



FY 2026 Year-End

Investor Summary Report

Fiscal Year Ended March 31, 2026 | Prepared May 2026

Executive Summary

- FY26 Gross Income of **\$13.10M**, up **+4.4% YoY** from \$12.54M — a return to top-line growth after a flat FY25.
- Game advertising revenue tripled to **\$1.38M (+170% YoY)**, now 10.5% of gross — expanding at **~10x** the global in-game ad market growth rate.
- COGS down **33.7%** to \$2.34M, driving gross margin expansion from 20.9% to **27.0%**; gross profit up **+35.1%** to \$3.53M.
- **Positive Operating Cash Flow** of **\$1.56M** in FY26 — a structural turnaround from negative FCF in FY25; cash climbed to \$1.10M.
- Net loss narrowed **46.5%** to (\$1.03M) from (\$1.92M); operating loss narrowed 36.9%.
- Balance sheet remains **100% debt-free**; total liabilities down 39% to \$1.88M; current ratio strengthened.
- Subscription revenue declined to \$264K (-78% YoY) — *strategic*, reflecting selective licensing to preserve long-term title LTV (consistent with Devolver, 11 bit studios).

\$13.10M FY26 Gross Income +4.4% YoY	\$812K FY26 EBITDA -42.9% YoY	\$1.10M Cash Position +322% from FY25 close	\$0 Total Debt Debt-Free
1.33 Current Ratio Healthy liquidity	\$1.56M Operating Cash Flow +\$2.32M swing vs FY25	27.0% Gross Margin vs 20.9% FY25	+170% Ad Revenue Growth 10.5% of FY26 Rev

Financial Performance

Income Statement

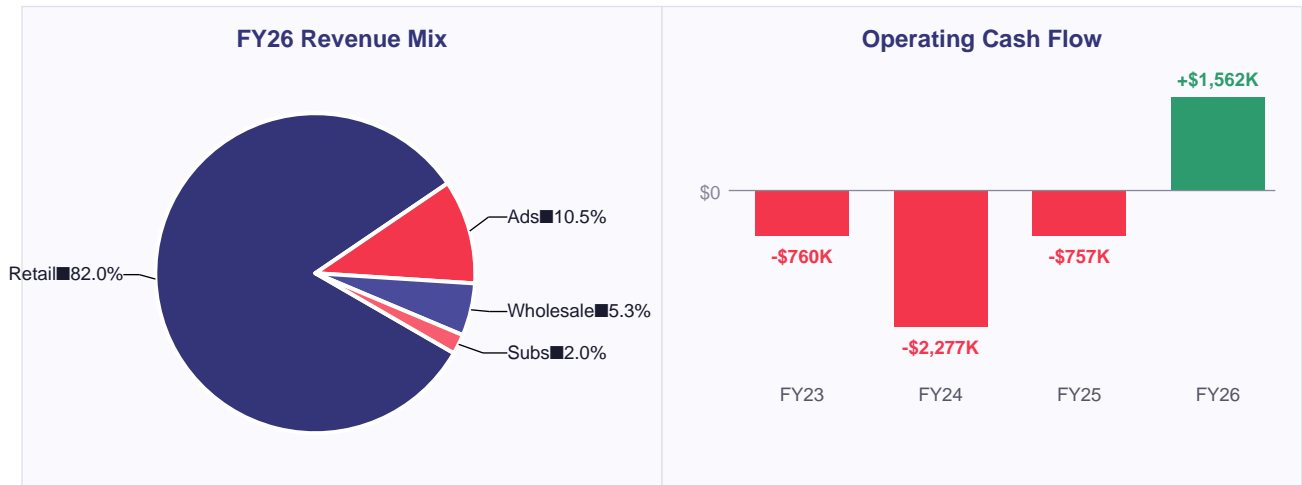
Metric	Q4 FY26	Q4 FY25	YoY %	FY26	FY25	FY YoY %
Gross Income	\$4.13M	\$3.95M	+4.7%	\$13.10M	\$12.54M	+4.4%
Net Revenue (after splits)	\$1.77M	\$2.17M	-18.4%	\$5.87M	\$6.14M	-4.4%
Cost of Goods Sold	\$522K	\$718K	-27.2%	\$2.34M	\$3.53M	-33.7%
Gross Profit	\$1.24M	\$1.45M	-14.0%	\$3.53M	\$2.62M	+35.1%
G&A; Expenses	\$394K	\$191K	+106.7%	\$967K	\$1.04M	-7.4%
EBITDA	\$263K	\$1.20M	-78.0%	\$812K	\$1.42M	-42.9%
Net Income / Loss	(\$126K)	\$435K	N/M	(\$1.03M)	(\$1.92M)	+46.5%

FY2026 was an inflection year. Gross income returned to growth (+4.4%) after a flat FY25, while gross margin expanded 610bps to 27.0% on a 33.7% reduction in COGS. Game advertising tripled YoY to \$1.38M, now 10.5% of gross income. The EBITDA decline of 42.9% reflects deliberate reinvestment in AI engineering and platform headcount (wages +16.6%); excluding that build-phase intensity, underlying operating leverage is improving — operating loss narrowed 36.9% to (\$867K) and net loss narrowed **46.5%** to (\$1.03M). Q4 EBITDA compares against a one-time \$720K subscription revenue spike in Q4 FY25; adjusted Q4 EBITDA was approximately flat.

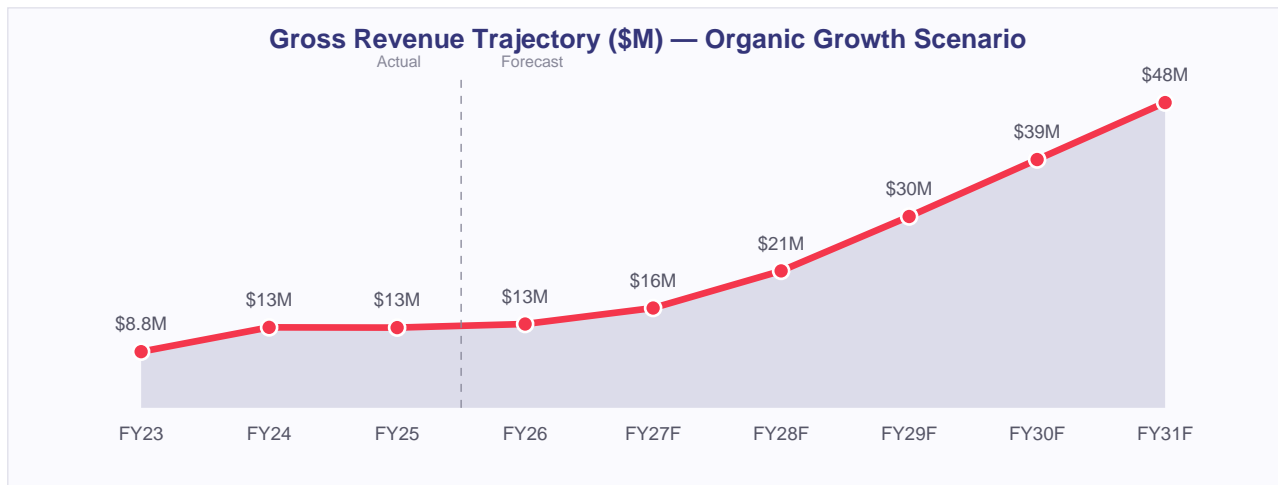
Balance Sheet Highlights

Metric	FY26	FY24	FY23	FY26 vs FY24
Cash	\$1.10M	\$549K	\$1.47M	+100%
Accounts Receivable	\$1.04M	\$1.34M	\$1.46M	-22%
Total Current Assets	\$2.50M	\$1.95M	\$2.94M	+28%
Intangible Assets	\$4.24M	\$6.44M	\$6.12M	-34%
Total Assets	\$6.81M	\$8.42M	\$9.12M	-19%
Total Liabilities	\$1.88M	\$3.58M	\$3.09M	-47%
Total Equity	\$4.93M	\$4.83M	\$6.03M	+2%
Working Capital	\$616K	(\$1.63M)	(\$151K)	Restored

Balance sheet strength materially improved in FY26: cash doubled from FY24, working capital turned positive (\$616K vs \$(1.63M) in FY24), and total liabilities dropped 47%. The company retired its line of credit and remains **100% debt-free**. The decline in intangible assets reflects amortization of legacy IP investments — a one-time accounting tailwind largely behind us as the FY24 IP build cycle works off the books. Equity composition strengthened with \$3.48M in additional paid-in capital recognized during the year.

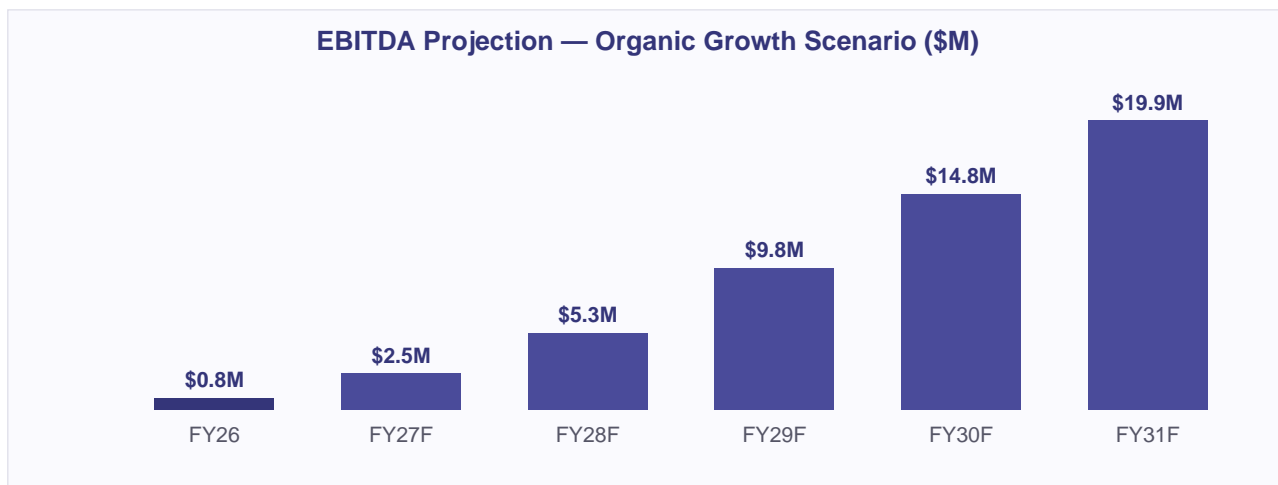


Growth Trajectory & Projections



FY2026 closed at \$13.10M gross income — a +4.4% return to top-line growth after a flat FY25. Under the organic growth scenario (no external capital), indie.io projects gross revenue scaling from **\$15.6M (FY27)** to **\$47.7M (FY31)**, driven by the signed-title pipeline, console platform expansion, and the scaling advertising business. The FY26→FY31 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 (+208% to **\$2.5M**) as the FY27 signed-title slate begins generating revenue and the AI-engineering reinvestment cycle completes. EBITDA margin recovers to 16% in FY27 (vs 13.8% in FY26) and expands through the projection horizon as the advertising business and IndiePass DTC scale. By FY31, the model projects **\$19.9M EBITDA on \$47.7M revenue** — a ~42% EBITDA margin, at the upper end of the best-in-class indie publisher range (Everplay 26%, Devolver historic peak ~30%).

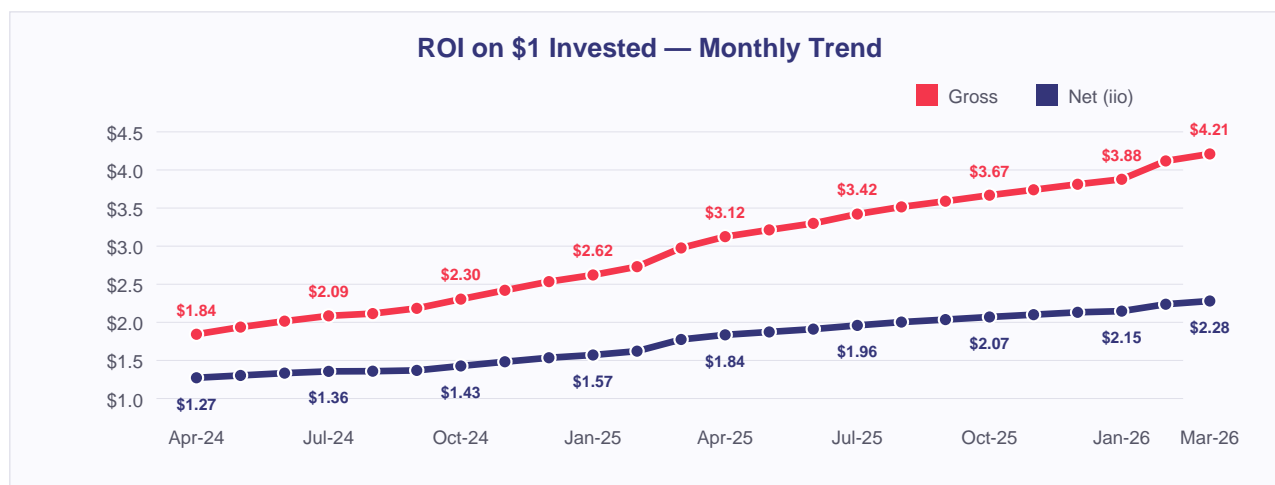
Key Growth Drivers

- **Game Advertising Revenue:** FY26 ad revenue tripled to \$1.38M (+170% YoY) — roughly 10x the global in-game ad market growth rate (~15-20%). The channel is now 10.5% of gross income and demonstrably high-margin, representing

a structural second growth engine.

- **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. FY27 pipeline includes several signed titles with console releases on day one.
- **Back-Catalogue Leverage:** Consistent with industry peers (Devolver back-catalogue drives 88% of game revenue, Everplay 92%), indie.io's catalogue continues to compound. Retail revenue of \$10.74M (+5.2% YoY) reflects steady performance from a maturing catalog base.
- **IP Pipeline:** Signed-title slate positions FY27-FY28 for accelerating growth. The legacy IP amortization cliff (-39.8% YoY in FY26) is largely behind us, removing a multi-year drag on reported gross margin.
- **IndiePass (launched March 2026):** Subscription-based indie game platform at \$6.99/month. Direct-to-consumer recurring revenue channel — addresses indie.io's 44.8% net revenue retention (vs. peer median 45-65%) by bypassing 30%-take storefronts.

Unit Economics — Return on Investment



For every **\$1 invested**, indie.io generates **\$4.21 in gross revenue** and **\$2.28 net (after platform fees and developer splits)** as of March 2026. Both metrics have trended upward month-over-month, reflecting improving capital efficiency as the back-catalogue compounds and operational costs are reduced.

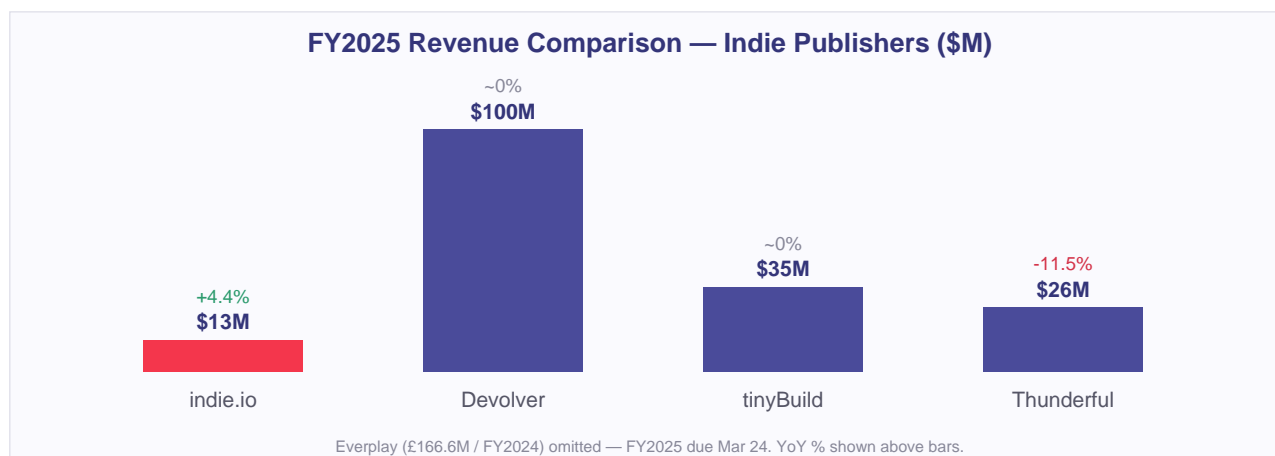
Interactive version with date filters: http://localhost:9999/roi_chart.html

Monthly ROI Trend

Month	ROI Gross	ROI iio (Net)
Apr-24	\$1.84	\$1.27
May-24	\$1.94	\$1.30
Jun-24	\$2.02	\$1.33
Jul-24	\$2.09	\$1.36
Aug-24	\$2.12	\$1.36
Sep-24	\$2.18	\$1.37
Oct-24	\$2.30	\$1.43
Nov-24	\$2.42	\$1.48
Dec-24	\$2.53	\$1.54
Jan-25	\$2.62	\$1.57
Feb-25	\$2.73	\$1.62
Mar-25	\$2.98	\$1.78
Apr-25	\$3.12	\$1.84
May-25	\$3.21	\$1.87

Month	ROI Gross	ROI iio (Net)
Jun-25	\$3.30	\$1.91
Jul-25	\$3.42	\$1.96
Aug-25	\$3.52	\$2.00
Sep-25	\$3.59	\$2.04
Oct-25	\$3.67	\$2.07
Nov-25	\$3.74	\$2.10
Dec-25	\$3.81	\$2.13
Jan-26	\$3.88	\$2.15
Feb-26	\$4.12	\$2.24
Mar-26	\$4.21	\$2.28

Competitive Landscape



Indie Publisher Benchmarks

Publisher	Revenue	YoY	CAGR	EBITDA	Status
indie.io	\$13.1M	+4.4%	+15.7%	\$812K	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 peers on multi-year revenue CAGR (+15.7% from FY23-FY26) 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; over-expanded players (Thunderful) face consolidation. indie.io's structural positive cash flow (\$1.56M in FY26 — first in three years), diversifying revenue mix, and ad-tech moat position it favorably in the post-subscription-era indie landscape.

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, \$1.56M of positive operating cash flow in FY26 (vs. \$(757K) in FY25), and improving GAAP margins demonstrate a sustainable business model that doesn't rely on external capital.
- **Game Advertising Revenue:** Game advertising revenue tripled to \$1.38M in FY26 — roughly 10x global in-game ad market growth. Validated as a structural second growth engine.
- **Operational Discipline:** COGS down 33.7% YoY, G&A; down 7.4%, gross margin expanded 610bps. Management delivered top-line growth with simultaneously expanding margins.
- **Platform & Console Optionality:** Every PC title carries built-in console and mobile optionality, with historical data across 39 titles showing 62-127% incremental revenue from platform expansion.
- **Growing Back-Catalogue:** Retail revenue +5.2% YoY to \$10.74M reflects a maturing catalog that anchors \$10M+ of durable annual revenue — the same model driving 92% of Everplay's revenue and fueling Devolver's margin expansion.

Key Risks & Mitigants

Risk	Mitigant
Title launch timing	FY27 pipeline of signed titles diversifies single-title dependency
Market discoverability	19K+ annual Steam releases; AI-driven marketing tools improving title-level efficiency
Net revenue retention (44.8%)	IndiePass DTC + selective subscription windowing protects long-term title LTV
Headcount investment vs revenue	Build-phase intensity; ratio expected to normalize as FY27 revenue scales
Cash runway	\$1.10M cash + \$1.56M annual OCF generation; zero debt; positive working capital

Looking Ahead

indie.io closed FY2026 having delivered on the most important commitments of the year: a return to top-line growth (+4.4%), positive operating cash flow (\$1.56M — a \$2.3M structural swing), scaled game advertising to \$1.38M (+170%), and a balance sheet that is leaner, debt-free, and cash-rich. Net loss narrowed nearly in half (-46.5%); operating loss narrowed 37%. The deliberate reinvestment in AI engineering and platform capability — visible in elevated wage expense — is the principal drag on FY26 reported EBITDA and is expected to normalize through FY27.

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. AI tools are enabling lean publishers to amplify output — a trend that favors indie.io's capital-efficient operating model and was already monetized in FY26 ad results.

Entering FY27, the organic 5-year LRP projects a path to **\$19.9M EBITDA by FY31 on \$47.7M revenue**, driven by compounding back-catalogue revenue, console platform expansion, IndiePass DTC scale-up, and continued scaling of game advertising. The plan inflects to \$2.5M EBITDA in FY27, a \$1.7M absolute swing on the back of the signed-title slate and the normalization of FY26 platform reinvestment spend. 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.