financial operations, acquisition value of sold shares, stocks, securities, commissions and handling fees, value of short-term investments, discount and exchange rate differences, losses on settlement of derivative instruments, and, in the case of financial leasing, other fees, excluding capital instalments.

3.6. Income tax

Income tax includes: current tax payable and deferred tax.

Current tax

Current tax is calculated on the basis of tax result (tax base) of a given trading year. Tax profit (loss) is different than balance-sheet profit (loss) due to the exclusion of revenues subject to taxation and costs which constitute tax-deductible revenues in the subsequent years as well as the revenues and costs which will never be subject to taxation. The current tax value is calculated on the basis of tax rate applicable in a given trading year.

Ten Square Games S.A. as a company carrying out research and development activities and earning income from qualified intellectual property rights applies a preferential income tax rate. In order to take advantage of the IP BOX tax relief, the Company:

- » divides the tax income into income from qualified intellectual property rights (in the case of the company, these are games meeting the definition of computer programs) and other sources;
- » for income from qualified intellectual property rights, the nexus ratio is calculated in accordance with the rules set out in the Corporate Income Tax Act;
- » the nexus index is used to calculate the tax for each source of income. In the case of other sources of income, the Company benefits from a research and development relief, which is a reduction of taxable income.

For other sources of income, the Company utilizes the research and development (R&D) tax relief, which reduces taxable income. Since 2022, the Company has also applied the R&D tax relief to income derived from qualified intellectual property rights.

Deferred tax

Deferred tax is a tax payable in the future, recognized in full value with the use of the balance sheet method, due to temporary differences between the tax value of assets and liabilities and their balance-sheet values in the financial statement.

The deferred income tax asset is a tax refundable in the future, calculated with the use of the balance-sheet method, due to temporary differences between the tax value of assets and liabilities and their balance-sheet values in the financial statement. Deferred income tax assets are recognized when it is probable that in the future the Group shall achieve the revenue subject to taxation, which enables the use of temporary differences.

Basic temporary differences concern different depreciation of the games created by the Company and balance sheet valuation of settlements as well as the time allocation of revenues from users.

Deferred income tax is calculated with the use of tax rates, legally or actually binding as at the balance-sheet date, which will be applicable upon their implementation.

Deferred tax is recognized in the profit and loss statement, and if it concerns transactions settled with equity, it is recognized in equity.

Deferred income tax assets are recognized when it is probable that in the future the Company shall achieve the revenue subject to taxation, which enables the use of temporary differences. Deferred tax liabilities or assets are recognized as long-term liabilities or assets in the balance sheet.

Uncertainty connected with the recognition of income tax

With the introduction in 2019 of "IFRIC 23: Uncertainty Related to the Recognition of Income Tax", which clarifies the recognition of income tax when it is uncertain whether the tax treatment applied by an entity will be accepted by the tax authorities, the Company assesses each time the possible approach of the authorities to the tax return prepared by the Company. If it is probable that the tax authorities will accept the applied tax approach, the Company will recognize the taxes in the financial statements consistently with the tax returns without reflecting the uncertainty in the recognition of current and deferred tax. Otherwise, the tax base (or tax loss), tax values and unused tax losses are recognized by the Company in an amount that better reflects the resolution of the uncertainty, using the single most probable result or the expected value method (the probability-weighted amounts of possible solutions). In the assessment of the probability of acceptance, the Company assumes that the tax authorities will verify the uncertain tax treatment and have full knowledge of this issue.

3.7. Tangible fixed assets

The Group recognizes fixed assets as separate objects, suitable for use, meeting the criteria for fixed assets specified in IAC 16 Tangible fixed assets, if the purchase price (manufacturing cost) amounts to at least PLN 3.500. Fixed assets with the value below PLN 3.500 undergo one-off amortization and they are recognized as costs in the month of purchase.

Tangible fixed assets are recognized according to the cost (purchase price or manufacturing cost) reduced in the subsequent periods by write-downs and impairment write-offs. External financing costs directly related to the acquisition or production of assets requiring a longer period of time in order to be fit for use or resale are added to the costs of production of such fixed assets until the moment of putting such fixed assets into use. The costs of modernization are included in the balance sheet value of fixed assets when it is probable that they will yield economic gains, and the costs incurred for modernization can be reliably measured. All other expenses for repairing and maintaining fixed assets are recognized in the profit and loss statement for the reporting periods in which they occurred.

Amortization is calculated for all fixed assets, excluding land and fixed assets under construction, by estimated period of economic utility of those assets, using the straight-line method. The Group, using the significance rule, decided that amortization shall start in the month of the asset's acceptance for use.

The Group, no later than at the end of the financial year, conducts a periodical verification of the adopted economic useful life periods for fixed assets, final value and depreciation methods, and the effects of changes in these estimates are reflected in the following and subsequent financial years (prospectively). As at the balance-sheet date, the Group shall also evaluate tangible fixed assets for impairment and evaluates a necessity of preparing impairment write-downs. This takes place when the Group is sufficiently assured that a given asset shall not generate the expected economic benefits or the achieved benefits shall be significantly lower.

The impairment loss shall be recognized in the amount by which the balance-sheet value exceeds the recoverable amount. The recoverable amount is the higher of two amounts: fair value less selling costs or value in use. The write-downs shall be recognized as other costs relevant for the property functions of fixed assets in the period during which the impairment was determined, no later than at the end of the financial year. If it has been established, with sufficient certainty, that the reasons for which a write-down on the value of assets had been made have stopped, the Company shall introduce the reversal of the conducted impairment write-down, in full or in part, by recognition of revenues.

Profits or losses resulting from sales/liquidation or disposal of fixed assets shall be determined as the difference between sales revenues and net value of these fixed assets, and they shall be recognized in the profit and loss statement.

3.8. Intangible assets

Intangible assets are valued at acquisition or construction cost less amortization and impairment write-downs. Depreciation is made with a straight line method. The Group, no later than at the end of the financial year, conducts a periodical verification of the adopted economic useful life periods for intangible assets, final value and depreciation methods, and the effects of changes in these estimates are reflected in the following and subsequent financial years (prospectively). As at the balance-sheet date, the Group shall also evaluate intangible assets for impairment and evaluate a necessity of preparing impairment write-downs. This takes place when the Group is sufficiently assured that a given asset shall not generate the expected economic benefits or the achieved benefits shall be significantly lower. The impairment loss shall be recognized in the amount by which the balance-sheet value exceeds the recoverable amount. The recoverable amount is the higher of two amounts: fair value less selling costs or value in use.

The write-downs shall be recognized as other costs relevant for the property functions of intangible assets in the period during which the impairment was determined, no later than at the end of the financial year. If it has been established, with sufficient certainty, that the reasons for which a write-down on the value of assets had been made have stopped, the Company shall introduce the reversal of the conducted impairment write-down, in full or in part, by recognition of revenues.

Intangible assets of the Group with the depreciation rates:

1. Computer software – from 2 to 5 years,
2. Development costs – from 5 to 10 years.



Development works

The Group's intangible assets also include tangible assets in progress (games) if they can be qualified as development works, in accordance with IAS 38 Intangible assets, i.e. they meet all of the following conditions:

- a. it is technically possible to complete an intangible asset so that it is suitable for sale or use,
- b. it is possible to prove the intent of completing an asset and its use and sale,
- c. an asset will be suitable for use or sale,
- d. it is known in what way an asset will generate future economic benefits,
- e. technical and financial measures will be provided in order to complete development works and the asset's use and sale,
- f. it is possible to reliably establish the expenditures incurred during development works.

If the above conditions are not met, the Group shall treat the expenditures as research works and recognize them in a current period.

Development works in progress, as unamortized intangible assets, are subject to impairment testing not less frequently than once a year.

The Group shall treat the expenditures on games as completed and it shall requalify them to the development costs upon the so-called soft launch, which is the release of a game on a few chosen markets.

Goodwill

Goodwill on acquisition of an entity is initially recognized at cost, which is the excess of the sum of: (i) the consideration transferred, (ii) the amount of any non-controlling interest in the acquiree, and (iii) in the case of a business combination achieved in stages, the fair value at the acquisition date of the interest in capital of the acquiree, previously owned by the acquirer, over the net amount determined as at the acquisition date of the value of the identifiable assets acquired and liabilities assumed.

As at the acquisition date, the acquired goodwill is allocated to each of the cash-generating units that may benefit from the synergies arising from the merger. After initial recognition, goodwill is carried at cost less any accumulated impairment losses. The impairment test is carried out as at 31 December or more frequently if there are indications for it. Goodwill is not amortized. An impairment loss is determined by estimating the recoverable amount of the cash-generating unit to which the goodwill has been allocated. If the recoverable value of the cash-generating unit is lower than the carrying amount, an impairment loss is recognized. Goodwill is derecognized in the event of loss of control over the center to which it was allocated.

3.9. Lease

In accordance with IFRS 16 on recognition, valuation, presentation and disclosure of leases, the Company presents assets and liabilities arising from the agreements described in IFRS 16.

At the beginning of an agreement, an entity assesses whether the agreement is or contains a lease. An agreement is a lease or contains a lease if it gives the right to control the use of an identified asset for a given period in exchange for remuneration.

At the date of commencement of the agreement, the Company recognizes an asset under the right of use and a liability under the lease. An asset under the right of use is valued based on the cost, while a liability under the lease is recognized at the present value of the lease payments outstanding at that date. The cost of the debt is the average market interest rate of PLN loans to enterprises published by the NBP.

After the commencement date, the Company values an asset by virtue of the right of use, using the cost model, while the liability is valued through:

- a. increasing the balance sheet value to reflect interest on the lease liability,
- b. reducing in the carrying amount to reflect the lease payments made; and
- c. revaluing the carrying amount to reflect any reassessment or change in the lease, or to reflect revalued substantially fixed lease payments.

Interest on the lease obligation at any time during the lease term is the amount by which a fixed periodic rate of interest is obtained on the outstanding balance of the lease obligation. The interest element of the finance charge is charged to the profit or loss for the current period.



3.10. Financial instruments

The Group shall recognize a financial asset or financial liability in the statement of financial situation only when it becomes bound by the provisions of the instrument agreement. Unconditional receivables and liabilities shall be recognized as assets or liabilities when the Group becomes a party to the agreement, and, as a consequence, has a legal right to receive or a legal obligation to pay cash. With the exception of trade receivables, which shall be valued on the basis of the amortized costs, on initial recognition, the Group shall value a financial asset or financial liability at its fair value, which in the case of financial assets or financial liabilities not valued at fair value by financial result shall be increased or decreased by transaction costs that are directly attributable to the acquisition or issue of such financial assets or financial liabilities.

The Group classifies a financial asset as valued, after initial recognition, at amortized cost or at fair value by other comprehensive income or at fair value by financial result, on the basis of:

- a. the entity's business model with regard to the management of financial assets, and
- b. the characterization of cash flows for a financial asset, resulting from an agreement.

A financial asset shall be valued at amortized costs if it meets both of the following conditions:

- a. financial asset is maintained in accordance with the business model whose aim is maintaining financial assets for the purpose of obtaining cash flows resulting from the agreement;
- b. the provisions of the agreement concerning a financial asset result in the creation of cash flows, within specified periods, which are only the repayment of main amount and interest on the outstanding amount.

A financial asset shall be valued at fair value by other comprehensive income if it meets both of the following conditions:

- a. financial asset is maintained in accordance with the business model whose aim is maintaining financial assets for the purpose of obtaining cash flows resulting from the agreement and the sales of financial assets; and
- b. the provisions of the agreement concerning a financial asset result in the creation of cash flows, within specified periods, which are only the repayment of main amount and interest on the outstanding amount.

A financial asset shall be valued at fair value by financial result unless it is valued at amortized cost (due to meeting the conditions specified above) or at fair value by comprehensive income (due to meeting the conditions specified above). The Group classifies all financial liabilities as valued, after initial recognition, at amortized cost, excluding: financial liabilities valued at fair value by financial result (one-off decision on initial recognition, if it is allowed by IFRS 9), financial liabilities arising from transferring a financial asset, financial guarantee agreements, commitments to provide loans at below-market interest rates, contingent considerations recognized by the acquiring entity under a merger.

As at each reporting date, the Group shall value a write-down on expected credit losses due to financial instrument, in the amount equal to the expected credit losses during a life cycle if credit risk connected with a given financial instrument has significantly increased since initial recognition. In order to conduct the analysis of statistical receivables, the Group shall apply the division into the following categories of recipients:

1. International payment intermediaries (online shops, payment aggregators);
2. Advertising intermediaries;
3. Licensees.



3.11. Transactions in foreign currencies

Items included in the financial statement are presented in Polish zloty ("PLN") which is a functional currency of the Group.

Valuation

As at the balance-sheet date, financial assets and liabilities denominated in foreign currencies are converted according to the rates applicable as at that date. Assets and liabilities valued at fair value and denominated in foreign currencies are valued according to the rates applicable at the date when fair value was determined. Non-financial items are valued at historical cost.

Exchange rate differences are recognized in the comprehensive income statement during the period in which they arise, excluding exchange rate differences which constitute external financing costs relating to assets in progress, intended for future operating use, which shall be included in these assets and treated as corrections of interest costs.

Transactions during the year

Transactions denominated in currencies other than Polish zloty shall be converted to Polish zloty at the exchange rate actually applied at the date of concluding a transaction and if applying such a rate is not possible, at the average exchange rate for a given currency, announced by the National Bank of Poland on the previous day. The disbursement of cash in a foreign currency from own accounts shall be conducted according to the FIFO principle.

Exchange rate differences are recognized in the comprehensive income statement during the period in which they arise, excluding exchange rate differences which constitute external financing costs relating to assets in progress, intended for future operating use, which shall be included in these assets and treated as corrections of interest costs.



3.12. Receivables

Accruals

The Company recognizes prepaid expenses when they relate to future reporting periods. Accrued expenses are recognized at the amount of probable liabilities attributable to the current reporting period.

Trade and other receivables

Loans and receivables are classified as financial assets. Granted loans are measured at amortized cost using the interest rate specified in the loan agreement. Trade and other receivables are recorded at transaction price adjusted for appropriate impairment allowances under the expected credit loss model.

3.13. Equity

Share capital is recognized in the amount specified in the Company's Articles of Association and entered into the court register. If shares are recognized at a price higher than their nominal value, such excess amount shall be recognized in supplementary capital. In the item "Other capitals", the Group shall recognize the profit from the period which shall be allocated to other capitals, according to the resolution of shareholders. Treasury shares reduce the value of the parent entity's equity.

3.14. Share-based payments

In the case of share-based payments in transactions with employees and other people providing similar services, the unit shall value the fair value of received services by reference to the fair value of the equity instruments. It is a consequence of the fact that it is usually not possible to reliably estimate the fair value of the received services. The fair value of equity instruments shall be determined at the date of granting such instruments.

3.15. Payment of dividends

Dividends shall be recognized at the time of establishment of the Parent Company's shareholders' rights to the dividends.

3.16.

Provisions

Provisions shall be recognized if the Group is under an existing liability (legal or customary), resulting from past events and if it is probable or highly probable that fulfilment of this liability will require expending of funds that form economic benefits and if it is possible to reliably estimate the value of such liability. The amount of the created provisions shall be verified and updated at the end of the reporting period in order to adjust the estimates to the values prepared in accordance with the Group's best knowledge as at that date. In the financial statement, provisions shall be recognized as long-term and short-term provisions.

3.17.

Liabilities

Liabilities are the Group's present obligation resulting from past events, the fulfilment of which will result in an outflow from the Company of funds embodying economic benefits.

Long-term liabilities include liabilities whose maturity date, counting from the end of the reporting period, falls in the period longer than 12 months. Long-term liabilities include liabilities whose maturity date, counting from the end of the reporting period, falls in the period shorter than 12 months. Trade liabilities are recognized at nominal value. Any interest is recognized at the moment of receiving notes from suppliers.

3.18.

Transactions with related parties

The accounting principles, as well as key estimates and assumptions presented in the section on receivables and liabilities, apply to transactions conducted with related parties.

3.19.

Significant values based on professional judgement and estimates

Accounting judgements and estimates are derived from previous events and other factors, including but not limited to the forecasts on the future events that are likely to occur.

Although the adopted assumptions and estimates are based on the best knowledge of the Management Board concerning current activities and events, actual results might differ from the expected outcome. Estimates and assumptions connected with them are subject to verification. The change of accounting judgements shall be recognized in the period during which it occurred or in the current or future periods, if a conducted change of estimates concerns both the current period and future periods.

Basic judgements conducted by the Management Board of the Parent Entity in the process of applying the accounting principles of the entity and having the most significant impact on the values recognized in the financial statement are provided below.

PROFESSIONAL JUDGEMENT:

Moment of activation of development costs

The Group commences the activation of expenditures on development works when it is possible to prove that the specified works shall generate future economic profits and under the condition that the Group possesses sufficient resources necessary to complete, use and achieve profits from an intangible asset. Meeting both of the criteria, i.e. a possibility of achieving future economic benefits and possessing sufficient resources is based on the Management Board's estimates, resulting from the analysis of market and financials situation of the Group.

Depreciation period of activated intangible assets

The Management Board specifies the estimated periods of use and depreciation rates for the amounts of incurred development costs of activated intangible assets. This estimate is based on the expected period of economic utility of such assets. In the case of the occurrence of circumstances which change the expected period of economic utility (e.g. technological changes, withdrawal from use, etc.), the depreciation rates may change. As a consequence, the value of write-offs and net book value of activated costs of development works may also change.

Deferred income tax assets and liabilities

Deferred income tax assets and liabilities are valued in accordance with tax rates, which are expected to apply at the moment when the assets are realized or the liabilities are released, adopting as a basis the tax regulations which were legally or actually effective at the end of the reporting period. The probability of realizing deferred income tax assets with future tax income is based on the Group's plans.

Recognition of revenue from the provision of durable virtual goods

The Company estimates the amount of the liability (customer contract liability) for the provision of durable in-game goods – revenue related to the purchase of durable virtual goods (and the commission of digital distribution platforms such as Google Play and the App Store related to such revenue) is recognized over the estimated average play period of the paying users.



UNCERTAINTY OF ESTIMATES

Impairment of assets

As at each balance-sheet date, the Group shall verify the assets for impairment and evaluate a necessity of preparing impairment write-downs. This takes place when the Group is sufficiently assured that a given asset shall not generate the expected economic benefits or the achieved benefits shall be significantly lower. In the case of completed development works (the Group's games), the estimate shall be based on the verification of several quality parameters of a game, which, in the Management Board's opinion, can influence the ability to generate future economic benefits for the Group. However, taking into account the changes on the market, the Management Board's estimates are subject to uncertainty. When tests are carried out on another group of assets (e.g. investment value, value of shares), the estimate is based on the ability of the cash generating unit (CGU) to generate cash, and the value of the generated cash is discounted in accordance with mathematical models. The final test result is largely influenced by the discount rate used and the long-term growth rate, and both of these parameters are characterized by high market volatility. As for the estimated revenues, they are also subject to uncertainty due to the forecasting of gaming revenues, and as indicated above, the gaming market is changing rapidly and dynamically.

Wykorzystanie dóbr zużywalnych w czasie (eng. consumables)

As at the reporting date, the Group shall estimate a number of unused premium packages (notes and pearls) for active players^[1]. The basis for determining a number of unused packages shall be their turnover rate (average period of using a package by active users) and average revenues from sales of premium packages. The average period of using a package amounts to up to 7 days, according to the analysis.

If the estimated amounts of commitments to provide services in return for the realization of premium packages are significant, the Company shall recognize the amount of liabilities in the statement of financial situation.

When the estimated amount of the obligation to provide services is deemed significant (material), the Company also recognizes in the assets commission expenses related to deferred income. Under agreements concluded with major intermediaries (e.g. mobile shops), commissions usually amount to 30% of the payment amount.

Use of durable virtual goods over time (durables)

The Company estimates, as at each reporting date, the average playing period of paying users. It then estimates the portion of revenue recognized in the period preceding the reporting date that relates to durable virtual goods and, on that basis, calculates the amount of deferred revenue.

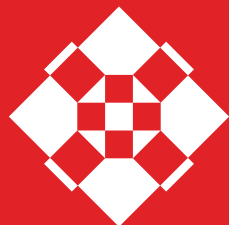
Where the estimated amount of the obligation to provide services in exchange for the purchase of durable goods is significant, the Company recognizes a liability in the statement of financial position.

Once the estimated service obligation is considered significant (material), the Company also recognizes, as assets, the commission costs related to the deferred revenue recognized over time. Under agreements concluded with major intermediaries (e.g. mobile app stores), commissions typically amount to 30% of the payment value.

DETERMINATION OF MATERIALITY

When preparing financial statements, the Group applies the materiality principle. The materiality principle introduces the possibility to apply simplifications, if it does not have a materially negative impact on the reliable and clear presentation of the property, financial situation and financial result. The Group has adopted the amount of PLN 1.0 million as the materiality level in the preparation of the financial statement (according to the accounting policy, not more than 5% of the gross result, after accounting for one-off events, such as asset write-downs).

[1] The Company defines an active user as one who has ever made a minimum of one payment up to the balance sheet date and has been active in the game (i.e. logged in at least 1 time) in the 30 days: before the balance sheet date and/or after the balance sheet date.



ten square_games

IV

**ADDITIONAL NOTES
AND EXPLANATIONS
TO THE CONSOLIDATED
FINANCIAL STATEMENTS**



SALES REVENUES

In accordance with IFRS 15, revenue from the sale of services, after deducting value added tax, discounts and rebates are recognized when the obligation to provide the service through the transfer of the service to the contractor is fulfilled.

SPECIFICATION	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
Sales of services	361,903,386	386,453,121
TOTAL revenues from sales of services	361,903,386	386,453,121
Other operating revenues	1,281,651	2,152,011
Financial revenues	4,078,092	5,494,448
TOTAL revenues from continuing operations	367,263,129	394,099,580
TOTAL revenues	367,263,129	394,099,580

Revenues from discontinued operations did not occur.



1.1. Information on operating segments and result performance indicators

The Management Board does not distinguish separate operating segments, in accordance with the definition specified in IFRS 8 par. 5, including revenues, costs, assets and liabilities, for which separate financial information shall be prepared and on the basis of which the decisions concerning the allocation of resources by main operating decision-making body would be made.

The Management Board currently evaluates the Group's financial performance primarily based on 2 metrics: „Bookings" and „Adjusted EBITDA".

Under „Bookings", the Company recognizes revenue not reduced by deferred revenue (i.e. in the case of micropayments, these are payments made by users during the period indicated). The amount of deferred revenue results from an estimate of the unused virtual currency and durable goods (durable) by active players made at the balance sheet date. The amount of such deferred revenue is reported in the financial statements under the balance sheet item „customer contract liabilities".

Recurring EBITDA means the operating profit shown in the consolidated financial statements achieved by the Group for a given financial year, increased by depreciation of fixed assets and intangible assets, adjusted by:

- » extraordinary and one-off events;
- » costs of carrying out the Motivation Program in accordance with the financial reporting standards applicable to the Company;
- » the impact of non-cash adjustments to revenue (and the related cost of distributors' commissions), related to e.g. deferral of revenue from virtual currency or durables;
- » the impact of any one-off write-downs on capital expenditures related to the creation of mobile games;

The reconciliation of revenues and bookings is provided in section 1.2 below. The calculation of the EBITDA value is presented in the „Selected financial data" section.

1.2. Revenues – source

The Group's operations are based on the production and distribution of Free to Play (F2P) games. The Group generates sales revenues related to in-game advertising, in-game micropayments and on the basis of license agreements.

TYPE OF REVENUES	Bookings 01-12.2025	Share in bookings 01-12.2025	Bookings 01-12.2024	Share in bookings 01-12.2024
micro-payments	323,150,649	91.7%	373,989,650	93.9%
subscriptions	19,552,668	5.6%	18,994,620	4.8%
advertisement	9,177,262	2.6%	4,745,187	1.2%
licenses	469,072	0.1%	406,583	0.1%
TOTAL BOOKINGS	352,349,651	100.0%	398,136,040	100.0%
deferred income (consumable)	-1,761,068	N/A	-7,692,094	N/A
deferred income (durable)	11,314,803	N/A	-3,990,825	N/A
TOTAL REVENUES	361,903,386	N/A	386,453,121	N/A

Revenues from micropayments and licenses are entirely generated by natural persons, while the flow of funds to the Group takes place through payment aggregators, mobile marketplaces or licensees. Users purchase certain packages in the game, e.g. a package of pearls, a package of lures (in fishing games), upgraded fishing rods. The price of the package is fixed and determined by the Group. The goods are handed over to the user at the moment of registration of payment by the indicated entities. Although in the case of purchase of premium packages, i.e. packages containing e.g. virtual currency, the transfer of currency to the user's account takes place immediately after the payment is made, but the use of the virtual currency in the game may be postponed in time – this depends on the decision of the player, who may individually, within the framework of an agreement between the parties, choose the moment of exchange of the virtual currency for other virtual goods. Revenues related to the purchase of durable virtual goods (and the commission of digital distribution platforms such as Google Play and App Store related to these revenues) are recognized by the estimated average playing time of paying users.

In games advertisements are displayed to users (natural persons). The display of an advertisement is also the moment when the revenue is recognized. The advertiser pays for the display of the advertisement, while the due part of this revenue goes to the Group through advertising intermediaries on the basis of advertising reports.

Settlement with intermediaries takes place on the basis of monthly sales reports, and the payment is made in accordance with the deadline specified in the contract, usually between 1 and 60 days from the end of the calendar month.

1.3. Revenues – games

GAME	Bookings 01-12.2025	Share in bookings 01-12.2025	Bookings 01-12.2024	Share in bookings 01-12.2024
Fishing Clash	197,534,291	56.1%	242,619,691	60.9%
Hunting Clash	63,728,836	18.1%	90,174,988	22.6%
Wings of Heroes	31,783,250	9.0%	19,142,304	4.8%
Real Flight Simulator	21,140,834	6.0%	20,427,065	5.1%
Trophy Hunter	13,456,536	3.8%	7,374	0.0%
Let's Fish	8,724,089	2.5%	7,332,816	1.8%
Wild Hunt	7,010,285	2.0%	8,399,034	2.1%
Airline Commander	6,875,683	2.0%	7,590,146	1.9%
other	2,095,847	0.5%	2,442,622	0.8%
TOTAL BOOKINGS	352,349,651	100.0%	398,136,040	100.0%
Deferred income (consumable)	-1,761,068	N/A	-7,692,094	N/A
Deferred income (durable)	11,314,803	N/A	-3,990,825	N/A
TOTAL REVENUES	361,903,386	N/A	386,453,121	N/A



QUARTERLY BREAKDOWN OF BOOKINGS FOR MAJOR TITLES:

GAME	1Q 2025	2Q 2025	3Q 2025	4Q 2025
Fishing Clash	52,643,140	48,709,762	47,133,542	49,047,847
Hunting Clash	18,637,608	15,227,407	14,568,690	15,295,131
Wings of Heroes	7,291,234	6,294,386	8,397,619	9,800,011
Real Flight Simulator	5,297,592	5,193,527	5,469,157	5,180,558
Trophy Hunter	29,697	43,177	3,185,012	10,198,650
Let's Fish	2,024,803	2,190,763	2,274,784	2,233,739
Wild Hunt	1,999,937	1,700,447	1,648,248	1,661,653
Airline Commander	2,018,051	1,581,136	1,821,185	1,455,311
other	519,365	455,013	495,000	626,469
TOTAL BOOKINGS	90,461,427	81,395,618	84,993,237	95,499,369
Deferred income (consumable)	1,000,827	-2,991,836	1,205,454	-975,513
Deferred income (durable)	5,190,738	6,031,370	4,185,657	-4,092,962
TOTAL REVENUES	96,652,992	84,435,152	90,384,348	90,430,894

GAME	1Q 2024	2Q 2024	3Q 2024	4Q 2024
Fishing Clash	61,219,111	59,597,431	62,158,791	59,644,358
Hunting Clash	23,732,405	22,109,844	22,979,316	21,353,423
Wings of Heroes	2,922,235	3,494,706	5,638,924	7,086,439
Real Flight Simulator	4,959,726	4,760,818	5,468,430	5,238,091
Trophy Hunter	0	0	0	7,374
Let's Fish	1,732,040	1,763,927	1,609,632	2,227,217
Wild Hunt	2,209,336	2,033,024	1,898,167	2,258,507
Airline Commander	2,204,710	1,900,010	1,894,589	1,590,837
other	681,137	570,234	658,639	532,612
TOTAL BOOKINGS	99,660,700	96,229,994	102,306,488	99,938,858
Deferred income (consumable)	-2,725,192	-1,355,271	-2,093,391	-1,518,240
Deferred income (durable)	3,182,710	3,124,214	-6,234,054	-4,063,695
TOTAL REVENUES	100,118,218	97,998,937	93,979,043	94,356,923

Deferred revenue by game and quarter and the balance sheet balance (balance sheet item "contract liabilities" for deferred revenue and balance sheet item "contract assets" for deferred commission costs):

2025

CONSUMABLE	Balance sheet	Change of deferral	Balance sheet valuation	Change of deferral	Balance sheet valuation	Change of deferral	Balance sheet valuation	Change of deferral	Balance sheet valuation	Balance sheet
	01.01.2025	1Q 2025	1Q 2025	2Q 2025	2Q 2025	3Q 2025	3Q 2025	4Q 2025	4Q 2025	31.12.2025
Fishing Clash										
deferred revenues	-11,137,616	205,217		-2,699,847		2,371,638		-1,084,716		-12,345,324
deferred costs	2,797,078	-234,016		441,907		-499,044		254,866		2,760,791
Hunting Clash										
deferred revenues	-4,106,374	716,040		-177,279		-1,122,956		259,363		-4,431,206
deferred costs	1,102,759	-242,270		29,777		295,894		-46,160		1,140,000
Let's Fish										
deferred revenues	-454,459	63,127		-119,208		-24,456		-53,121		-588,117
deferred costs	136,338	-18,938		35,762		7,337		15,936		176,435
Wild Hunt										
deferred revenues	-445,647	41,458		20,042		10,257		-87,010		-460,900
deferred costs	133,694	-12,437		-6,013		-3,077		26,103		138,270
Real Flight Simulator										
deferred revenues	-1,558,250	-25,016	32,597	-15,488	-21,412	-29,084	-10,266	-10,040	15,400	-1,621,559
deferred costs	467,475	7,505	-9,779	4,608	6,462	8,763	3,042	2,437	-4,045	486,468
TOTAL										
deferred revenues	-17,702,346	1,000,826	32,597	-2,991,780	-21,412	1,205,399	-10,266	-975,524	15,400	-19,447,106
deferred costs	4,637,344	-500,156	-9,779	506,041	6,462	-190,127	3,042	253,182	-4,045	4,701,964
DURABLE										
Fishing Clash										
deferred revenues	-53,979,343	3,166,906		4,239,642		2,996,575		-3,007,618		-46,583,838
deferred costs	13,627,088	-1,229,467		-1,660,936		-971,772		638,826		10,403,739
Hunting Clash										
deferred revenues	-16,208,661	2,023,832		1,791,728		1,189,082		-1,085,343		-12,289,362
deferred costs	4,366,535	-693,827		-549,655		-301,271		317,094		3,138,876
TOTAL										
deferred revenues	-70,188,004	5,190,738		6,031,370		4,185,657		-4,092,961		-58,873,200
deferred costs	17,993,623	-1,923,294		-2,210,591		-1,273,043		955,920		13,542,615
CONSUMABLE + DURABLE										
deferred revenues	-87,890,350	6,191,564	32,597	3,039,590	-21,412	5,391,056	-10,266	-5,068,485	15,400	-78,320,306
deferred costs	22,630,967	-2,423,450	-9,779	-1,704,550	6,462	-1,463,170	3,042	1,209,102	-4,045	18,244,579
Impact on result	-65,259,383	3,768,114	22,818	1,335,040	-14,950	3,927,886	-7,224	-3,859,383	11,355	-60,075,727

2024

CONSUMABLE	Balance sheet	Change of deferral	Balance sheet valuation	Change of deferral	Balance sheet valuation	Change of deferral	Balance sheet valuation	Change of deferral	Balance sheet valuation	Balance sheet
	31.12.2022	1Q 2024	1Q 2024	2Q 2024	2Q 2024	3Q 2024	3Q 2024	4Q 2024	4Q 2024	31.12.2024
Fishing Clash										
deferred revenues	-6,064,690	-1,743,726		-1,407,391		-1,653,556		-268,253		-11,137,616
deferred costs	1,819,407	308,583		291,844		399,030		-21,786		2,797,078
Hunting Clash										
deferred revenues	-2,064,054	-914,130		160,550		-351,124		-937,616		-4,106,374
deferred costs	619,216	245,624		-69,339		73,159		234,099		1,102,759
Let's Fish										
deferred revenues	-166,339	-16,788		-104,081		3,684		-170,935		-454,459
deferred costs	49,900	5,038		31,224		-1,105		51,281		136,338
Wild Hunt										
deferred revenues	-205,651	-48,365		-63,752		-24,902		-102,977		-445,647
deferred costs	61,695	14,510		19,125		7,471		30,893		133,694
Real Flight Simulator										
deferred revenues	-1,536,400	-2,183	16,660	59,403	-4,356	-67,492	12,107	-38,459	2,470	-1,558,250
deferred costs	460,921	654	-4,998	-17,820	1,306	20,247	-3,631	11,538	-742	467,475
TOTAL										
deferred revenues	-10,037,134	-2,725,192	16,660	-1,355,271	-4,356	-2,093,390	12,107	-1,518,240	2,470	-17,702,346
deferred costs	3,011,139	574,409	-4,998	255,034	1,306	498,802	-3,631	306,025	-742	4,637,344
DURABLE										
Fishing Clash										
deferred revenues	-49,459,504	1,715,546		2,386,381		-5,252,443		-3,369,323		-53,979,343
deferred costs	14,837,854	-1,785,799		-1,024,933		1,156,873		443,093		13,627,088
Hunting Clash										
deferred revenues	-16,737,675	1,467,164		737,833		-981,611		-694,372		-16,208,661
deferred costs	5,021,303	-577,264		-323,367		157,840		88,023		4,366,535
TOTAL										
deferred revenues	-66,197,179	3,182,710		3,124,214		-6,234,054		-4,063,695		-70,188,004
deferred costs	19,859,157	-2,363,063		-1,348,300		1,314,713		531,116		17,993,623
CONSUMABLE +DURABLE										
deferred revenues	-76,234,313	457,518	16,660	1,768,943	-4,356	-8,327,444	12,107	-5,581,935	2,470	-87,890,350
deferred costs	22,870,296	-1,788,654	-4,998	-1,093,266	1,306	1,813,515	-3,631	837,141	-742	22,630,967
Impact on result	-53,364,017	-1,331,136	11,662	675,677	-3,050	-6,513,929	8,476	-4,744,794	1,728	-65,259,383

1.4. Revenues by business partner

BUSINESS PARTNER	Bookings 01-12.2025	Share in bookings 01-12.2025	Bookings 01-12.2024	Share in bookings 01-12.2024
Google Inc.	164,269,040	46.6%	205,757,018	51.7%
Apple Distribution International	96,974,272	27.5%	127,199,268	31.9%
Appcharge Ltd.	28,592,269	8.1%	1,332,648	0.3%
Xsolla Inc.	19,548,129	5.5%	46,087,764	11.6%
Adyen N.V.	19,456,950	5.5%	414,537	0.1%
Other	23,508,991	6.8%	17,344,805	4.4%
TOTAL BOOKINGS	352,349,651	100.0%	398,136,040	100.0%
Deferred income (consumable)	-1,761,068	N/A	-7,692,094	N/A
Deferred income (durable)	11,314,803	N/A	-3,990,825	N/A
TOTAL REVENUES	361,903,386	N/A	386,453,121	N/A

1.5. Revenues – distribution channel

DISTRIBUTION CHANNEL	Bookings 01-12.2025	Share in bookings 01-12.2025	Bookings 01-12.2024	Share in bookings 01-12.2024
Mobile	339,783,278	96.4%	386,259,765	97.0%
Browsers	12,566,373	3.6%	11,876,275	3.0%
TOTAL BOOKINGS	352,349,651	100.0%	398,136,040	100.0%
Deferred income (consumable)	-1,761,068	N/A	-7,692,094	N/A
Deferred income (durable)	11,314,803	N/A	-3,990,825	N/A
TOTAL REVENUES	361,903,386	N/A	386,453,121	N/A

1.6. Revenues – geographical breakdown

The Group assigns bookings from users on the basis of their IP number, using external databases and sales reports in countries available on selected distribution platforms.

REGION	Bookings 01-12.2025	Share in bookings 01-12.2025	Bookings 01-12.2024	Share in bookings 01-12.2024
North America	148,045,000	42.0%	162,720,517	40.9%
Europe	150,851,418	42.8%	177,469,470	44.6%
<i>including Poland</i>	20,956,442	5.9%	24,277,855	6.1%
Asia	34,104,184	9.7%	36,227,233	9.1%
South America	10,031,385	2.8%	11,320,392	2.8%
Australia and Oceania	6,625,952	1.9%	7,463,586	1.9%
Africa	2,691,712	0.8%	2,934,842	0.7%
TOTAL BOOKINGS	352,349,651	100.0%	398,136,040	100.0%
Deferred income (consumable)	-1,761,068	N/A	-7,692,094	N/A
Deferred income (durable)	11,314,803	N/A	-3,990,825	N/A
TOTAL REVENUES	361,903,386	N/A	386,453,121	N/A



2.

OPERATING COSTS

SPECIFICATION	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
Amortization and depreciation	12,792,685	16,761,015
Materials and energy	670,885	579,603
Third-party services	214,438,617	247,168,239
Taxes and fees	1,610,175	1,425,220
Remuneration	38,065,181	39,269,380
Social insurance and other benefits	8,373,997	7,839,997
Other operating costs by type	815,127	826,992
Total costs by type, including:	276,766,667	313,870,446
Cost of products and services sold	61,631,940	66,321,422
Selling costs	188,067,130	215,850,037
General and administrative costs	25,201,982	27,973,481
Cost of manufacturing products for the entity's own needs (capitalization)	1,865,615	3,725,506



2.1. COST OF GOODS AND SERVICES SOLD

SPECIFICATION	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
Cost of goods and services sold	61,631,940	66,321,422
Depreciation – costs of completed development work (mainly games)	8,658,508	9,532,910
Depreciation – other assets	2,202,310	4,136,094
Salaries and subcontractor services	45,348,631	47,432,217
Translations	1,401,290	1,874,352
Outsourcing of 3D models	346,215	1,058,500
Other	5,540,601	6,012,855
Cost of producing assets for internal use (capitalization)	-1,865,615	-3,725,506

SPECIFICATION	1Q 2025	2Q 2025	3Q 2025	4Q 2025
Depreciation – costs of completed development work (mainly games)	2,063,508	2,114,471	2,254,787	2,225,742
Depreciation – other assets	596,355	540,929	533,119	531,907
Salaries and subcontractor services	11,191,466	11,110,084	11,184,748	11,862,333
Translations	317,254	350,529	394,904	338,603
Outsourcing of 3D models	93,338	103,677	81,876	67,324
Other	1,499,932	1,354,189	1,236,883	1,449,597
Cost of producing assets for internal use (capitalization)	-748,935	-777,974	-58,311	-280,395
TOTAL COST OF GOODS AND SERVICES SOLD	15,012,918	14,795,905	15,628,006	16,195,111

SPECIFICATION	1Q 2024	2Q 2024	3Q 2024	4Q 2024
Depreciation – costs of completed development work (mainly games)	2,599,617	2,622,130	2,172,943	2,138,220
Depreciation – other assets	1,256,589	975,024	950,256	954,225
Salaries and subcontractor services	13,365,280	11,065,615	11,801,284	11,200,038
Translations	573,512	498,240	457,376	345,224
Outsourcing of 3D models	289,639	430,986	203,963	133,912
Other	1,402,657	1,583,504	1,505,483	1,521,211
Cost of producing assets for internal use (capitalization)	-97,504	-1,312,148	-1,305,363	-1,010,491
TOTAL COST OF GOODS AND SERVICES SOLD	19,389,790	15,863,351	15,785,942	15,282,339

2.2. SELLING COSTS

SPECIFICATION	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
Selling costs	188,067,130	215,850,037
marketing:	78,427,368	86,538,431
– <i>Fishing Clash</i>	29,365,180	48,452,412
– <i>Hunting Clash</i>	12,112,811	29,667,390
– <i>Trophy Hunter</i>	21,365,782	166,695
– <i>Wings of Heroes</i>	15,566,879	8,232,656
– other titles	16,716	19,278
provisions	86,195,445	104,381,650
revenue share	1,454,829	1,315,868
salaries, subcontractor services	17,323,985	17,585,900
mobile games market research services	462,368	487,260
other	4,203,135	5,540,928

SPECIFICATION	1Q 2025	2Q 2025	3Q 2025	4Q 2025
Selling costs	44,823,513	39,142,065	47,193,660	56,907,892
marketing:	15,602,094	12,727,474	20,063,875	30,033,925
– <i>Fishing Clash</i>	8,151,812	7,565,442	6,521,755	7,126,171
– <i>Hunting Clash</i>	4,402,922	2,796,268	2,701,450	2,212,171
– <i>Trophy Hunter</i>	55,156	200,117	6,099,011	15,011,498
– <i>Wings of Heroes</i>	2,992,203	2,165,648	4,741,660	5,667,368
– other titles	0	0	0	16,716
provisions	23,804,627	20,151,644	21,280,912	20,958,262
revenue share	362,608	365,433	379,713	347,075
salaries, subcontractor services	4,117,114	4,608,593	4,330,706	4,267,572
mobile games market research services	69,453	70,677	161,119	161,119
other	867,617	1,218,244	977,335	1,139,939

SPECIFICATION	1Q 2024	2Q 2024	3Q 2024	4Q 2024
Selling costs	54,950,259	51,954,122	55,896,498	53,049,158
marketing:	19,807,135	19,357,945	24,714,879	22,658,472
– <i>Fishing Clash</i>	11,245,527	10,498,662	15,322,183	11,386,040
– <i>Hunting Clash</i>	7,728,250	7,716,786	6,284,059	7,938,295
– <i>Trophy Hunter</i>	0	11,791	92,939	61,965
– <i>Wings of Heroes</i>	833,358	1,130,706	3,013,752	3,254,840
– other titles	0	0	1,946	17,332
provisions	28,370,749	26,426,711	24,978,911	24,605,279
revenue share	337,715	344,101	287,231	346,821
salaries, subcontractor services	4,599,678	4,165,443	4,606,542	4,214,237
mobile games market research services	187,284	156,227	74,907	68,842
other	1,647,698	1,503,695	1,234,028	1,155,507

2.3. GENERAL AND ADMINISTRATIVE COSTS

SPECIFICATION	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
recurring costs, including:	23,517,204	26,200,583
salaries, subcontractor services of Parent Company	11,004,068	11,881,200
maintenance costs of subsidiaries	3,652,750	4,155,735
rental and maintenance of office – Parent Company	2,426,739	2,688,743
other	6,433,647	7,474,905
non-recurring costs / non-cash costs, including:	1,684,778	1,772,898
motivation scheme cost	1,694,391	2,126,416
M&A cost	-9,613	-353,518
TOTAL GENERAL AND ADMINISTRATIVE COST	25,201,982	27,973,481

SPECIFICATION	1Q 2025	2Q 2025	3Q 2025	4Q 2025
recurring costs, including:	6,086,580	5,996,171	5,405,440	6,029,013
salaries, subcontractor services of Parent Company	2,826,448	2,924,104	2,689,671	2,563,845
maintenance costs of subsidiaries	949,065	869,616	828,430	1,005,639
rental and maintenance of office – Parent Company	677,914	590,001	572,201	586,623
other	1,633,153	1,612,450	1,315,138	1,872,905
non-recurring costs / non-cash costs, including:	296,636	979,857	643,053	-234,768
motivation scheme cost	306,249	979,857	643,053	-234,768
M&A cost	-9,613	0	0	0
TOTAL GENERAL AND ADMINISTRATIVE COST	6,383,216	6,976,028	6,048,493	5,794,245

SPECIFICATION	1Q 2024	2Q 2024	3Q 2024	4Q 2024
recurring costs, including:	6,287,713	6,905,113	6,453,532	6,554,225
salaries, subcontractor services of Parent Company	3,039,408	3,011,205	3,081,199	2,749,388
maintenance costs of subsidiaries	926,234	1,023,526	1,000,437	1,205,538
rental and maintenance of office – Parent Company	560,856	704,560	674,137	749,190
other	1,761,214	2,165,822	1,697,760	1,850,109
non-recurring costs / non-cash costs, including:	1,221,364	153,162	229,743	168,629
motivation scheme cost	1,531,618	153,162	229,743	211,893
M&A cost	-310,254	0	0	-43,264
TOTAL GENERAL AND ADMINISTRATIVE COST	7,509,077	7,058,275	6,683,275	6,722,854

3.

OTHER OPERATING REVENUES AND COSTS

OTHER OPERATING REVENUES	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
recharge of operating costs (markup)	489,353	419,391
sponsorship cooperation (barter)	423,275	429,340
other	369,023	593,037
profit on lease agreement settlements	0	710,243
TOTAL	1,281,651	2,152,011

OTHER OPERATING COSTS	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
sponsorship cooperation (barter)	423,275	429,340
donations	1,673	49,845
write-off of uncollectible receivables	6,000	156,398
other	152,749	389,375
impairment write-offs for intangible assets	0	1,194,285
TOTAL	583,697	2,219,243

The impairment write-off created in 2024 in the amount of PLN 1.2 million relates entirely to the write-off of production-in-progress costs for the game Fishing Champions.

4.

FINANCIAL INCOME AND EXPENSE

FINANCIAL INCOME	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
Interest income	3,676,780	3,248,833
Liquidation of a subsidiary	401,312	161,496
Surplus of positive exchange rate differences	0	2,084,119
TOTAL	4,078,092	5,494,448

FINANCIAL COST	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
Excess of negative exchange rate differences	3,740,931	0
Revaluation of the acquisition liability due to purchase of Rortos	1,373,613	4,434,343
Interest –unwinding of the discount on the liability related to the purchase of Rortos	1,105,652	2,270,975
Costs from other interest	464,129	809,831
Other	0	50,011
TOTAL	6,684,325	7,565,160

The unwinding of the discount related to the liability arising from the acquisition of Rortos represents a standard, recurring accounting entry resulting from the mathematical recognition of the present value of future cash flows. The amount of the unwinding depends both on the value of the expected future payments and on the discount rate applied to those cash flows. The revaluation of the liability results from the difference between the forecast prepared at the end of the previous year and the updated forecast / current results for the reporting period.

5.

INCOME TAX AND DEFERRED TAX

Parent Entity

Starting from 2019, with the introduction of the so-called IP Box relief, the Company benefits from preferential taxation of part of its income. This relief consists of taxing income from qualified property rights at a rate of 5% instead of the standard 19%. The Company considers its games as qualified property rights and therefore uses the IP Box relief for profitable titles.

Due to the fact that the relief is relatively new in Polish law, for 2019 and 2020 the Company settled and paid tax using only part of the preferences. The partial application of the preferences consisted in calculating the Nexus index in a way that limited the possibility of taxing the Company's income at a tax rate of 5%. As the practice developed, in 2022 the Company decided to apply the tax relief more broadly. Starting with the CIT declaration for the 2021 tax year, the Company has been calculating tax with the full application of the relief. Additionally, at the beginning of 2023, the Company submitted a CIT correction for 2019 and 2020, also taking into account the broader application of the relief, enabling the Company to tax a larger part of its income at a tax rate of 5%. No further adjustments are planned.

The submission of corrections to the tax declaration resulted in the initiation of a customs and tax audit for 2020. Simultaneously with the customs and tax audit, the Company was subject to tax proceedings regarding the finding of an overpayment of corporate income tax for 2019 and 2020. After the positive completion of the tax proceedings (audit activities), in May 2023, the Company received a tax refund for 2019-2020 in the total amount of PLN 12.5 million (PLN 3.6 million for 2019 and PLN 8.9 million for 2020). Therefore, write-offs for tax receivables relating to the financial years 2019 and 2020 were reversed.

As at the date of issuance of these financial statements, the audit has been suspended, as the Polish authority considered it necessary to request tax information from the tax authorities of other EU Member States as well as third countries, which is required to complete the customs and fiscal audit. Until responses are received from these authorities – which remains entirely beyond the control of the Parent Company – the audit cannot be finalized.

Given that the audit has not yet been completed, the Company has recognized a tax provision in the amount of the refunds received. This approach is a continuation of the Company's prudent policy in presenting tax settlements – i.e. recognizing amounts resulting from corrected tax returns at a net carrying amount of PLN 0 as at the reporting date.

The Company believes that the corporate income tax for 2021 was settled in the correct amount and that no additional tax payment is required. However, in order to ensure consistent presentation of tax liabilities/receivables for prior years, the Company has recognized a tax provision for that year in the amount of PLN 10.9 million in the financial statements.

The calculation of CIT for the years 2022–2025, assuming a more limited application of the IP BOX tax relief, would result in an almost identical tax effect as under a broader application of the relief. Therefore, the Company has not recognized any provision (or receivable) for a potential additional tax payable/refundable amount in respect of those years.

Subsidiary company

Subsidiary of Rortos S.r.l. also benefits from relief for research and development work (the so-called patent box), which allows for a reduction of the tax base and settlement of up to 110% (and in subsequent years up to 190%) of the costs related to research and development work.

Income tax disclosed in the consolidated financial statement:

INCOME TAX DISCLOSED IN THE STATEMENT OF COMPREHENSIVE INCOME	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
Taxable income	69,719,129	80,048,292
Current income tax for the period	8,034,620	7,748,918
Deferred income tax related to the recognition and reversal of exchange rate differences	619,143	-723,997
Tax expense reported in the statement of comprehensive income	8,653,763	7,024,921

CIT tax settlements:

CIT TAX SETTLEMENTS	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
Current CIT tax settlements	-23,081,122	-21,690,832
Receivable related to the financial year 2025	354,651	0
Receivable related to the financial year 2024	0	1,744,941
Receivable related to the financial year 2023	-10,894,769	-10,894,769
Provision related to the financial year 2021	-8,941,882	-8,941,882
Provision related to the financial year 2020	-3,599,122	-3,599,122

The reconciliation of gross profit to the tax base is presented below:

SPECIFICATION	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
Gross profit (loss)	85,617,513	74,101,949
Exchange rate differences – balance sheet, no-taxable, non-deductible expenses for tax purposes	3,717,308	-1,820,263
Write-down of receivables (non-deductible expenses for tax purposes)	63,633	49,845
Reversal and recognition of the provision for unused vacation leave	245,835	181,753
Recognition and reversal of the provision for other costs	107,897	-711,649
Donations	6,000	-19,398
Amortization of intangible assets	656,396	685,206
Depreciation – lease	2,783,093	2,319,232
Amortization of tangible assets	565,777	2,002,604
Capitalization of game production costs	-1,730,492	-2,972,809
Capitalization of other costs	0	-191,039
Other non-deductible expenses	-6,326,827	2,217,322
Write-off capitalized game costs	0	1,194,285
Profit (loss) on investment in associates	-523,457	68,288
Unwinding of the discount, revaluation of investment	2,479,201	6,705,318
Share-based payments	2,843,234	3,977,436
Revenue (and related cost) deferred in time in balance sheet	-5,227,972	11,880,070
R&D relief	-12,905,493	-16,254,287
Other tax deductible costs not constituting costs in the balance sheet	-2,652,517	-3,365,571
Taxable income	69,719,129	80,048,292

Structure of a deferred income tax asset

SPECIFICATION	31.12.2025	31.12.2024
accounting for durables over time	2,309,059	2,735,435
lease – IFRS 16 valuation	743,125	839,874
accounting for consumables over time	695,675	598,965
remuneration provision	589,857	968,710
provision for holiday leave	301,816	255,107
revaluation of settlements	48,152	0
provision for audit costs	25,270	25,270
other provisions	39,834	60,895
TOTAL	4,752,788	5,484,256

Structure of deferred income tax provision

SPECIFICATION	31.12.2025	31.12.2024
depreciation of games	1,032,520	961,993
revaluation of settlements	0	181,601
TOTAL	1,032,520	1,143,594

Deferred tax assets and liabilities are measured using the tax rates that are expected to apply when the asset is realized or the liability is settled, based on available projections. For a significant portion of temporary differences, a rate of 5% has been applied resulting from the Parent Company's application of the IP Box tax rate.

6.

DISCONTINUED ACTIVITY

The Group did not discontinue any activities during the financial year.



DISTRIBUTION OF PROFIT FOR 2024

Pursuant to the resolution adopted on May 14, 2025, the net profit reported in the Company's financial statements for the financial year 2024 in the amount of PLN 72,694,774 (in words: seventy-two million six hundred ninety-four thousand seven hundred seventy-four zloty) was allocated in full for distribution to shareholders in the form of a dividend.

Additionally, the Annual General Meeting resolved to allocate for dividend payment to shareholders a portion of the supplementary capital created from retained earnings of prior years in the amount of PLN 27,345,902.45 (in words: twenty-seven million three hundred forty-five thousand nine hundred two zloty and forty-five groszy), resulting in a total amount allocated for distribution to shareholders of PLN 100,040,676.45 (in words: one hundred million forty thousand six hundred seventy-six zloty and forty-five groszy), i.e. PLN 15.73 per share.

The Annual General Meeting set the dividend record date for June 20, 2025, and the dividend payment date for June 27, 2025.

The number of shares entitled to the dividend was 6,359,865. Treasury shares held by the Company (as at the dividend record date) were not entitled to participate in the dividend.





TANGIBLE FIXED ASSETS

Changes in fixed assets (by group type) – for the period of 01.01.2025-31.12.2025

SPECIFICATION	Machinery and equipment	Buildings and premises	Other fixed assets	TOTAL
Gross carrying amount as at 01.01.2025	5,720,328	26,831,355	5,069,229	37,620,912
Increases due to purchase of fixed assets	478,602	0	436,682	915,284
Decreases due to:	1,186,079	2,000	270,061	1,458,140
– sales of fixed assets	1,186,079	0	0	1,186,079
– liquidation	0	0	269,791	269,791
– balance sheet valuation	0	2,000	270	2,270
Gross carrying amount as at 31.12.2025	5,012,851	26,829,355	5,235,850	37,078,056
Depreciation as at 01.01.2025	4,608,216	18,454,004	2,799,913	25,862,133
Increases due to amortization	520,136	2,535,029	1,065,034	4,120,199
Decreases due to:	1,180,205	0	269,791	1,449,996
– sales	1,180,205	0	0	1,180,205
– liquidation	0	0	269,791	269,791
Depreciation as at 31.12.2025	3,948,147	20,989,033	3,595,156	28,532,336
Write-downs as at 01.01.2025	0	0	0	0
Increases	0	0	0	0
Decreases	0	0	0	0
Write-downs as at 31.12.2025	0	0	0	0
Net carrying amount as at 31.12.2025	1,064,704	5,840,322	1,640,694	8,545,720

Changes in fixed assets (by group type) – for the period of 01.01.2024-31.12.2024

SPECIFICATION	Machinery and equipment	Buildings and premises	Other fixed assets	TOTAL
Gross carrying amount as at 01.01.2024	5,648,685	20,866,334	5,262,943	31,777,962
Increases due to:	420,855	6,727,834	135,498	7,284,187
– purchase of fixed assets	416,403	0	126,458	542,861
– amendment of lease agreements	0	6,727,834	0	6,727,834
– balance sheet valuation	4,452	0	9,040	13,492
Decreases due to:	349,212	762,813	329,212	1,441,237
– sales of fixed assets	349,212	0	329,212	678,424
– termination of lease agreements	0	747,223	0	747,223
– balance sheet valuation	0	15,590	0	15,590
Gross carrying amount as at 31.12.2024	5,720,328	26,831,355	5,069,229	37,620,912
Depreciation as at 01.01.2024	3,984,661	13,267,783	1,872,766	19,125,210
Increases due to depreciation	894,156	5,186,221	1,035,704	7,116,081
Decreases due to sales	270,601	0	108,557	379,158
Depreciation as at 31.12.2024	4,608,216	18,454,004	2,799,913	25,862,133
Write-downs as at 01.01.2024	0	0	0	0
Increases	0	0	0	0
Decreases	0	0	0	0
Write-downs as at 31.12.2024	0	0	0	0
Net carrying amount as at 31.12.2024	1,112,112	8,377,351	2,269,316	11,758,779

Tangible fixed assets – ownership structure

SPECIFICATION	31.12.2025	31.12.2024
Own	2,705,398	3,381,428
Used under a lease, tenancy or other agreement, including a lease agreement	5,840,322	8,377,351
TOTAL	8,545,720	11,758,779

The Group does not own land in perpetual usufruct.

The Group does not have any liabilities towards the state budget or local government authorities arising from the acquisition of ownership rights to buildings.

SPECIFICATION	31.12.2025	31.12.2024
Depreciation of own fixed assets	1,602,748	4,588,707
Amortization of the right of use	2,517,451	2,527,374
TOTAL	4,120,199	7,116,081



INTANGIBLE ASSETS

Changes in intangible assets (by group type) – for the period 01.01.2025-31.12.2025

SPECIFICATION	Development costs	Computer software	Intangible assets under construction	Goodwill	TOTAL
Gross carrying amount as at 01.01.2025	93,727,214	1,456,554	3,530,093	149,654,782	248,368,643
Increases due to:	3,861,204	64,766	2,080,352	0	6,006,322
– acquisition	0	64,766	2,080,352	0	2,145,118
– reclassification	3,861,204	0	0	0	3,861,204
Decreases due to:	471,955	440	5,055,489	1,617,516	7,145,400
– reclassification	0	0	3,861,204	0	3,861,204
– liquidation	0	0	1,194,285	0	1,194,285
– balance sheet valuation	471,955	440	0	1,617,516	2,089,911
Gross carrying amount as at 31.12.2025	97,116,463	1,520,880	554,956	148,037,266	247,229,565
Depreciation as at 01.01.2025	39,776,022	1,412,916	0	0	41,188,938
Increases due to amortization	8,658,508	13,978	0	0	8,672,486
Depreciation as at 31.12.2025	48,434,530	1,426,894	0	0	49,861,424
Write-downs as at 01.01.2025	0	0	1,194,285	41,201,364	42,395,649
Increases	0	0	0	0	0
Decreases	0	0	1,194,285	0	1,194,285
Write-downs as at 31.12.2025	0	0	0	41,201,364	41,201,364
Net carrying amount as at 31.12.2025	48,681,933	93,986	554,956	106,835,902	156,166,777

The net carrying amount as at December 31, 2025 presented under "Development costs" comprises:

1. Games of Rortos S.r.l. existing at the acquisition date – valued at fair value using the DCF method as part of the purchase price allocation and subsequently revalued at each reporting date in accordance with the EUR/PLN exchange rate:
 - Airline Commander – net value: PLN 16,514,646; remaining amortization period: 66 months;
 - Real Combat Simulator – net value: PLN 15,695,481; remaining amortization period: 66 months;
 - Wings of Heroes – net value: PLN 12,871,822; remaining amortization period: 78 months;
2. A new game of the Italian subsidiary Rortos – Real Combat Simulator – recognized as "completed development works" as at March 31, 2025 – net value: PLN 658,892; remaining amortization period: 51 months;
3. A new game of Ten Square Games S.A. – Trophy Hunter – recognized as "completed development works" as at June 30, 2025 – net value: PLN 2,853,532; remaining amortization period: 54 months;
4. Tools – total: PLN 87,560.

The net carrying amount as at December 31, 2025 presented under "Intangible assets under construction" comprises:

1. Capitalized expenditures related to the new game Medal Hunter developed by the Parent Company, amounting to PLN 338,424;
2. Tools – PLN 216,532.

Goodwill represents the amount arising from the acquisition of Rortos. It is remeasured at each reporting date in accordance with the current EUR/PLN exchange rate and is not amortized. A more detailed description is provided in the note "Goodwill".



Changes in intangible assets (by group type) – for the period 01.01.2024-31.12.2024

SPECIFICATION	Development costs	Computer software	Intangible assets under construction	Goodwill	TOTAL
Gross carrying amount as at 01.01.2024	94,560,833	1,454,043	59,061,319	152,274,948	307,351,143
Increases due to:	191,039	3,350	3,725,507	0	3,919,896
– acquisition	0	3,350	3,725,507	0	3,728,857
– reclassification	191,039	0	0	0	191,039
– balance sheet valuation	0	0	0	0	0
Decreases due to:	1,024,658	839	59,256,733	2,620,166	62,902,396
– reclassification	0	0	191,039	0	191,039
– liquidation			59,061,319		59,061,319
– balance sheet valuation	1,024,658	839	4,375	2,620,166	3,650,038
Gross carrying amount as at 31.12.2024	93,727,214	1,456,554	3,530,093	149,654,782	248,368,643
Depreciation as at 01.01.2024	30,243,112	1,300,892	0	0	31,544,004
Increases due to amortization	9,532,910	112,024	0	0	9,644,934
Depreciation as at 31.12.2024	39,776,022	1,412,916	0	0	41,188,938
Write-downs as at 31.01.2024	0	0	59,061,319	41,201,364	100,262,683
Increases	0	0	1,194,285	0	1,194,285
Decreases	0	0	59,061,319	0	59,061,319
Write-downs as at 31.12.2024	0	0	1,194,285	41,201,364	42,395,649
Net carrying amount as at 31.12.2024	53,951,192	43,638	2,335,808	108,453,418	164,784,056

As at December 31, 2025 and 2024, all intangible assets are the property of the Group.

The Group does not have any intangible assets with limited right of use.

The Group does not have bank loans secured by intangible assets.



10.

GOODWILL

On July 5, 2021, the Parent Company as the buyer, with the existing partners Antonio Farina and Roberto Simonetti as the sellers, concluded an agreement for the sale of all shares to Rortos S.r.l with its registered office in Verona.

The price for the entire share in Rortos acquired was set at EUR 45 million without taking into account the level of cash and debt free (cash free and debt free basis) based on the EBITDA profit multiplier for 2020, normalized by the capitalization of personnel costs, at the level of 9.8. Adjusted for cash and debt, the payment amounted to EUR 46.7 million at the settlement date. In addition, under the conditions set out in the Agreement, the Sellers are entitled to additional remuneration (earn-out payment) depending on the results of Rortos in the period from July 1, 2021 to December 31, 2025, calculated in accordance with the formula agreed in the Agreement – in the maximum amount not higher than the EBITDA result achieved by Rortos in an adequate period.

In 2021, the Parent Company completed the purchase price allocation and calculated the liability related to the earn-out payments. In 2022, 2023, 2024 and 2025, the acquisition-related liability was remeasured based on the forecasted / actual financial results of Rortos in subsequent years and the estimated / final amount of the earn-out.

Goodwill

Calculation at the acquisition date:

SPECIFICATION	in EUR	in PLN
Paid amount	55,848,669	252,754,322
Airline Commander	7,104,036	32,150,736
Real Flight Simulator	6,751,659	30,555,985
Wings of Heroes	4,272,266	19,334,994
Other games	1,168,030	5,286,159
Equity, net	1,617,130	7,318,646
Goodwill (surplus of value paid over recognized assets)	34,935,546	158,107,803

In 2023, the Group recognized an impairment loss on goodwill in the amount of PLN 41.2 million as a result of the annual impairment tests. Additionally, at each reporting date, goodwill is remeasured in accordance with the current EUR/PLN exchange rate.

SPECIFICATION	in EUR	in PLN
Goodwill presented in the financial statements	—	106,835,902
Gross amount at acquisition date	34,935,546	158,107,803
Balance sheet valuation	—	-10,070,537
Impairment loss (recognized in 2023)	—	-41,201,364

Liability arising from the acquisition of a subsidiary

Calculation of the liability over time:

LIABILITY RELATED TO RORTOS ACQUISITION	Statement of changes
Value at acquisition date (discounted)	252,754,322
Cash payment – July 2021 (FIFO valuation)	-211,102,628
Unwinding of the discount 2021 (finance cost)	2,652,789
Value at the balance sheet date – 31.12.2021	44,304,483
Revaluation of the liability as at 31.12.2022 (cash flow model + balance sheet valuation)	8,534,740
Unwinding of the discount 2022 (finance cost)	5,953,645
Value at the balance sheet date – 31.12.2022	58,792,868
Earnout cash payment – April 2023 for the period 7.2021-12.2022 (FIFO valuation)	-4,350,094
Unwinding of the discount 2023 (finance cost)	5,203,049
Revaluation of the liability as at 31.12.2023 (cash flow model + balance sheet valuation)	-24,286,569
Value at the balance sheet date – 31.12.2023	35,359,254
Earnout cash payment – April 2024 for 2023 (FIFO valuation)	-10,957,715
Unwinding of the discount 2024 (finance cost)	2,270,975
Revaluation of the liability as at 31.12.2024 (cash flow model + balance sheet valuation)	3,826,167
Value at the balance sheet date – 31.12.2024	30,498,681
Earnout cash payment – April 2025 for 2024 (FIFO valuation)	-14,668,721
Unwinding of the discount 2025 (finance cost)	1,105,652
Revaluation of the liability as at 31.12.2024 (actual results + balance sheet valuation)	1,079,008
Value at the balance sheet date – 31.12.2025, including:	18,014,620
– short-term	18,014,620
– long-term	0

IMPAIRMENT TESTS OF ASSETS – RORTOS

In accordance with IAS 36 Impairment of Assets, the Company assesses at each reporting date whether there are any internal or external indicators that an asset may be impaired. If at least one such indicator exists, the Company is required to perform a formal estimate of the recoverable amount.

The test performed at the end of 2025 was based on a comparison of the goodwill attributable to Rortos S.r.l. with its recoverable amount, determined using the income approach, based on estimated discounted future cash flows.

The projections reflected (in line with the principle of prudence) the updated expected future revenues from the games and their profitability, taking into account the potential impact of identifiable risks. The key assumptions adopted were as follows:

- » the recoverable amount was calculated based on discounted future cash flows of the CGU resulting from the CGU's financial projections for the years 2026–2028 (detailed forecast period). The adoption of a three-year detailed forecast period is justified due to the lack of sufficiently reliable data for subsequent reporting periods in the current economic environment, given the high volatility of various factors;
- » given that the assumed economic useful life of the CGU extends beyond 2028, a terminal value of the CGU was determined and included in the calculation of the recoverable amount;
- » a post-tax weighted average cost of capital ("WACC") of 7.20% was applied during the projection period.

As a result of the calculations performed, the recoverable amount of the CGU was determined at EUR 93.7 million. The carrying amount of the assets allocated to the CGU amounted to EUR 36.2 million; consequently, the surplus of the recoverable amount over the carrying amount was determined at EUR 57.5 million. Based on the impairment test performed, no grounds were identified for recognizing an impairment loss.

Key assumptions of the impairment test:

TYPE OF THE ASSUMPTION	APPLIED ASSUMPTIONS
Basis of recoverable amount	Value in use
Source	Internal estimates
Methodology	Discounted cash flows
Discount rate (WACC)	7.20%
Perpetual Growth Rate (PGR)	2.50%

The sensitivity analysis for the probable values of changes in the discount rate and changes in the value of the perpetual growth rate as at December 31, 2025 are presented in the tables below:

Change in the value of the discount rate (WACC) for the residual period

(change given in percentage points)

	-1.0 p.p	-0.5 p.p	-0.25 p.p	0.0 p.p	+0.25 p.p	+0.5 p.p	+1.0 p.p
Current value FCFF (EUR)	119,328,495	104,994,544	99,036,064	93,711,825	88,925,726	84,600,150	77,088,172
Surplus / Deficiency over the book value of the CGU (EUR)	83,116,600	68,782,649	62,824,169	57,499,930	52,713,831	48,388,255	40,876,277

Change in the value of the perpetual growth rate (PGR) for residual period

(change given in percentage points)

	-1.0 p.p	-0.5 p.p	-0.25 p.p	0.0 p.p	+0.25 p.p	+0.5 p.p	+1.0 p.p
Current value FCFF (EUR)	78,501,045	85,375,147	89,332,964	93,711,825	98,582,693	104,033,426	117,144,648
Surplus / Deficiency over the book value of the CGU (EUR)	42,289,150	49,163,252	53,121,069	57,499,930	62,370,797	67,821,530	80,932,753





OTHER FINANCIAL ASSETS

SPECIFICATION	31.12.2025	31.12.2024
Other financial assets:	24,787,733	24,408,483
- investment in Gamesture	12,681,019	12,157,562
- gross value	26,164,795	26,164,795
- share in Gamesture's loss	-8,069,441	-8,592,898
- write-down of value of investment in Gamesture	-5,414,335	-5,414,335
- participation units of the Sisu Game Ventures investment fund	10,804,800	10,969,619
- deposit on the office lease	1,301,914	1,281,302

The change in the value of the investment fund units in Sisu during 2025 resulted from an additional capital contribution of USD 325 thousand and from a negative fair value measurement (reducing the value in PLN) as at the reporting date.

The amount of the security deposit represents a multiple of the rent payable together with service charges. These payments are adjusted annually for inflation / actual market prices of services.

Gamesture

On March 11, 2022, the Parent Company acquired 24.8% of shares in the share capital of Gamesture Sp. z o. o. The payment amount was approximately USD 3.5 million. On January 31, 2023, the Parent Company purchased another 12% of shares in the share capital of Gamesture Sp. z o. o. The payment amount was approximately USD 2.7 million. The value as at the balance sheet date was adjusted for the loss of Gamesture attributable to the shares held by Ten Square Games S.A.

Annual impairment test – Gamesture

In accordance with IAS 36 Impairment of Assets, the Company assesses at each reporting date whether there are any internal or external indicators that an asset may be impaired. If at least one such indicator exists, a formal estimate of the recoverable amount must be performed. Gamesture Sp. z o.o. generated net profit and positive cash flows in 2024^[1] and 2025. Based on the analysis performed, the Management Board concluded that there are no indicators of impairment of this asset.

[1] Gamesture Sp. z o.o. recorded a profit in 2024; however, Ten Square Games S.A. recognized a share in the loss of PLN 68 thousand during 2024. This resulted from additional accounting entries made by Gamesture Sp. z o.o. after the publication of Ten Square Games S.A.'s 2023 financial statements, which impacted Gamesture's 2023 results. As a result, Ten Square Games recognized this adjustment in its financial statements in the first quarter of 2024.

12.

INFORMATION ON FINANCIAL INSTRUMENTS

FINANCIAL ASSETS	31.12.2025	31.12.2024	Category of financial instruments
Other financial assets (long-term), including:	24,787,733	24,408,483	
<i>deposit</i>	1,301,914	1,281,302	<i>financial assets evaluated at amortized costs</i>
<i>Participation units in the investment fund Sisu Game Ventures</i>	10,804,800	10,969,619	<i>financial assets evaluated at amortized costs</i>
<i>shares in Gamesture sp. z o.o.</i>	12,681,019	12,157,562	<i>financial assets evaluated at amortized costs</i>
Trade receivables and other receivables, including:	34,925,672	40,864,028	
<i>unrealized exchange rate differences on valuation</i>	-80,252	44,565	<i>financial assets measured at fair value</i>
Cash and cash equivalents, including:	120,325,889	143,774,851	
<i>unrealized exchange rate differences on valuation</i>	-63,317	-2,744	<i>financial assets measured at fair value</i>
FINANCIAL LIABILITIES	31.12.2025	31.12.2024	Category of financial instruments
Trade liabilities, including:	16,574,685	10,543,440	
<i>unrealized exchange rate differences on valuation</i>	13,800	-5,065	<i>financial liabilities evaluated at amortized costs</i>

For both financial assets and financial liabilities, fair value equals carrying value.

13.

RECEIVABLES

The structure of receivables is presented in table below:

SPECIFICATION	31.12.2025	31.12.2024
Trade receivables	33,479,414	33,155,474
Other receivables	1,446,258	3,898,039
Accruals	3,430,243	3,810,515
Receivables	38,355,915	40,864,028

13.1. Trade receivables

Payments from users are aggregated by intermediaries (mobile application stores, payment aggregators, licensees). Payments from displayed ads, on the other hand, are accumulated by advertising intermediaries. In the structure of receivables, the largest balances come from:

- » Google Inc. – 35.96% as of 31 December 2025 compared to 37,79 % as of 31 December 2024;
- » Apple Distribution International – 33.86% as of 31 December 2025 compared to 40.55 % as of 31 December 2024;
- » Appcharge Ltd. – 7.48% as of 31 December 2025 compared to 2.05 % as of 31 December 2024;
- » Xsolla Inc. 3.34% as of 31 December 2025 compared to 10.29 % as of 31 December 2024.

No other entity exceeded a 10% share of total receivables on 31 December 2025.

Currency structure:

CURRENCY	31.12.2025			31.12.2025		
	amount in currency	valuation	% share	amount in currency	valuation	% share
USD	3,850,756	13,868,881	41.43%	3,581,158	14,687,044	44.30%
PLN	10,567,088	10,567,088	31.56%	11,414,741	11,414,741	34.43%
EUR	2,139,599	9,043,445	27.01%	1,641,310	7,013,316	21.15%
Other currencies	—	0	0.00%	—	40,373	0.12%
TOTAL	—	33,479,414	100.00%	—	33,155,474	100.00%

Age structure:

AGE STRUCTURE – OVERDUE	31.12.2025 value of receivables	31.12.2024 value of receivables
not overdue	33,399,217	33,101,129
up to 1 month	66,222	53,866
1-3 months	6,774	0
3-6 months	5,779	180
6-12 months	1,422	299
over a year	0	0
Total receivables	33,479,414	33,155,474



13.2. Other receivables

SPECIFICATION	31.12.2025	31.12.2024
Other short-term receivables, including:	1,424,225	3,853,583
– tax related	798,556	3,809,639
– deposit for office rental	27,024	43,944
– other tax receivables and payables, including withholding tax	598,645	0

The decrease in VAT receivables results from the following factors:

1. an increase in the share of sales carried out through the Company's own store (TSG Store), which results in higher VAT liabilities settled by the Company under the OSS (One Stop Shop) procedure;
2. as at the end of 2024, the Company recognized VAT receivables related to four VAT returns, whereas as at the end of 2025 the receivable related to three VAT returns;
3. a decrease in the value of purchases made in 2025 from Polish entities, which led to a lower amount of input VAT deductible.

13.3. Accruals

SPECIFICATION	31.12.2025	31.12.2024
Maintenance of software technical service / program subscriptions	2,230,052	3,512,053
Promotional services	660,677	0
Insurance	165,211	62,124
Annual fee – marketing campaign tracking tool	19,008	136,418
Other accruals	355,295	99,920
Active cost accruals	3,430,243	3,810,515

14.

CASH AND CASH EQUIVALENTS

SPECIFICATION	31.12.2025	31.12.2024
Cash at hand and in bank accounts:	120,325,889	121,389,129
cash on hand	18,361	18,820
cash in bank accounts	120,307,528	121,370,309
<i>including deposits up to 3 months</i>	<i>85,989,140</i>	<i>97,164,227</i>

As at December 31, 2025, the Group held cash in bank accounts with ING Bank Śląski S.A. and Bank Gospodarstwa Krajowego S.A. The maximum credit risk exposure related to cash equals its carrying amount. Cash held in current accounts is non-interest-bearing. The fair value of cash and cash equivalents as at December 31, 2025 does not differ materially from their carrying amount.

15.

SHARE CAPITAL

The share capital of Ten Square Games S.A. as at 31/12/2025 amounts to PLN 647,600 and is divided into 6,476,000 bearer shares with a nominal value of PLN 0.10 each.

16.

TRADE LIABILITIES

SPECIFICATION	31.12.2025	31.12.2024
Trade liabilities	16,574,685	10,543,440
towards related parties	149,937	155,718
towards third parties	16,424,749	10,387,722

SPECIFICATION	TOTAL	due date		
		overdue:		not overdue, payable to:
		0-30 days	31-90 days	0-30 days
31.12.2025	16,574,686	492	0	16,574,194
towards related parties	149,937	0	0	149,937
towards third parties	16,424,749	492	0	16,424,257
31.12.2024	10,543,440	5,640	0	10,537,800
towards related parties	155,718	0	0	155,718
towards third parties	10,387,722	5,640	0	10,382,082



17.

LEASE LIABILITIES

SPECIFICATION	31.12.2025	31.12.2024
Short – term lease liabilities	2,501,192	2,363,832
Long – term lease liabilities	3,382,609	5,586,049
– due within 1 to 2 years	2,695,814	5,020,515
– due within 2 to 3 years	201,859	123,773
– due within 3 to 4 year	205,202	124,851
– due within 4 to 5 years	279,734	316,910
TOTAL LEASE LIABILITIES	5,883,801	7,949,881

Leasing liabilities result from concluded leasing agreements described in detail in note no. 29.

The costs included in the result resulting from concluded leasing agreements are presented below.

SPECIFICATION	31.12.2025	31.12.2024
Amortization	2,517,451	2,527,374
Interest	464,129	636,693
Realized and unrealized exchange rate differences	242,571	347,250

18.

OTHER LIABILITIES

SPECIFICATION	31.12.2025	31.12.2024
Liabilities due to the acquisition of Rortos (earn-out payments)	18,014,620	30,498,681
– long – term	0	15,734,214
– short – term	18,014,620	14,764,467
Other liabilities	2,566,896	2,212,093
– long – term	0	0
– short – term, including:	2,566,896	2,212,093
Withholding tax (flat-rate)	21,557	2,952
Personal income tax (PIT)	249,787	238,571
Social security contributions (ZUS)	1,558,905	1,325,684
State Fund for Rehabilitation of Disabled People (PFRON)	31,444	30,043
Other liabilities	705,203	614,843
TOTAL OTHER LIABILITIES	20,581,516	32,710,774
– long – term	0	15,734,214
– short – term	20,581,516	16,976,560

The liability related to the earn-out payments is described in more detail in the note “Goodwill.”

As at December 31, 2025 and December 31, 2024, the Group had no overdue other liabilities.

19.

SOCIAL ASSETS AND LIABILITIES OF THE COMPANY'S SOCIAL BENEFITS FUND

The Group did not have any company social benefits fund
as at the balance sheet date 31/12/2025 and 31/12/2024.

20.

CONTINGENT LIABILITIES

As at December 31, 2025 and as at December 31, 2024 the
Group did not have any significant contingent liabilities,
including guarantees and sureties, including bills of
exchange.



21.

PROVISIONS FOR EMPLOYEES BENEFITS

In the reporting period covered by the financial statements, the following changes in provisions occurred:

SPECIFICATION	As at 1.01.2025	Changes during the year			As at 31.12.2025
		Assumption	Reclassification from long-term to short-term	Use	
non-current provisions:	2,946,201	809,660	-576,045	-391,731	2,788,085
TFR provision (Italian retirement provision)	0	325,288	1,155,907	-391,731	1,089,464
Provisions for bonuses	2,946,201	484,372	-1,731,952	0	1,698,621
current provisions:	6,966,436	2,643,031	372,306	-5,810,529	4,171,244
TFR provision (Italian retirement provision)	1,155,907	0	-1,155,907	0	0
Holiday provision	1,914,472	2,124,876	0	-1,914,472	2,124,876
Provisions for bonuses	3,896,057	518,155	1,528,213	-3,896,057	2,046,368
TOTAL PROVISIONS	9,912,637	3,452,691	-203,739	-6,202,260	6,959,329

The provision for bonuses mainly results from the bonus scheme in place within the Group since 2021 (PLN 3.2 million in total – both non-current and current portions), the primary objective of which is to strengthen the retention of key employees and collaborators within the TSG Group. These bonuses are dependent on financial performance and are payable only if the individual remains employed by the Group at the payment date – depending on the scheme, the payment period ranges from several months to 2.5 years after the end of the period to which the bonus relates.

The remaining amount of bonus provisions (PLN 0.5 million) mainly comprises short-term provisions payable in the first half of the following year, in most cases relating to amounts due for Q4 2025.

In the previous reporting period, there were the following changes in provisions for employee benefits:

SPECIFICATION	As at 1.01.2024	Changes during the year			As at 31.12.2024
		Assumption	Reclassification from long-term to short-term	Use	
Holiday provision	1,884,874	1,914,472	0	-1,884,874	1,914,472
TFR provision	928,026	252,846	0	-24,964	1,155,907
Provisions for bonuses (short term)	4,873,313	2,398,706	1,268,689	-4,649,869	3,890,839
Provisions for bonuses (long term)	3,005,714	1,214,394	-1,268,689	0	2,951,419
TOTAL PROVISIONS	10,691,927	5,780,418	0	-6,559,707	9,912,637

22.

FINANCIAL RISK MANAGEMENT OBJECTIVES AND PRINCIPLES

The Group's operations are exposed to the following financial risks:

- a. credit risk,
- b. liquidity risk,
- c. market risk.

Credit risk – this is a risk that arises when one of the parties to a financial instrument causes the Group to incur financial losses, if it fails to meet its obligations towards the Group. Credit risk arises in the case of receivables, cash and cash equivalents, deposits, purchased bonds and deposits.

The Group's core business – generating revenues from games – due to its specific nature, is to a negligible extent exposed to this type of risk. The Group cooperates with a narrow group of customers (including aggregators of payments from individual users) and through long-established relationships and historical absence of problems with the repayment of receivables, exposure to a single credit risk is not high. The vast majority of receivables are repaid within 3 months after the receivables arise. The Group consistently monitors the inflow of receivables and keeps in touch with customers in case of payment delays. The Group invests its cash in reliable financial institutions (banks). Credit risk concerns the Group to an insignificant extent.

Liquidity risk – this is a risk that arises when the Group encounters difficulties in meeting its obligations related to financial liabilities. The Group cares about maintaining liquidity at an appropriate and safe level. Historically, the Group finances itself from its own resources and all new projects or significant purchases are verified for the possibility of timely repayment of the liability. Cash allows to cover all liabilities (the value of cash exceeds the value of liabilities more than twice) and therefore the entity does not assess this risk as significant. Liquidity risk concerns the Group to an insignificant extent.

Market risk – is the risk that arises when the fair value of a financial instrument or future cash flows related to it will fluctuate due to changes in market prices. This risk comprises three types of risk: currency risk, interest rate risk, other price risk.

Currency risk – refers to the risk that the fair value of a financial instrument or future cash flows associated with it will fluctuate due to changes in exchange rates. Given the global nature of Ten Square Games Group's operations, where most revenue is generated in USD and partially in EUR, the Group is exposed to risks arising from sharp exchange rate fluctuations, particularly the appreciation of the Polish zloty (PLN) against foreign currencies such as USD and EUR.

Most revenue agreements are settled in foreign currencies (USD and EUR) as well as in PLN. Consequently, the appreciation of the zloty relative to USD or EUR is an unfavorable factor for the Group, as it leads to a reduction in sales revenue. To mitigate currency risk, the Group partially offsets exposure by aligning the currency structure of its cost base. However, it is not possible to fully eliminate the foreign exchange risk affecting the Group. The Group does not use (and has not used) any financial instruments to hedge currency risk.

Interest rate risk – refers to the risk that the fair value of a financial instrument or future cash flows associated with it will fluctuate due to changes in market interest rates.

The Group invests surplus funds in interest-bearing assets (such as term deposits); however, this does not constitute a significant portion of the Group's revenue, and therefore, changes in interest rates do not pose a material risk.

The primary interest rate risk is related to debt instruments. However, in 2025 and 2024, the Group did not utilize external variable-interest debt instruments (such as loans or bonds). As a result, it was not exposed to cash flow fluctuations due to interest rate changes.

Other price risks – these are risks that arise when the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those resulting from interest rate or currency risk), regardless of whether these changes are caused by factors specific to individual financial instruments or to their issuer, or factors relating to all similar financial instruments traded on the market. The Group does not use financial instruments that carry a price risk. The Group is not exposed to any other price risk.



23.

ANALYSIS OF EXPOSURE TO CURRENCY RISK

A significant share of sales in USD and EUR in the Group's revenue structure means that the Group's financial results can be materially influenced by the exchange rate of the Polish zloty against these currencies. Net foreign currency exposure as at the balance sheet date is presented in the table below.

31.12.2025 CURRENCY RISK – EXPOSURE TO CURRENCY RISK	USD	EUR	other currencies (excluding PLN)
trade receivables in currency in currency	3,850,756	2,139,599	–
trade receivables valued at PLN	13,868,881	9,043,445	0
cash in foreign currency	2,118,913	7,257,317	–
cash and cash equivalents valued at PLN	7,631,477	30,674,502	0
trade liabilities in currency	2,738,744	1,285,773	32,061
trade liabilities valued at PLN	9,863,861	5,434,577	106,530
net exposure in currency	3,230,925	8,111,143	–
net exposure in PLN	11,636,497	34,283,370	–106,530

Data for the previous reporting period:

31.12.2024 CURRENCY RISK – EXPOSURE TO CURRENCY RISK	USD	EUR	other currencies (excluding PLN)
trade receivables in currency in currency	3,578,554	2,491,754	–
trade receivables valued at PLN	14,676,364	10,647,263	40,373
cash in foreign currency	2,822,973	1,360,751	–
cash and cash equivalents valued at PLN	11,577,578	5,814,490	0
trade liabilities in currency	1,712,585	869,454	–
trade liabilities valued at PLN	7,023,653	3,715,176	0
net exposure in currency	8,114,112	4,721,958	–
net exposure in PLN	33,277,595	20,176,929	40,373

The table below presents the Group's sensitivity to a 10% increase in the zloty's exchange rate in relation to the above-mentioned currencies. A positive value indicates an increase in pre-tax profit due to an increase in the exchange rate (weakening of the Polish zloty).

CURRENCY RISK – SENSITIVITY ANALYSIS	31.12.2025	31.12.2024
Change by +10% / – 10%	+4,581,334 / –4,581,334	+5,349,490 / –5,349,490

24.

CAPITAL MANAGEMENT

The main objective of the Group's capital management is to maintain solid credit rating and safe capital ratios that would support the Group's operations and increase the value for its shareholders. At present, the Group finances its operations with operating profits and does not use debt financing. The Group manages its capital structure and may change it as a result of changes in the economic situation. In order to maintain or adjust the capital structure, the Group may change the payment of dividends to shareholders, return capital to shareholders or issue new shares. In the years ended 31 December 2025 and 31 December 2024, no changes were introduced to the objectives, principles and processes applicable in this area.

SPECIFICATION	31.12.2025	31.12.2024
Interest-bearing loans and borrowings	0	0
Trade liabilities and other liabilities	37,156,201	43,254,214
Cash and cash equivalents	120,325,889	143,774,851
Net debt	-83,169,688	-100,520,637
Equity	220,367,790	243,263,256
Total capital	220,367,790	243,263,256
Net equity and debt	303,537,478	343,783,893



25.

EMPLOYEE BENEFIT PROGRAMS

In connection with the introduction of the Employee Capital Plans (PPK) program in Poland, the Company entered into an agreement with Aviva Specjalistyczny Fundusz Inwestycyjny Otwarty PPK for the management of the Employee Capital Plan. As a result, employees of the Parent Entity became participants in the Plan starting in November 2020. Following the merger of companies, the Aviva brand in Poland was rebranded as Allianz on July 2, 2022. Consequently, the investment company Aviva Investors Poland Towarzystwo Funduszy Inwestycyjnych S.A. changed its name to Towarzystwo Funduszy Inwestycyjnych Allianz Polska S.A.

The total costs of the PPK program (employer contributions) incurred by the Company in 2025 amounted to PLN 252 thousand, compared to PLN 224 thousand in 2024.



26.

SHARE BASED INCENTIVE PROGRAMS

INCENTIVE PROGRAM FOR THE MANAGEMENT BOARD – DECEMBER 2023

On December 19, 2023, the General Meeting of Shareholders adopted an incentive program for the years 2024–2025 addressed to Members of the Company’s Management Board.

The conditions for receiving shares include: submission of an action plan for 2024 (first tranche); achievement of financial performance criteria (Group results) for the years 2024–2025 (second and third tranches); and the requirement to remain a member of the Management Board. In total, participants may acquire up to 37,500 shares in three tranches.

Upon meeting the program conditions, participants may acquire the shares at their nominal value of PLN 0.10 per share. The shares used for this program originate from the share buyback carried out in the first quarter of 2022. The shares granted to participants are subject to a lock-up period restricting their sale.

As at the date of issuance of these financial statements, under the settlement of the program:

- » in the first quarter of 2024, 12,500 shares were granted to participants (first tranche);
- » in the second quarter of 2025, 8,125 shares were granted to participants, corresponding to the achievement of the target in the range of PLN 105–110 million Adjusted EBITDA and thus 65% of the original share allocation (second tranche);
- » with respect to the third tranche, in March 2025 the Supervisory Board set the performance target for 2025. The target was defined as achieving a specified level of consolidated Adjusted EBITDA, in accordance with the table below:

PROGRAM CRITERION – ADJUSTED EBITDA AMOUNT (CONSOLIDATED DATA IN PLN)	% of the initially allocated share pool eligible for acquisition by a Management Board Member	Number of shares in the pool for 2025 (total for all Management Board Members)
122.500.000 & more	100%	12,500
113.000.000 – 122.499.999	95%	11,875
104.000.000 – 112.999.999	85%	10,625
99.000.000 – 103.999.999	75%	9,375
95.000.000 – 98.999.999	65%	8,125
Below 95.000.000	0	0

In accordance with the terms of the program, following the finalization of the financial statements for a given year, the Supervisory Board will adopt a resolution regarding the final allocation of shares.

As at the date of issuance of these financial statements, the cost of the program recognized in 2025 corresponds to the performance range entitling participants to acquire 65% of the initial share allocation, i.e. 8,125 shares.

The accounting cost of the program recognized in 2025 and presented in these financial statements amounts to PLN 0.8 million.

INCENTIVE PROGRAM FOR KEY PERSONNEL – DECEMBER 2023

On December 21, 2023, the Management Board of the Parent Entity adopted an incentive program for 2024-2025 for key personnel (i.a. employment contract, B2B) of the Capital Group. The condition for receiving shares is meeting individual quality criteria for participants; financial criteria (Group results); criterion of remaining employed within the Group. In total, participants will be able to purchase up to 32,400 shares in three tranches. After meeting the program conditions, participants will be able to purchase shares for a nominal share price of PLN 0.10 per share. The shares used in this program come from share buybacks that took place in the first quarter of 2022 and 2024. The shares transferred to program participants will be subject to a time lock-up before they will be able to sell them.

As at the date of issuance of these financial statements, under the settlement of the program:

- » in the first quarter of 2024, 10,800 shares were granted to participants (first tranche);
- » in the second quarter of 2025, 7,020 shares were granted to participants (second tranche);
- » The cost of the program recognized in 2025 (PLN 0.4 million) corresponds to the performance range entitling participants to acquire 65% of the initial share allocation for the third tranche, i.e. 3,575 shares.

INCENTIVE PROGRAM FOR 2025 – 2029

On May 14, 2025, the General Meeting of Shareholders adopted an incentive program for the years 2025-2029 addressed to key employees and collaborators, as well as Members of the Company's Management Board. The program provides for three tranches:

- » Tranche I: 2025-2027
- » Tranche II: 2026-2028
- » Tranche III: 2027-2029

In total, up to 323,799 rights (Company shares) may be granted under all tranches, representing approximately 5% of the Company's share capital. Participants will be entitled to acquire the rights (Company shares) subject to the achievement of:

- » a performance condition (80% weight), and
- » a market condition (20% weight).

The market condition is defined as the Company's share price performance exceeding the WIG index by 10 percentage points for each tranche.

Additionally, individual performance targets may be set.

For Tranche I (2025–2027), the performance condition has been set at a cumulative Adjusted EBITDA of PLN 438 million for the years 2025–2027. Partial achievement of the target entitles participants to acquire shares in accordance with the table below:

% achievement of the performance condition	% of rights under the performance condition
100%	100%
91%	65%
83%	35%

As at the date of issuance of these financial statements, the Supervisory Board has not yet determined the performance target for Tranche II of the program covering the years 2026–2028.

Upon fulfillment of the program conditions, participants will be entitled to acquire shares at their nominal value of PLN 0.10 per share. The shares used for the purposes of this program will originate either from the Company's treasury shares acquired under a share buyback program or from a new share issue.

As at the date of issuance of these financial statements, 106,760 rights have been initially allocated. The cost of the program recognized in 2025, amounting to PLN 1.5 million, corresponds to the performance range entitling participants to acquire 35% of the initial share allocation, assuming the market condition is met.

OTHER INCENTIVE PROGRAMS

In order to attract gaming industry talent from around the world, the Company's Management Board may also allocate a portion of treasury shares acquired on the market to individual (stand-alone) incentive programs.

In 2025, under such programmes, a preliminary allocation of shares was made to individuals key to the Group, and the final number of shares granted for 2025 amounted to 3,000 shares.

The accounting cost of these programs recognized in 2025 amounted to PLN 0.2 million.

RECONCILIATION OF COSTS

Reconciliation of costs of incentive schemes by nature and by function:

SPECIFICATION	for the period 01.01.2025 – 31.12.2025	for the period 01.01.2024 – 31.12.2024
Share-based payments – cost by nature:	2,843,234	3,977,436
Incentive program for Management Board – December 2023	796,251	2,021,766
Incentive program for key personnel – December 2023	350,350	1,746,370
Incentive program for 2025–2029	1,480,633	0
Other incentive programs	216,000	0
Additional one-time compensation under the share program – November 2024	0	209,300
Share-based payments – costs by function:	2,843,233	3,977,436
Cost of goods and services sold	1,148,840	1,851,020
Selling costs	0	0
General administrative costs	1,694,393	2,126,416
Capitalization of share-based payment costs (game production)	0	0

The reconciliation of the costs of the incentive schemes to the capital created from the valuation of the incentive scheme is as follows:

SPECIFICATION	31.12.2025	31.12.2024
TOTAL Capital from the settlement of the incentive scheme	102,292,075	99,448,841
Incentive program for 2025–2029	1,480,633	0
Incentive program for key personnel – December 2023	1,746,370	1,746,370
Other incentive programs	216,000	0
Incentive program for Management Board – December 2023	2,818,017	2,021,766
Incentive program for key personnel – September 2023	1,007,222	656,872
Additional one-time compensation under the share program – November 2024	209,300	209,300
Incentive program for the President of the Management Board – May 2020	72,398,011	72,398,011
Cost of incentive program in 2021	17,079,974	17,079,974
Cost of incentive program in 2020	3,572,514	3,572,514
Cost of incentive program in 2019	1,187,441	1,187,441
Cost of incentive program in 2018	236,328	236,328
Cost related to contracts executed in 2017	340,265	340,265

27.

INFORMATION ON AFFILIATED ENTITIES, INCLUDING INFORMATION ON REMUNERATION OF SENIOR MANAGEMENT AND THE SUPERVISORY BOARD

The following tables present the total amounts of transactions entered into with related parties for the current and the previous reporting period in relation to the Parent Company:

27.1. Management Board

Remuneration is presented below, broken down into paid and due. In the absence of annotations, the amount paid is equal to the amount due for the reporting period. The totals for a given person present only the amounts paid, without the amounts due.

For Management Board members, the fixed cash remuneration includes amounts resulting from two legal relationships:

- » appointment,
- » employment contract / cooperation agreement.

AFFILIATED PERSON	Remuneration		Net dividend	
	01.01.2025 – 31.12.2025	01.01.2024 – 31.12.2024	01.01.2025 – 31.12.2025	01.01.2024 – 31.12.2024
Management Board (total due remuneration)	4,348,298	4,740,472	1,665,110	0
Andrzej Ilczuk	2,117,626	2,174,872	226,961	–
– cash fixed remuneration	834,000	834,000	–	–
– due cash variable remuneration	547,904	613,222	–	–
– paid cash variable remuneration	598,488	649,888	–	–
– share based motivation program	735,722	727,650	–	–
Janusz Dziemidowicz	1,115,336	1,282,800	1,157,534	–
– cash fixed remuneration	636,000	636,000	–	–
– share based motivation program	479,336	646,800	–	–

AFFILIATED PERSON	Remuneration		Net dividend	
	01.01.2025 – 31.12.2025	01.01.2024 – 31.12.2024	01.01.2025 – 31.12.2025	01.01.2024 – 31.12.2024
Magdalena Jurewicz	1,115,336	1,282,800	280,614	–
– cash fixed remuneration	636,000	636,000	–	–
– share based motivation program	479,336	646,800	–	–
Supervisory Board	372,000	372,000	570,479	–
Rafał Olesiński	102,000	102,000	8,524	–
Maciej Marszałek	60,000	60,000	560,617	–
Wiktor Schmidt	48,000	48,000	0	–
Marcin Bitos	54,000	54,000	0	–
Kinga Stanisławska	54,000	54,000	1,338	–
Arkadiusz Pernal	54,000	54,000	0	–
Affiliated persons (Ten Square Games S.A.)	58,000	59,000	n/a	–
Maciej Popowicz	58,000	59,000	n/a	–
Key personnel (Ten Square Games S.A.)	0	0	n/a	–
Family members of key personnel / Management Board (Ten Square Games S.A.)	0	0	n/a	–

AFFILIATED PERSON	Liabilities/provisions		Receivables	
	01.01.2025 – 31.12.2025	01.01.2024 – 31.12.2024	01.01.2025 – 31.12.2025	01.01.2024 – 31.12.2024
Management Board	248,975	300,881	783	680
Andrzej Ilczuk	187,475	239,381	783	680
Janusz Dziemidowicz	61,500	61,500	0	0
Magdalena Jurewicz	0	0	0	0
Supervisory Board	0	0	0	0
Affiliated persons (Ten Square Games S.A.)	5,535	5,535	0	0
Key Personnel (Ten Square Games S.A.)	0	0	0	0
Family members of key personnel / Management Board (Ten Square Games S.A.)	0	0	0	0

Transactions between related parties were conducted on terms equivalent to those applicable to transactions concluded on an arm's length basis. Members of the key management personnel did not enter into any transactions with subsidiaries of Ten Square Games S.A.

27.2. Other affiliated entities

AFFILIATED ENTITY	PERIOD	Net sales		Net purchase		Dividend		Earn-out payment	
		01.01.2025 – 31.12.2025	01.01.2024 – 31.12.2024	01.01.2025 – 31.12.2025	01.01.2024 – 31.12.2024	01.01.2025 – 31.12.2025	01.01.2024 – 31.12.2024	01.01.2025 – 31.12.2025	01.01.2024 – 31.12.2024
Subsidiaries		6,832,264	7,626,361	2,402	526,478	10,043,303	7,358,024	0	0
Play Cool Zombie Sport Games Sp. z o.o.		17,400	17,400	0	0	0	2,000,000	0	0
Ten Square Games Germany GmbH		0	0	0	494,332	0	0	0	0
Ten Square Games S.R.L.		0	0	0	32,146	0	0	0	0
RORTOS S.R.L.		6,814,864	7,608,961	2,402	0	10,043,303	5,358,024	0	0
Personally affiliated entities:		0	0	102,103	37,993	0	0	14,077,384	10,521,483
Olesiński i Wspólnicy Spółka komandytowa		0	0	102,103	37,993	0	0	0	0
Roberto Simonetto		0	0	0	0	0	0	8,428,415	6,288,630
Antonio Farina		0	0	0	0	0	0	5,648,969	4,232,853
Associates:		1,131,008	525,492	0	29,138	0	0	0	0
Gamesture Sp. z o.o.		1,131,008	525,492	0	29,138	0	0	0	0

AFFILIATED ENTITY	Gross receivables		Gross liabilities		Loans	
	31.12.2025	31.12.2024	31.12.2025	31.12.2024	31.12.2025	31.12.2024
Subsidiaries:	1,464,507	2,611,444	19,850	0	0	0
Play Cool Zombie Sport Games Sp. z o.o.	0	1,784	0	0	0	0
RORTOS S.R.L.	1,464,507	2,609,660	19,850	0	0	0
Personally affiliated entities:	0	0	18,023,107	29,187,703	0	0
Olesiński i Wspólnicy Spółka komandytowa	0	0	8,487	14,268	0	0
Roberto Simonetto	0	0	10,806,971	17,501,144	0	0
Antonio Farina	0	0	7,207,649	11,672,291	0	0
Associates:	354,710	271,602	0	0	1,508,847	1,399,344
Gamesture Sp. z o.o.	354,710	271,602	0	0	1,508,847	1,399,344

In previous years, the Parent Company sold internally produced games to its Polish subsidiaries and received remuneration in return. On the other hand, Ten Square Games Germany GmbH was established in order to acquire human capital (gaming industry talent) in the local market. Employees of this company worked for games produced by the Parent Company and their cost was then invoiced to the Parent Company. Transactions between the Parent and Rortos S.r.l. consist of production/maintenance support for Rortos' games, for which the Parent receives remuneration.

The Parent uses legal/tax services offered by the law firm Olesinski i Wspólnicy Sp.k. as needed, each time basing on the valuation of works for a given project. Transactions between related parties took place on terms equivalent to those applicable to transactions concluded on market terms.

The liability towards Mr. Roberto Simonetto and Mr. Antonio Farina arises from the acquisition of 100% of the shares in Rortos and is described in more detail in the note "Investments in subsidiaries."

28.

EMPLOYMENT

The average of employees in the financial year was 189 persons (198 in 2024). The main group of employees are specialists in information and communication technologies.

29.

LEASE AGREEMENTS

Parent Entity

In January 2024, the Company amended its existing lease agreements from 2019 and 2020, thereby extending the lease of office space in the City One office and service building, located at Traugutta 45 in Wrocław. The agreements have been extended until the end of 2027.

The aforementioned agreements are recognized in the financial statements in accordance with IFRS 16. The initial value of the acquired right-of-use asset is recorded under fixed assets and subsequently amortized over the lease term. Discounted lease payments are recognized under liabilities, classified appropriately into long-term and short-term portions.

Rortos S.r.l

In 2021, the right-of-use asset for office space occupied by Rortos was recognized. The office lease agreement for the premises at Del Pontiere Street in Verona was signed on July 1, 2019, for a period of six years from the date of premises handover, with an option to extend for an additional six years – until 2031.

30.

LITIGATIONS

The Group had no pending court cases in 2025 or in 2024.

31.

EVENTS AFTER THE BALANCE SHEET DATE

No significant events occurred after the balance sheet date that could impact the financial data presented in the report for the period ended December 31, 2025.

32.

SHARE OF SUBSIDIARIES NOT INCLUDED IN THE CONSOLIDATED FINANCIAL STATEMENT

Not applicable – all subsidiaries have been included in the consolidated financial statement.

33.

INFORMATION ON TRANSACTIONS WITH THE ENTITY AUDITING THE FINANCIAL STATEMENTS

SPECIFICATION	cost in 2025	cost in 2024
audit of the consolidated and standalone financial statements for 2025 (2024)	117,000	117,000
review of the consolidated and standalone financial statements for the first half of 2025 (2024)	56,000	56,000
attestation service for compliance verification with the ESEF Regulation for the 2025 (2024)	8,000	8,000
attestation service for the assessment of the remuneration report for the year 2025 (2024)	8,000	8,000
TOTAL	189,000	189,000



34.

APPROVAL OF THE FINANCIAL STATEMENTS

These consolidated financial statements of the Ten Square Games S.A. Group were signed and approved for publication by the Management Board of Ten Square Games S.A. on March 23, 2026, and will be subject to approval by the General Meeting of Ten Square Games S.A.

PRESIDENT OF THE MANAGEMENT BOARD

Andrzej Ilczuk

MEMBER OF THE MANAGEMENT BOARD

Janusz Dziemidowicz

MEMBER OF THE MANAGEMENT BOARD

Magdalena Jurewicz

Person entrusted with keeping the books of accounts

Karolina Hoszowska-Dubaniowska

Wrocław, March 23, 2026