East Side Games Group Reports Q3 2025 Financial Results

Vancouver, BC, November 13th, 2025 – East Side Games Group (TSX: EAGR) (OTC: EAGRF) ("**ESGG**" or the "**Company**"), today announced its financial results for the third quarter ended September 30th, 2025. Q3 was a milestone period marked by meaningful progress in product development, portfolio expansion, and the launch of two new Match-genre titles, *RuPaul's Drag Race Match Queen* and *Squishmallows Match,* both leveraging strong entertainment IPs.

Third Quarter 2025 Financial Highlights

- **Total Revenue:** $20 million, representing a decrease of $1.3 million or 6% compared to Q3 last year, and an increase of $0.8M or 4% sequentially compared to Q2. Excluding a one-time platform payment received in Q2 2025, underlying core revenue increased by $2 million quarter-over-quarter, or 12%, highlighting the success from the new game launches this quarter.
- **EBITDA**: Approximately -$3 million, compared to near breakeven in the prior quarter. The decline primarily reflects strategic investments in new game launches and marketing initiatives aimed at driving long-term growth. The Company expects to recoup revenues from users acquired during this period over the next several quarters.
- **Match Portfolio Investment:** Approximately 60% of total marketing spend in Q3 was allocated to the company's Match-genre portfolio, supporting the launch of *RuPaul's Drag Race Match Queen* and *Squishmallows Match* and driving engagement across live titles. The Company expects this investment to return within the next two to three quarters, and future spending on these titles may remain elevated if attractive returns continue to be observed.

- **Share Repurchase Program (NCIB):**
    - Repurchased 147,000 shares and cancelled 168,000 shares during Q3.
    - To date, a total of 4.5 million shares have been repurchased and cancelled at a cumulative cost of $3 million.
    - The Company remains committed to balancing investments in future growth with returning capital to shareholders through share repurchases, as it believes the market currently undervalues the shares.
- **Cash Position & Liquidity:** $3.2 million of cash and $2 million in debt, due to investment in new game launches at the end of Q3. With its aggressive payback windows and full-funnel marketing approach, the Company expects that current investments will generate long-term value in retained users as new games enter the long-tail monetization phase. The Company will continue to invest in these games to maximize this window of growth and opportunity, while maintaining a disciplined management of liquidity and financial resources.

New Game Launch Update

Q3 marked a major milestone with the launch of two new Match-3 titles based on strong entertainment IPs, expanding our Match portfolio and reaching new audience segments. ***RuPaul's Drag Race: Match Queen*** delivered a strong monetization performance and effective marketing, with opportunities to further expand its audience. ***Squishmallows Match*** earned high player ratings and strong sentiment, while the Company continues to optimize its monetization. Both titles provide valuable insights that will inform future updates, launches, and marketing execution.

RuPaul's Drag Race Match Queen saw a solid launch, maintaining positive momentum through continuous feature updates.

- The second weekly pass now contributes 7% of in-app purchase revenue, reflecting effective monetization segmentation.
- The daily goals feature increased daily return rates and engagement.
- The game continues to benefit from in-show integrations with its associated IP TV show, which delivered a 300% higher Day 7 LTV compared to typical cohorts.

Squishmallows Match had a strong start, driven by positive early player feedback.

- The game achieved high player ratings and strong community sentiment, setting the stage for sustained growth as additional monetization enhancements roll out in Q4.
- Co-branded collaborations with the IP holder on social platforms have fueled community growth and authentic engagement on Meta and TikTok.

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The company also launched its fifth Match title, *Trailer Park Boys Match*, in Canada in October, further strengthening its position within the Match genre.

Strategy and Outlook

Building on Q3's momentum, East Side Games Group remains focused on three strategic pillars: deepening engagement, expanding monetization, and scaling efficiently through data-driven and experimental marketing.

Engagement and Retention Initiatives:

- The Office: Somehow We Manage will introduce a new mini-game to increase event engagement.
- Trailer Park Boys: Greasy Money will debut the company's first-ever chat feature, enhancing community and retention.
- RuPaul's Drag Race Match Queen will launch a daily leaderboard competition based on iconic elements from its IP to drive competitive play.
- Milk Farm Tycoon will receive a full gameplay expansion, including a bakery and R&D center to refresh the core loop.

New Monetization Streams:

- RuPaul's Drag Race Match Queen: Will launch "Collab Pass" in Q4, a new feature enabling branded partnerships with influencers and IPs, creating special weekly passes that attract new players.
- Squishmallows Match: Will launch "Drop Pass" in Q4, a new seasonal monetization feature that celebrates new content additions and encourages collector engagement.

Marketing and Growth Initiatives:

- International expansion is a key focus in Q4, with localized creative testing and geo-targeted campaigns aimed at reducing CPI and broadening reach.
- Cross-channel testing of “Screens and Speakers”, including Connected TV and digital audio, aims to replicate the strong organic results seen with *RuPaul’s Drag Race Match Queen* in-show placements.
- Player segmentation and personalization strategies will deepen across *RuPaul’s Drag Race Match Queen* and *Squishmallows Match*, improving retention, engagement, and ARPDAU through more refined audience targeting.

“Our Q3 performance reflects the strength of our core portfolio, the impact of our new game launches, and the disciplined execution of our long-term strategy,” said Jason Bailey, CEO at East Side Games Group**,** “*While we recognize there’s still room to optimize performance across new titles, we’re encouraged by early results and the strong foundation we’ve built heading into Q4. Our teams are focused on sustaining momentum, driving profitable growth, and delivering exceptional experiences for our players.”*

Looking ahead, East Side Games Group expects Q4 to be driven by:

- Seasonal and holiday events across the top Match titles
- Continued rollout of engagement and monetization features, and
- Ongoing marketing efficiency gains across the portfolio.

Financial Statements, MD&A, and Conference Call

ESG will release its third-quarter 2025 financial results on Thursday, Nov 13th, 2025, after market close. Following the release, the Company will hold a webcast and conference call to discuss its performance with the investment community at 2:00 p.m. PT on the same day.

Webcast URL: https://onlinexperiences.com/Launch/QReg/ShowUUID=B2A55EA7-4CD4-495E-A4ED-D5C785D6A1E3&LangLocaleID=1033

Toll Free Dial-In Number:	(+1) 800 717 1738
Local Dial-In Number:	(+1) 289 514 5100
Conference ID:	79971

A replay will be available by dialing (+1) 888 660-6264 or (+1) 289 819-1325 and entering passcode 79971#.

ESG's Financial Statements for the quarter ended September 30th[st], 2025, Management's Discussion and Analysis (the "MD&A"), and conference call details are available on the company's website under the investor relations section at https://eastsidegamesgroup.com/investors/financial-information.

Certain information provided in this news release is extracted from the consolidated financial statements (the "Financial Statements") and Management's Discussion & Analysis ("MD&A") of the Company for the quarter ended September 30, 2025, and should be read in conjunction with them. It is only in the context of the fulsome information and disclosures contained in the Financial Statements and MD&A that an investor can properly analyze this information. The Financial Statements and MD&A can be found under the Company's profile on SEDAR and EDGAR.

ABOUT EAST SIDE GAMES GROUP

ESGG is a leader in free-to-play mobile gaming, thrilling players with unforgettable experiences that spark lifelong fandom. Fueled by an entrepreneurial spirit, we are driven by creativity, flawless execution, and a laser-focused growth strategy. We develop and publish both original and licensed IP titles, license our cutting-edge GameKit(s) platforms, and strategically acquire studios or games to expand our family. Headquartered in Vancouver with around 120 talent dense team members, we operate over a dozen titles under East Side Games ("ESG") and LDRLY (Technologies) Inc. ("LDRLY"). Together, we're crafting, launching, and publishing mobile games across our own studios and an extended Game Kit partner network—reaching players on iOS and Android worldwide.

We power our success through in-app purchases ("IAP")—offering exclusive, game-enhancing virtual items—and in-game advertising. To keep growing, we focus on captivating audiences, keeping them engaged, and unlocking exciting new ways to monetize. We'll drive this momentum by launching bold new titles, enriching our current lineup, innovating discovery, expanding into fresh markets and exploring new distribution platforms.
Additional information about the Company continues to be available under its legal name, East Side Games Group Inc., at www.sedar.com.

Forward-looking Information

Certain statements in this release are forward-looking statements, which reflect the expectations of management regarding the proposed transactions described herein. Forward-looking statements consist of statements that are not purely historical, including any statements regarding beliefs, plans, expectations or intentions regarding the future. Such statements are subject to risks and uncertainties that may cause actual results, performance or developments to differ materially from those contained in the statements. No assurance can be given that any of the events anticipated by the forward-looking statements will occur or, if they do occur, what benefits the Company will obtain from them. These forward-looking statements reflect management's current views and are based on certain expectations, estimates and assumptions which may prove to be incorrect. A number of risks and uncertainties could cause our actual results to differ materially from those expressed or implied by the forward-looking statements, including factors beyond the Company's control. These forward-looking statements are made as of the date of this news release.

For Further Information

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