EAST SIDE GAMES GROUP ANNOUNCES FIRST QUARTER 2026 RESULTS

Vancouver, BC, May 14th, 2026 – East Side Games Group (TSX: EAGR) (OTC: EAGRF) ("**ESGG**" or the "**Company**"), today reported its financial results for the first quarter ended March 31, 2026.

First Quarter 2026 Financial Highlights:

- Revenue of $12.5M (down 32% YoY)
- A-EBITDA of $1.7M (down 11.3% YoY)
- A-EBITDA Margin of 14% (up 32% YoY)
- DAU (Daily Active Users): 145,581 (down 30.5% YoY)
- ARPDAU (Average Revenue Per Daily Active User): $0.95 (down 3.4% YoY)
- DAU/MAU (stickiness rate): 28.1% (Up 14.7% YoY)

First Quarter 2026 Commentary:

First quarter 2026 was focused on A-EBITDA improvement and disciplined cash management. A-EBITDA was $1.74M, up $1.44M from Q4 2025. As part of ESGG's continued focus on profitability, cash preservation, and more efficient marketing investment, the Company significantly reduced User Acquisition spend during the quarter. ESGG invested $2.3M compared to $5.9M in Q4 2025 and $5.5M in the prior

year period. ESGG is now targeting a 30-day return on ad spend, allowing us to acquire the most profitable cohorts while preserving cash and improving overall efficiency.

Other highlights from Q1 include transitioning RuPaul's Drag Race Superstar to the company's internal Live Ops team. This move is expected to increase operational efficiency while bringing additional resources and expertise to the game through the team's extensive experience managing the company's portfolio of idle games.

ESGG also maintained a strong focus on cash generation and debt repayment, with the goal of eliminating bank debt by the end of 2026.

Corporate Update & Strategy:

In Q1, ESGG launched *Trailer Park Boys Match*, which is already showing encouraging early numbers with paid cohorts hitting above 40% D1 retention and ARPDAU averaging roughly $0.60. The title builds on the success of Trailer Park Boys: Greasy Money, one of ESGG's most successful and enduring IP-driven games. Since launch, Trailer Park Boys: Greasy Money has been enjoyed by more than 9.9 million fans and continues to be a profitable title nearly 10 years after its debut. The Company expects this new title to benefit from the same passionate fan base, long-tail retention profile, and strong long-term monetization potential.

Direct-to-consumer ("DTC") revenue continued to increase quarter over quarter as the Company expanded web payment options across additional titles and optimized conversion through ongoing A/B testing. During Q1 2026, the percentage of revenue generated through DTC channels increased 3% to 11% quarter over quarter. In addition, the Company is on track to comply ahead of the June 30, 2026 effective date with

Google's revised service fee program reducing platform fees from 30% to a tiered range of 10%–25%, and expects this change to contribute approximately $0.5 million in incremental annual profit through lower platform fees.

Outlook:

ESGG continues to invest in two new, as of yet unannounced, titles, which are being funded through operating cash flow. Both games are currently targeted for launch in late 2026 and early 2027.

"With Q1 now behind us, we are focused on rebuilding our war chest, becoming debt free, and maximizing returns from our core portfolio," said Jason Bailey, CEO and Founder of ESGG. "With the company now right-sized, higher-risk projects cancelled, and a focused capital markets strategy in place, I believe we are well positioned for a strong remainder of 2026."

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 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 100 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 news release constitute forward-looking information or forward-looking statements within the meaning of applicable securities laws. Forward-looking statements are often, but not always, identified by the use of words such as “expects,” “anticipates,” “plans,” “intends,” “believes,” “estimates,” “projects,” “may,” “will,” “would,” “could,” “should,” and similar expressions. Forward-looking statements in this news release include, without limitation, statements regarding the Company's 2026 outlook, including expected revenue and A-EBITDA margin; expected debt reduction, profitability and EBITDA performance; anticipated benefits from cost reduction initiatives, user acquisition changes and off-platform payments; the expected impact of changes to platform fees; the Company's ability to secure additional work-for-hire contracts or other fully funded development opportunities; and the status or outcome of discussions with RBC, including any tolerance, waiver or other accommodation in respect of covenant non-compliance. Forward-looking statements are based on management's current expectations, estimates, projections and assumptions, including assumptions regarding operating performance, player engagement and monetization, platform policies and fee structures, the implementation

and impact of restructuring initiatives, the timing and amount of one-time costs, the availability of new commercial opportunities, and the Company's continued relationship with its lender. Such forward-looking statements are subject to significant risks, uncertainties and other factors that could cause actual results or events to differ materially from those expressed or implied by such statements, including, without limitation, risks relating to the Company's ability to execute on its strategic priorities, generate sufficient cash flow, satisfy or obtain relief from financial covenant requirements, complete restructuring initiatives as planned, realize anticipated cost savings or profitability improvements, maintain or grow player engagement and monetization, benefit from platform fee or policy changes, secure new contracts or platform opportunities, and general economic, market and industry conditions. Readers are cautioned not to place undue reliance on forward-looking statements. The forward-looking statements contained in this news release are made as of the date hereof, and the Company undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as required by applicable law.

For Further Information

Media Inquiries: media@eastsidegamesgroup.com
Investor Relations: IR@eastsidegamesgroup.com
3104 – 1055 Dunsmuir Street, Vancouver BC V7X 1G4