



Q3 FY2026

Investor Summary Report

Fiscal Quarter Ending December 31, 2025 | Prepared February 2026

Executive Summary

- FY26 Revenue forecast of **\$13.85M** represents **+10.5% YoY growth**, outpacing the broader indie publisher market.
- Q3 gross income of **\$2.64M** down 18.6% YoY due to title release timing, offset by significant margin improvements.
- COGS improved **45% YoY** driving margin expansion (33.6% vs 47.2%) — demonstrating operational discipline.
- **Positive Operating Cash Flow** of \$724K YTD vs \$(757K) in FY25 — a **\$1.48M turnaround**.
- Balance sheet remains **100% debt-free** with cash position up 109% to \$545K.
- Game advertising revenue surging: **+59% Q3 YoY**, now 13.4% of revenue — a key diversification driver.
- Organic 5-year LRP projects EBITDA scaling from \$783K (FY26) to **\$20.5M (FY31)**.

\$13.85M FY26 Revenue Forecast +10.5% YoY	\$908K FY26 EBITDA Forecast -36% YoY	\$545K Cash Position +109% from FY25	\$0 Total Debt Debt-Free
1.79 Current Ratio +25% from FY25	\$724K Operating Cash Flow YTD +\$1.48M swing	33.6% COGS % of Revenue vs 47.2% Q3'25	+59% Ad Revenue Growth Q3 13.4% of Q3 Rev

Financial Performance

Income Statement

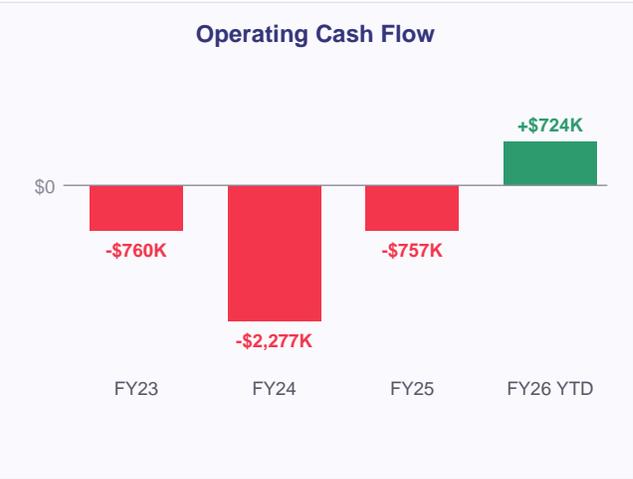
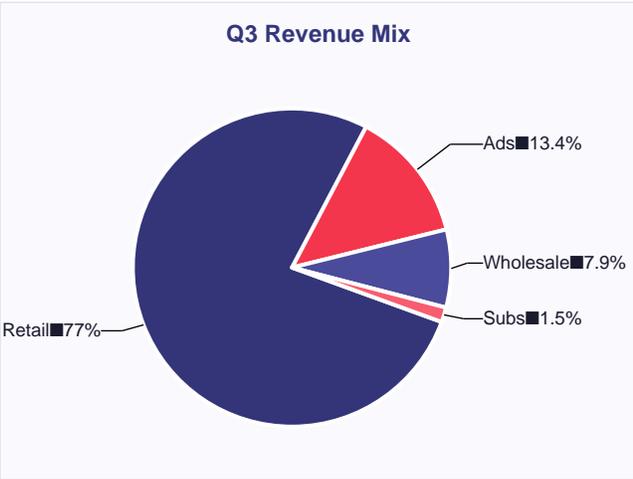
Metric	Q3 FY26	Q3 FY25	YoY %	FY26 Forecast	FY25
Gross Income	\$2.64M	\$3.24M	-18.6%	\$13.85M	\$12.54M
Net Revenue (after splits)	\$1.23M	\$1.60M	-23.2%	\$6.08M	\$6.14M
Cost of Goods Sold	\$414K	\$755K	-45%	\$2.60M	\$3.53M
Gross Profit	\$816K	\$846K	-4%	\$3.48M	\$2.62M
G&A; Expenses	\$194K	\$257K	-25%	\$901K	\$1.04M
EBITDA	\$100K	\$547K	-82%	\$908K	\$1.42M
Net Income / Loss	(\$297K)	(\$198K)	-50%	(\$1.01M)	(\$1.92M)

Q3 revenue was impacted by title release timing, with major launches weighted toward Q4. Despite the top-line dip, cost discipline delivered meaningful margin expansion — COGS as a percentage of net revenue improved from 47.2% to 33.6%. Full-year FY26 net loss is projected at (\$1.01M), a **47% improvement** from FY25's (\$1.92M) loss.

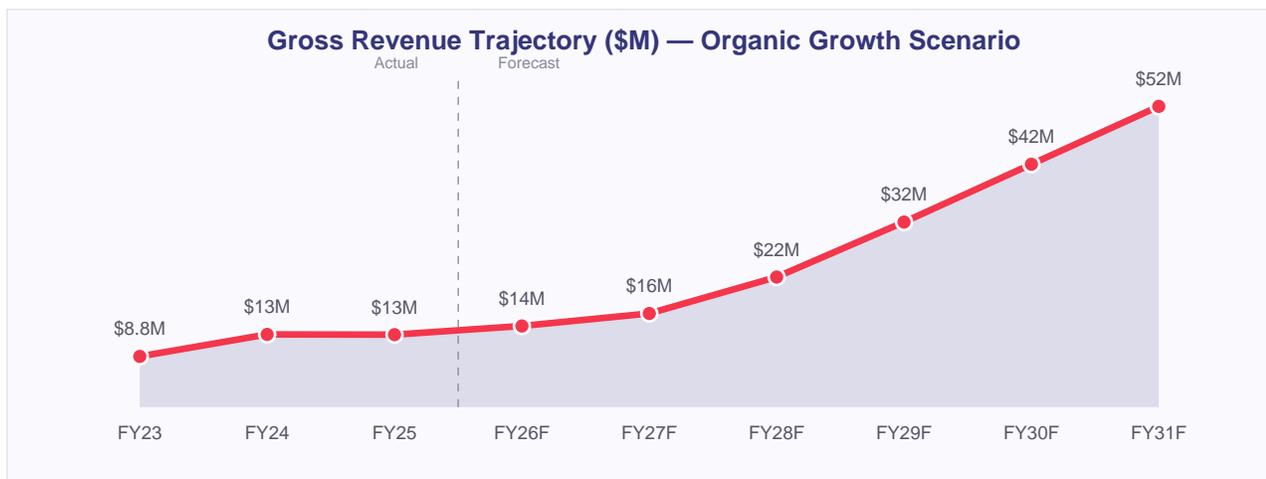
Balance Sheet Highlights

Metric	FY26 TD	FY25	Change
Cash	\$545K	\$260K	+109%
Accounts Receivable	\$870K	\$1.97M	-56%
Total Current Assets	\$1.64M	\$2.34M	-30%
Total Assets	\$5.93M	\$7.43M	-20%
Total Liabilities	\$920K	\$1.64M	-44%
Total Equity	\$5.01M	\$5.79M	-13%
Working Capital	\$725K	\$700K	+4%

The balance sheet reflects a healthier, leaner business. Cash doubled YoY while total liabilities declined 44%. The company maintains zero debt with a current ratio of 1.79, providing adequate liquidity to fund operations and H2 marketing investment of \$742K.

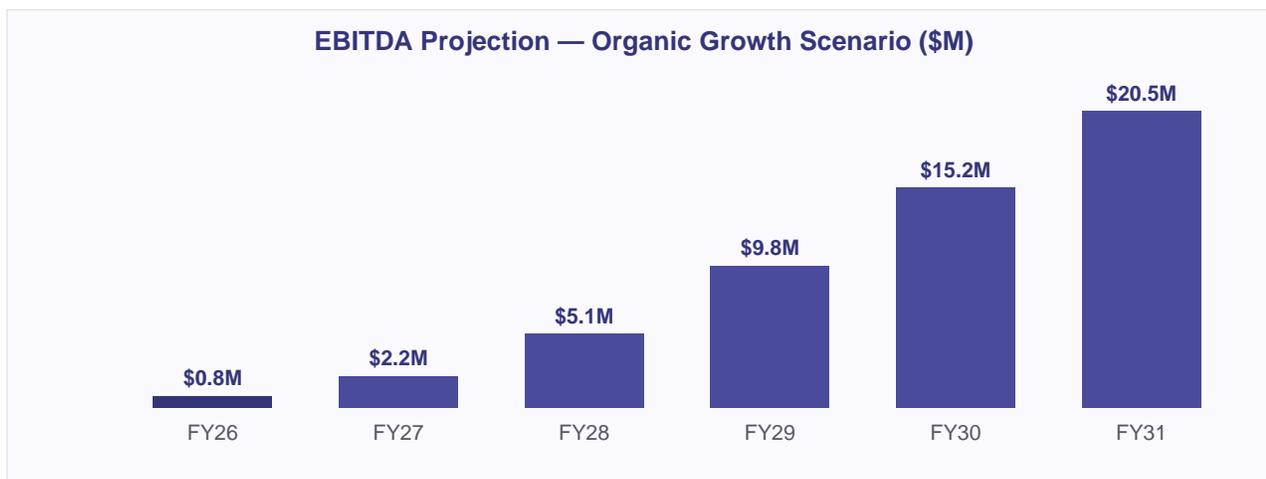


Growth Trajectory & Projections



Under the organic growth scenario (no external capital), indie.io projects gross revenue scaling from \$14.0M (FY26) to \$52.0M (FY31), driven by new title releases, console platform expansion, and advertising revenue diversification. The CAGR of ~30% reflects the compounding effect of a growing back-catalogue combined with strategic new releases.

Note: This represents one possible growth scenario of many, built from historical performance data and AI-assisted modeling. We are continuing to refine these projections as new data becomes available.



EBITDA is projected to inflect meaningfully in FY27 (+181% to \$2.2M) as the current pipeline of signed titles begins generating revenue. By FY31, the model projects \$20.5M EBITDA on \$52M revenue — a ~39% EBITDA margin, consistent with best-in-class indie publishers.

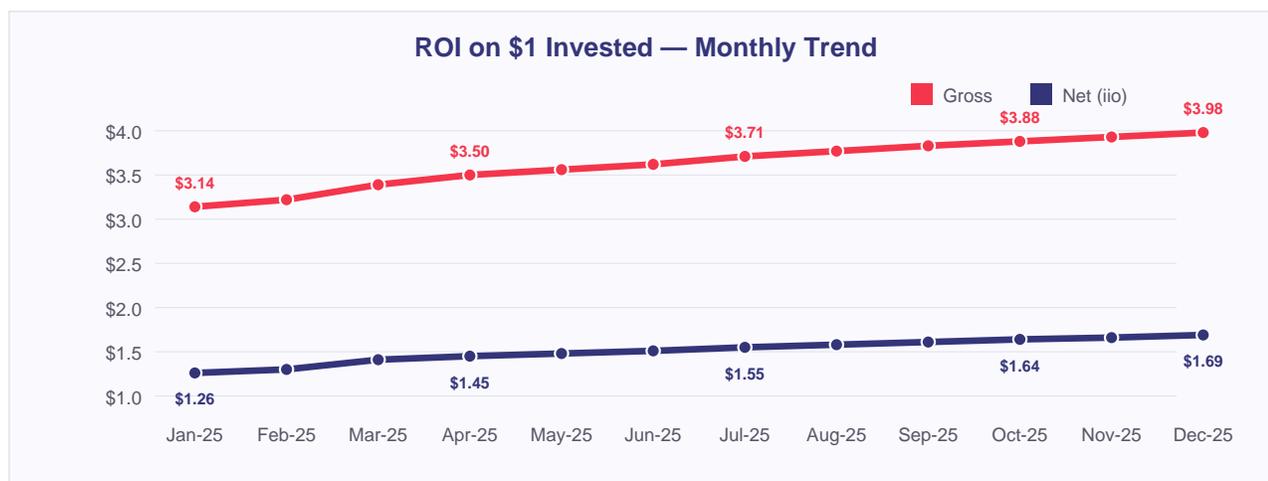
Key Growth Drivers

- **Advertising Revenue:** Up 59% Q3 YoY to \$353K. FY26 forecast of \$1.5M represents a new, high-margin revenue stream. Advertisers value indie gaming's engaged audiences, and this channel is expected to scale significantly.
- **Console Platform Expansion:** Based on historical data across 39 titles, same-day console launches generate 62-70% of PC M1 revenue. Delayed console ports deliver 127% of PC lifetime revenue. This multiplier effect is a core

pillar of the LRP.

- **Back-Catalogue Leverage:** Consistent with industry peers (Devolver's back-catalogue drives significant margins, Everplay's back-catalogue represents 92% of revenue), indie.io's existing catalogue provides a durable revenue base that grows with each new release.
- **IP Pipeline:** Strategic priority to sign new high-quality titles positions the company for accelerating growth in FY27-FY28, consistent with the organic LRP projections.
- **IndiePass Launch (March 30):** IndiePass (indiepass.gg), indie.io's subscription-based indie game platform, launches March 30th at \$6.99/month. With a curated library of indie titles and new games added weekly, IndiePass opens a recurring revenue stream alongside traditional retail sales — further diversifying the company's revenue mix.

Unit Economics — Return on Investment



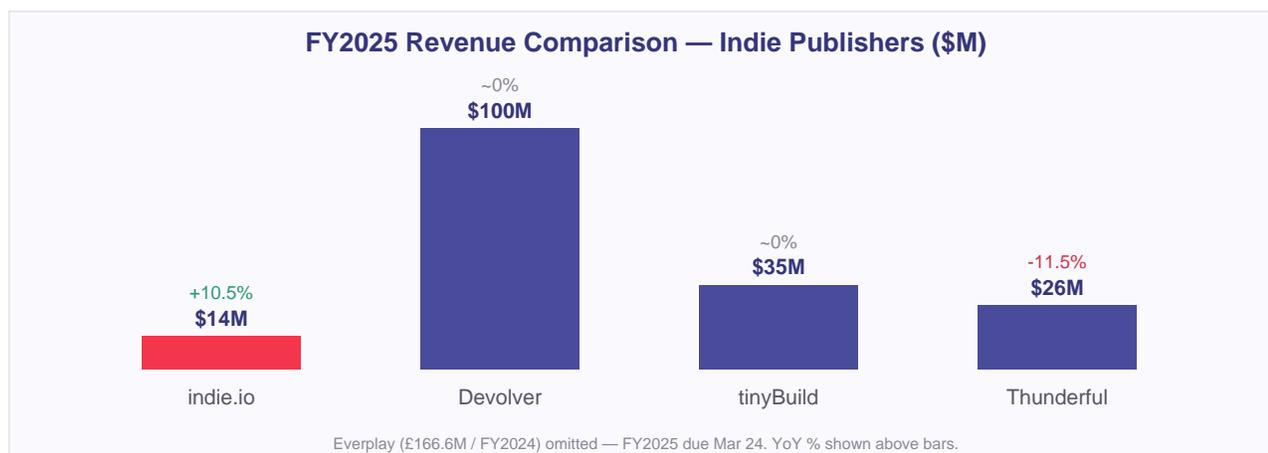
For every **\$1 invested**, indie.io generates **\$3.98 in gross revenue** and **\$1.69 net (after platform fees and developer splits)** as of December 2025. Both metrics have trended upward month-over-month, reflecting improving capital efficiency as the back-catalogue compounds and operational costs are reduced.

Interactive version with date filters: http://localhost:9999/roi_chart.html

Monthly ROI Trend

Month	ROI Gross	ROI iio (Net)
Jan-25	\$3.14	\$1.26
Feb-25	\$3.22	\$1.30
Mar-25	\$3.39	\$1.41
Apr-25	\$3.50	\$1.45
May-25	\$3.56	\$1.48
Jun-25	\$3.62	\$1.51
Jul-25	\$3.71	\$1.55
Aug-25	\$3.77	\$1.58
Sep-25	\$3.83	\$1.61
Oct-25	\$3.88	\$1.64
Nov-25	\$3.93	\$1.66
Dec-25	\$3.98	\$1.69

Competitive Landscape



Indie Publisher Benchmarks

Publisher	Revenue	YoY	CAGR	EBITDA	Status
indie.io	\$13.9M	+10.5%	+19.5%	\$908K	Growing
Devolver	>\$100M	~0%	-9.4%	~\$10-12M	Flat
Everplay*	£166.6M	+5%	+10.1%	£43.5M	Turnaround
tinyBuild	~\$35M	~0%	-17.9%	Positive	Turnaround
Thunderful	\$26.5M	-11.5%	N/M	(\$3.2M)	Delisted

CAGR: indie.io 2yr (FY23–FY25), Devolver & tinyBuild 3yr (FY22–FY25), Everplay 2yr (FY22–FY24). Thunderful N/M due to divestitures.
 *Everplay = FY2024 audited; FY2025 due Mar 24. Devolver & tinyBuild = FY2025 preliminary.

indie.io leads all peers on multi-year revenue CAGR (+19.5%) while maintaining a debt-free balance sheet. The indie publisher landscape is bifurcating: companies with strong back-catalogues and cost discipline (Devolver, Everplay) are stabilizing, while those that over-expanded (Thunderful) face consolidation. indie.io's positive cash flow trajectory and diversifying revenue position it favorably.

Peer Highlights

- **Devolver Digital** (AIM: DEVO) — Exceeded \$100M revenue in FY2025 but growth has stalled (3yr CAGR -9.4% from FY22 peak of \$134.6M). Back-catalogue drives 88% of game revenues. Pre-impairment adjusted EBITDA of ~\$10-12M. \$36.4M net cash. Full FY2025 results due April 2026.
- **Everplay / Team17** — FY2024 turnaround: EBITDA up 45% to £43.5M, profit before tax swung from (£1.1M) loss to £25.3M profit. 2yr CAGR of +10.1%. Back-catalogue generates 92% of revenue. FY2025 results due March 24, 2026.
- **tinyBuild** — Returned to positive EBITDA in H1 2025 (+\$4.2M vs -\$6.6M prior year). Gross profit surged 236%. Revenue stabilizing at ~\$35M after steep 3yr decline (CAGR -17.9%). Kingmakers is 7th most-wishlisted on Steam — potential catalyst.

- **Thunderful Group** — Acquired by Atari (82% stake for ~\$5M), delisted Feb 2026. FY2025 revenue \$26.5M (-11.5%), EBITDA -\$3.2M, with \$45M in write-downs. 50-60 job cuts underway. A cautionary tale of over-expansion.

Industry Overview

Global Gaming Market (2025)

Segment	2025 Revenue	YoY Growth	Outlook
Total Market	\$197B	+7.5%	\$208B forecast for 2026
PC Gaming	\$43B	+10.4%	Fastest-growing segment
Console	\$45B	+4.2%	Stable, hardware cycle driven
Mobile	\$108B	+7.7%	Largest segment by revenue
Indie Games (Steam)	\$4.85B	+14.3% CAGR	25% of Steam revenue

Steam Platform — Record Growth

- Steam generated **\$16.2B+** in revenue through November 2025 — approximately 50% annualized growth.
- Peak concurrent users reached **42.04M** (January 2026), with 132M monthly active users.
- **19,468 new games** released in 2025, yet fewer than 300 earned over \$1M — underscoring the critical value of publisher expertise in discoverability and marketing.
- Indie games now account for **25% of Steam's total revenue** and comprise 40% of the platform's top 20 most-played games.

Key Industry Trends

- **Rising AAA Prices Create Indie Opportunity:** With \$70 now standard for AAA titles (and speculation of \$80+ for tentpoles like GTA 6), consumers are increasingly seeking value in the \$10-\$50 indie/AA tier — a structural tailwind for indie publishers.
- **AI Adoption:** 90% of game developers are integrating generative AI into workflows (Google Cloud, 2025). For lean publishers like indie.io, AI tools offer efficiency gains in QA, localization, and marketing content creation — amplifying the output of smaller teams.
- **Industry Consolidation:** ~5,300 industry jobs cut across 128 companies in 2025. Major deals include EA taken private (\$55B) and Netflix acquiring Warner Bros. (\$72B). Consolidation among AAA publishers reduces competition for indie shelf space on distribution platforms.
- **Subscription Services Maturation:** While subscription revenue has declined for indie.io (reflecting platform title rotation), the broader trend toward ongoing engagement monetization via DLC and live-service models aligns with indie.io's advertising revenue growth strategy.

Strategic Outlook & Investment Thesis

Competitive Strengths

- **Capital-Efficient Model:** Zero debt, positive operating cash flow trajectory, and improving margins demonstrate a sustainable business model that doesn't rely on external capital.
- **Diversifying Revenue Streams:** Advertising revenue grew 59% Q3 YoY and is forecast at \$1.5M for FY26. This high-margin channel reduces dependence on retail title launches.
- **Operational Discipline:** G&A; expenses down 25% YoY, COGS down 45% — management is delivering more with less, consistent with the best-performing peers in the space.
- **Platform & Console Optionality:** Every PC title carries built-in console and mobile optionality, with historical data showing 62-127% incremental revenue from platform expansion.
- **Growing Back-Catalogue:** Each new release adds to a durable, recurring revenue base — the same model driving 92% of Everplay's revenue and fueling Devolver's margin expansion.

Key Risks & Mitigants

Risk	Mitigant
Title launch timing	Diversified pipeline reduces single-title dependency; H2 FY26 weighted
Market discoverability	19K+ annual Steam releases; publisher brand and marketing expertise critical
Subscription platform changes	Shifting emphasis to advertising and direct sales reduces exposure
Industry-wide contraction	Indie segment growing at 14.3% CAGR vs 7.5% for broader market
Cash runway	Positive OCF trajectory; zero debt; current ratio of 1.79

Looking Ahead

indie.io enters the second half of FY26 with strong operational momentum: positive cash flow, expanding margins, a diversifying revenue mix, and a debt-free balance sheet. The H2 launch calendar — supported by \$742K in allocated marketing spend — is positioned to deliver the growth reflected in the \$13.85M full-year revenue forecast.

The broader industry context is structurally favorable: the indie gaming segment is growing at nearly double the rate of the overall market, Steam continues setting revenue and user records, and rising AAA prices are pushing consumers toward the value tier where indie.io operates. Meanwhile, AI tools are enabling lean publishers to amplify output — a trend that favors indie.io's capital-efficient operating model.

The organic 5-year LRP projects a path to \$20.5M EBITDA by FY31, driven by compounding back-catalogue revenue, console platform expansion, and the continued scaling of advertising. This trajectory, achieved without external capital, represents a compelling organic growth story in one of the fastest-growing segments of the entertainment industry.

This report contains forward-looking statements based on current expectations and assumptions. Actual results may differ materially. This document is confidential and intended for authorized recipients only.