



PRESS RELEASE

FY 2024-2025 Trade update

- The Group now expects FY 2024–2025 EBIT to be below previous year level, impacted by the underperformance of the new title *Blades of Fire* and higher-than-expected write-offs
- Net financial debt expected to be lower than Euro 20 million at June 30, 2025 significantly improving compared to the last projections

Milan, July 22, 2025 – Digital Bros Group (DIB:MI), video games company listed on the Euronext STAR Milan (ISIN: IT0001469995) and part of the FTSE Italia Small Cap index, updates its outlook for the fiscal year ended on June 30, 2025.

The video game market remains affected by challenging competitive dynamics, driven by an oversupply of new releases and increasingly selective consumers. These conditions make it particularly difficult to successfully launch new titles and to develop reliable forecasting models capable of accurately projecting sales and volumes at launch.

In this context, the Group's new video game *Blades of Fire*, which was released on May 22, 2025 for consoles and as a PC exclusive on the Epic Games Store, underperformed the Group's expectations, despite receiving generally positive reviews from both the industry press and players. This confirms the challenges faced by most industry peers and competitors in attracting consumers to new titles, particularly when these are not backed by an established brand driving a loyal player community. Consequently, revenue for the fiscal year ending June 30, 2025, which was already projected to decline year-on-year, is now expected to contract even further.

The persistent market uncertainty has driven the Group to recognize higher-than-expected write-offs of approximately Euro 8 million, based on the preliminary impairment tests reviewed by the Board of Directors today, together with the approval of the updated five-year strategic plan. As a result, the operating margin (EBIT) for the 2024–2025 fiscal year is now expected to be below the previous year level, in contrast to the expectations communicated in the Q3 Interim Report. As of June 30, 2025, the Group expects an EBIT loss of at least Euro 10 million.

The net financial debt as of June 30, 2025, previously expected to remain in line with the level reported on December 31, 2024, is now projected to be lower than Euro 20 million, improving significantly from the previous estimates.

ALTERNATIVE PERFORMANCE RATIOS

- EBIT: the difference between EBITDA and total depreciation, amortization and impairment adjustments;
- Net financial debt: the difference between the current and non-current financial position, adjusted by the Group in line with previous fiscal years.

This press release is available on www.digitalbros.com and www.iinfo.it.

DIGITAL BROS GROUP

Listed on the Euronext STAR Milan, Digital Bros Group is a global company that has been operating since 1989 as a developer, publisher and distributor of video games through its brand 505 Games. The Group markets its contents on both retail and digital channels, Digital Bros Group is active around the world through its own direct operations in Italy, United States, UK, Czech Republic, China, Japan, Australia and Canada with 287 employees.

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