9 September 2026

Frontier Developments plc

FY26 FINANCIAL RESULTS – EVOLUTION AND GROWTH

A RECORD YEAR; AN EXCITING FUTURE

Frontier Developments plc (AIM: FDEV, 'Frontier', the 'Company', or the 'Group'), a leading developer and publisher of video games based in Cambridge, UK, publishes its full-year results for the 12 months ended 31 May 2026 ('FY26').

FINANCIAL SUMMARY

	FY26 (12 months to 31 May 2026)	FY25 (12 months to 31 May 2025)	Change	Change %
Revenue	**£104.8m**	£90.6m	£14.2m	16%
Adjusted Operating Profit*	**£21.4m**	£13.2m	£8.2m	62%
Operating Profit	**£25.0m**	£12.7m	£12.3m	97%
Cash Balance at 31 May	**£44.0m**	£42.5m	£1.5m	4%
Basic EPS	**74.6p**	42.4p	32.2p	76%

* Adjusted Operating Profit is a non-IFRS measure used by Frontier to assess underlying financial performance. It excludes non-cash development cost accounting adjustments (capitalisation, amortisation and impairment), non-cash share-based payment charges and non-operating items such as restructuring costs. The measure also excludes the impact of the IAS 20 recognition constraints applied to VGEC and RDEC, recognising the full value of credits earned from qualifying expenditure in the period to which they relate.

FRONTIER'S CREATIVE MANAGEMENT SIMULATION (CMS) STRATEGY DELIVERED RECORD FINANCIAL PERFORMANCE IN FY26

- Revenue grew 16% to £104.8 million (FY25: £90.6 million), led by the success of *Jurassic World Evolution 3*, and the ongoing strength of the *Planet Coaster* and *Planet Zoo* franchises.
- Adjusted Operating Profit* grew 62% to £21.4 million (FY25: £13.2 million), a Company record, through strong trading, disciplined cost control and higher tax and expenditure credits. Excluding a non-recurring £3.9 million gain from the sale of publishing rights in FY25, Adjusted Operating Profit* more than doubled year-on-year.
- Operating profit increased 97% to £25.0 million (FY25: £12.7 million), reflecting strong underlying trading performance alongside a one-off transitional tax credit of £4.4 million.
- Cash increased to £44.0 million at 31 May 2026 (31 May 2025: £42.5 million), despite investing £17.5 million in Frontier shares during the year. Excluding this investment, cash increased by a record £19.0 million (FY25: £13.0 million).
- Basic EPS increased 76% to 74.6p per share (FY25: 42.4p per share), driven by strong profit growth, while the £15.5 million invested in share buyback programmes delivered a 10% reduction in total voting rights and a corresponding 11% enhancement to EPS for FY27 and beyond.
- Cash at 31 August 2026 of £51.4 million; Board announced a £5.0 million special dividend (14.1p per share) payable on 9 October 2026.

A STRONG ROADMAP OF NEW CONTENT AND NEW CMS GAMES IS EXPECTED TO DELIVER FURTHER SUCCESS

- FY27: *Planet Zoo 2* is scheduled for release on 13 October 2026 and *Warhammer 40,000: Chaos Gate – Deathwatch* is scheduled for release before the end of FY27.
- FY28: a new own-IP CMS game establishing a further *Planet* franchise is in full development and is on track.
- FY29 and beyond: creating and nurturing high-quality and sustainable evergreen game franchises, with an average release cadence of one new CMS game per year.
- As announced on 3 September 2026, we further strengthened our long-term development roadmap through an agreement with Disney to develop and publish a new game which will draw on Disney's iconic portfolio of IP.

- Having achieved record financial performance in FY26, the Board is confident in delivering FY27 in line with expectations through nurturing and expanding our genre-leading CMS franchises.

NEW LEADERSHIP TO DRIVE THE NEXT PHASE OF GROWTH

- An Executive Board was established in June 2025, to lead the next stage in Frontier's evolution.
- Jo Cooke stepped-up to Chief Executive Officer, from Chief Marketing Officer, on 1 January 2026, following the departure of Jonny Watts.
- Dan Lazarides appointed Chief Marketing Officer on 1 August 2026.
- David Braben will transition to a Non-Executive Director position on 1 October 2026 while retaining his President and Founder role.

Jo Cooke, Chief Executive Officer, said:

"FY26 was a landmark year for Frontier. We delivered record financial performance, demonstrated the strength of our CMS strategy, and continued to invest in the world-class franchises our players love, supporting vibrant communities and long-term engagement across our portfolio. With a strong balance sheet, a talented team, and an exciting roadmap ahead, we are well positioned to deliver sustainable growth, enduring player value, and long-term returns for our stakeholders."

David Braben, President and Founder, said:

"I am immensely proud of what our talented teams have achieved together since I founded Frontier in 1994, and excited about the opportunities ahead. I have tremendous confidence in Jo as CEO to build on Frontier's strong foundations and deliver long-term success, together with the excellent leadership team. This transition allows me to concentrate on what I can do to help that journey, including oversight of our games, and I look forward to continuing to support Frontier and Jo in the years to come."

Enquiries:

Analysts and investors wishing to join today's 9.30am video call should contact IR@frontier.co.uk.

Subscribe to our investor newsletter at www.frontier.co.uk/investors

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About Frontier Developments plc

Frontier Developments plc is a leading independent developer and publisher of video games, specialising in creative management simulation (CMS) experiences. Headquartered in Cambridge, UK, Frontier develops and nurtures globally successful game franchises, including core CMS franchises such as *Planet Coaster*, *Planet Zoo*, and *Jurassic World Evolution*, using its proprietary COBRA technology. The CMS genre underpins Frontier's strategy, which is driving long-term and sustainable growth through strong player engagement, robust back-catalogue performance, and an exciting pipeline of new games.

Frontier's LEI number: 213800B9LGPWUAZ9GX18.

www.frontier.co.uk

CHAIRMAN'S STATEMENT

I am delighted with Frontier's progress and performance in FY26. We built upon the momentum generated by our turnaround in FY25 to deliver revenue growth, record financial performance and further strengthen our position as a world-leader in creative management simulation games. Our strategic reset in FY24 has delivered the results we set out to achieve: creating outstanding experiences and content for our players, generating strong returns for our shareholders, and bringing opportunities and rewards for our people.

Our strategy is consistent, on track and delivering: creating exceptional management simulation experiences that engage players, strengthen our franchises and generate sustainable shareholder value. Our exciting roadmap for the years to come harnesses the value of our exceptional portfolio of world class games, based both of our own IP and our global franchises to delight our players.

Our leadership has evolved through the year to support the next phase of our growth, strengthening our execution and enhancing operating effectiveness.

First came the formation of our new Executive Board in June 2025, bringing together Frontier's deep development expertise with broader player, commercial and market perspectives, while placing greater emphasis on the development of our people and teams.

As part of this, a key new appointment was the recruitment of Jo Cooke to the newly created role of Chief Marketing Officer. Jo brought extensive video game industry experience to the position, including previous experience at Frontier, and immediately played an important role in further strengthening our player and market focus in the run up to the launch of *Jurassic World Evolution 3*. In late 2025, when Jonny Watts announced his departure, although very sad to see him leave, the Board was delighted to appoint Jo as Chief Executive Officer with effect from 1 January 2026. Before moving on to talk about Jo, this is a moment to pay tribute to Jonny Watts' excellent contribution to Frontier's growth and creativity. As Chief Executive Officer from August 2022, Jonny led our 2024 strategic reset, returning us to the growth and strong financial performance we see today. The Board and I thank him for his outstanding contribution over many years and wish him every success in the future.

Jo has made an excellent start as Chief Executive Officer, building on the strong foundations already in place. Under her leadership, Frontier has further strengthened its focus on execution, player insight and long-term franchise development, with an increased emphasis on lifecycle economics: maximising the long-term value of our games through successful launches, ongoing content and community engagement. This approach helps us deliver exceptional experiences for players while fully realising the potential of our world-class portfolio.

Jo has now appointed the highly experienced Dan Lazarides as Chief Marketing Officer in August 2026, to further strengthen our player-focused approach on our Executive Board and across Frontier.

Recognising the leadership strength of Jo and the new Executive Board, David Braben has decided to transition to non-executive from 1 October 2026, continuing in his role as President and Founder. The Board and I are delighted that David is remaining closely involved in supporting Frontier's games, long-term strategy and vision*. His creativity and leadership over three decades has been – and continues to be – extraordinary. His insight, experience and enduring commitment to the business remain invaluable as we continue to execute our strategy and pursue our long-term ambitions.

Our successful turnaround, strong ongoing financial performance and substantial cash position prompted us to review our capital allocation strategy last summer. Alongside continued investment in our current and future games, we decided to initiate share buyback programmes to benefit long-term shareholders. Following this decision, we invested £15.5 million in share buyback programmes during FY26, which reduced our share count by 10% and increased future earnings per share by 11%.

Following our record financial performance in FY26, the Company continues to maintain a strong balance sheet and surplus cash position, with total cash of £51.4 million as at the end of August. As a result, the Board has decided to return £5 million to shareholders through a special dividend to be paid in early October.

We remain committed to a disciplined approach to capital allocation, always prioritising investment in the creativity of our games as well as generating returns for shareholders. Subject to market conditions and shareholder approval, we expect to initiate further share buyback programmes in FY27 under the customary authorities sought at our AGM in October.

We have started FY27 confidently. Alongside the forthcoming launches of *Planet Zoo 2* in October and *Warhammer 40,000: Chaos Gate – Deathwatch* before the end of FY27, we have an exciting roadmap, a talented and passionate team, and a strong platform to build upon. These strengths leave us exceptionally well placed to continue creating outstanding experiences to delight our players and delivering long-term value for shareholders.

On behalf of the Board, I would like to thank our employees, partners and shareholders for their continued support.

* David Braben's transition to non-executive President and Founder is supported by a customary relationship agreement with Frontier. This will continue (subject to renewal at the end of May 2030) provided David remains a Director or his shareholding remains above 15%.

CHIEF EXECUTIVE OFFICER'S STATEMENT

As we reflect on the last 12 months, I am proud of the progress Frontier has made in delivering against our long-term strategy. In a dynamic and evolving industry, our focus remains clear: we are creating and nurturing exceptional games that put our players first and building the foundations for the next generation of Frontier experiences. This strategy is generating long-term sustainable value through a portfolio of world-leading game franchises.

At the heart of our business is our CMS game strategy. We continue to believe that deeply engaging, creative management and simulation games offer players unique experiences that stand the test of time. Our expertise in this genre, built over decades, remains a key differentiator and provides a strong platform for future growth. By combining innovation with the high-quality execution our players expect, we are strengthening our position as world-leaders in CMS games.

Everything we do begins with our players. A player-first approach is central to our decision-making, from game development and live operations through to community engagement and ongoing support. We know that long-term success depends on earning and maintaining the trust of our audiences. Throughout the year, we have continued to listen closely to player feedback, invest in meaningful updates, and create experiences that encourage engagement, creativity and enjoyment for years after launch.

This commitment supports our focus on sustainable revenue growth from our established franchises. Our trio of iconic CMS franchises - *Planet Coaster*, *Planet Zoo* and *Jurassic World Evolution* - continue to demonstrate the enduring appeal of well-supported games with passionate communities. By extending the lifecycle of our franchises through quality content, ongoing engagement and thoughtful innovation, we are creating more resilient revenue streams while delivering continued value to players.

At the same time, we are investing in the future. Building franchises for tomorrow requires creativity, discipline and a willingness to take calculated risks. We are leveraging our technology, talent and expertise to develop new opportunities that expand our portfolio within CMS, attract new audiences and create lasting intellectual property. Our agreement with Disney is a strong endorsement of Frontier's world-leading expertise and further strengthens our long-term development roadmap. Our ambition is not only to build successful games, but to establish enduring franchises that can grow and evolve for many years.

Looking ahead, Frontier is well positioned. We have a clear strategy, a dedicated team, and a loyal community of players around the world. While the games industry will continue to evolve, our commitment remains unchanged: to create outstanding CMS experiences, put players at the centre of everything we do, maximise the potential of our existing franchises, and build the next generation of Frontier successes.

On behalf of the Board, I would like to thank our talented colleagues, partners, shareholders and, most importantly, our players for their continued support. Together, we are building a stronger Frontier for the future.

CHIEF FINANCIAL OFFICER'S STATEMENT

We achieved record profits and cash generation in FY26 through strong revenue growth, disciplined cost management, and higher than expected creative industry tax and expenditure credits.

REVENUE

Revenue increased by 16% to £104.8 million (FY25: £90.6 million), representing the second-highest revenue performance in Frontier's history. The growth reflects the success of Frontier's strategic focus on CMS franchises, which accounted for 89% of total revenue in FY26 (FY25: 77%).

The strong CMS performance was driven by the successful launch of *Jurassic World Evolution 3*, alongside significant ongoing contributions from Frontier's established franchises, including *Planet Coaster*, *Planet Zoo* and the earlier titles in the *Jurassic World Evolution* series. This portfolio performance demonstrates Frontier's ability to create, launch and nurture genre-leading franchises over many years, generating substantial long-term value from both new releases and its existing games.

Outside the CMS portfolio, *Elite Dangerous* delivered another year of revenue growth, reflecting the success of its renewed content strategy and continued strong player engagement more than a decade after its original launch.

GROSS PROFIT

Gross profit increased by 10% to £69.9 million (FY25: £63.3 million). Gross margin was 67% (FY25: 70%), reflecting higher IP royalty costs and increased physical disc distribution activity following the launch of *Jurassic World Evolution 3*.

OPERATING COSTS

Operating costs increased by 3% year-on-year, on both an IFRS basis and an adjusted basis. The modest increases reflected careful cost management across Frontier against a backdrop of inflationary factors. £2.0 million of the cost increase was due to a higher all-staff bonuses following the Group's record profitability in FY26.

Operating costs as recorded under IFRS were £56.1 million (FY25: £54.6 million), with the largest component, research and development (R&D) expenses, unchanged year-on-year at £32.0 million (FY25: £32.0 million). Within IFRS R&D costs, a lower level of development cost capitalisation was offset by a reduction in amortisation charges. During FY26, £26.0 million of R&D cash spend was capitalised (FY25: £28.3 million), representing 66% of total R&D cash spend (FY25: 72%). The lower capitalisation rate primarily reflects investment in the early stages of a new own-IP *Planet* franchise planned for release in FY28, where expenditure did not meet the criteria for capitalisation under IAS 38 during FY26. This was broadly offset by lower amortisation charges as some capitalised game assets became fully amortised, resulting in R&D expenses remaining unchanged year-on-year.

Adjusted operating costs, as measured under Adjusted Operating Profit, were £62.5 million (FY25: £60.8 million). Adjusted operating costs provide clearer visibility of Frontier's underlying cost base and operating performance, compared with operating expenditure as recorded under IFRS. Under the adjusted profit measure, development, marketing and administrative expenses are presented after excluding non-cash accounting adjustments such as the capitalisation of development costs, amortisation of previously capitalised game development and technology assets, and share-based payment charges.

TAX INCENTIVES AND EXPENDITURE CREDITS

Frontier benefits from a number of incentive programmes that support investment in video game development through a combination of tax incentives and expenditure credits. In the past, most of the benefits to Frontier have been accounted for as credits within the taxation credit line of the Consolidated Income Statement, but the introduction of the Video Game Expenditure Credit (VGEC) scheme has shifted a greater proportion of the overall benefit from the taxation credit line to other operating income as VGEC is recognised as an expenditure credit within operating profit rather than as a corporation tax credit.

In addition to the change presentation from taxation credits to other operating income, the transition to VGEC has provided Frontier with enhanced benefits compared with the previous Video Games Tax Relief (VGTR) scheme.

Some of the enhanced benefits are transitory in nature, and Frontier recorded a one-off transitional credit of £4.4 million in FY26 from moving certain qualifying games from VGTR to VGEC.

Under IFRS, tax and expenditure credits recognised in the Consolidated Income Statement during FY26 included £10.0 million (FY25: £nil) recorded within other operating income (FY25: £nil). The Group also recognised a net taxation credit of £1.9 million (FY25: £4.0 million), which includes amounts relating to tax and expenditure credits. Amounts recognised within other operating income relate to the VGEC and Research & Development Expenditure Credit (RDEC) schemes and are recognised systematically over the periods in which the related qualifying expenditure is recognised in the Consolidated Income Statement, including third-party intellectual property royalties, development costs and the amortisation of capitalised development assets. The £10.0 million recognised within other operating income includes the one-off VGTR to VGEC transitional credit of £4.4 million.

In the calculation of Adjusted Operating Profit, the benefit of development-related tax incentives and expenditure credits is recognised as the underlying qualifying expenditure is incurred. On this basis, the total benefit recognised in Adjusted Operating Profit was £12.8 million (FY25: £6.8 million). Under IFRS, a portion of these credits is deferred and recognised in future periods, and FY26 also benefited from a £4.4 million one-off transitional credit arising on the introduction of the VGEC regime. As this transitional credit is non-recurring in nature and does not reflect the Group's underlying trading performance for the year, it has been excluded from Adjusted Operating Profit to provide a more comparable measure of annual performance.

OTHER OPERATING INCOME

Other operating income under IFRS increased to £11.3 million (FY25: £3.9 million), driven by the recognition of £10.0 million of expenditure credits described in the earlier section. Also included within other operating income was £1.2 million of subletting income arising from a tenancy of part of the ground floor of Frontier’s offices that commenced in July 2025. The £3.9 million of other operating income in FY25 related to the sale of publishing rights.

FINANCIAL PERFORMANCE

Frontier delivered record profitability in FY26, with Adjusted Operating Profit growing 62% to £21.4 million (FY25: £13.2 million), reflecting strong revenue growth, continued cost discipline and higher tax credits. The underlying growth in profitability was even stronger, since the FY25 figure of £13.2 million included a £3.9 million gain from the sale of publishing rights. The one-off transitional tax credit of £4.4 million in FY26 was excluded from the calculation of Adjusted Operating Profit.

Under IFRS, operating profit increased 97% to £25.0 million (FY25: £12.7 million), benefiting from strong trading performance and the recognition of £10.0 million of VGEC and RDEC credits, including the one-off transitional credit of £4.4 million.

PROFIT AFTER TAX AND EARNINGS PER SHARE

Profit after tax increased 66% to £27.3 million (FY25: £16.4 million), while basic earnings per share increased 76% to 74.6p (FY25: 42.4p), reflecting strong profit growth and the accretive effect of share buybacks, with the full benefit expected to be realised in FY27 and beyond.

CASH GENERATION AND STATEMENT OF FINANCIAL POSITION

Frontier delivered record cash generation during FY26 of £19.0 million (FY25: £13.0 million) excluding the £17.5 million invested in Frontier shares through share buyback programmes and Employee Benefit Trust (EBT) purchases. The record cash generation reflects Frontier’s trading performance, continued cost discipline, and tax and expenditure credits.

After taking account of the investment made in acquiring shares, cash increased by £1.5 million during the year to £44.0 million at 31 May 2026 (31 May 2025: £42.5 million).

A 12% increase in the net assets of the Group to £107.0 million (31 May 2025: £95.2 million), as presented in the Consolidated Statement of Financial Position, reflected excellent trading performance, continued investment in developing our leading portfolio of franchises, and the financial benefits from the transition from the VGTR regime to the VGEC regime. Intangible assets increased to £56.0 million (31 May 2025: £48.5 million), reflecting ongoing investment in game development and technology. Total current receivables increased to £23.0 million (31 May

2025: £12.3 million), principally due to revenue receivable from platforms and amounts receivable in respect to VGEC. Deferred income relating to expenditure credits increased to £4.4 million (31 May 2025: £2.2 million), reflecting credits to be recognised in future periods in line with amortisation charges. Current tax assets reduced to £3.8 million (31 May 2025: £4.9 million) as outstanding VGTR claims were settled and the majority of the Group's qualifying game franchises transitioned to the VGEC regime, with the related receivables recognised within current receivables.

Frontier remains debt free and strongly capitalised, with a cash balance of £51.4 million at 31 August 2026.

CAPITAL ALLOCATION AND SPECIAL DIVIDEND

Frontier's capital allocation strategy is focused on creating long-term shareholder value through disciplined investment in the business, maintaining a strong balance sheet and returning surplus capital to shareholders where appropriate.

During FY26, Frontier invested £15.5 million to acquire 3,947,854 shares through two share buyback programmes, reducing total voting rights by 10% and a corresponding 11% enhancement to EPS for FY27 and beyond. On 11 August 2026 the acquired shares were cancelled, having been held in treasury from acquisition.

In addition to the share buyback programmes, Frontier's Employee Benefit Trust (EBT) invested £2.0 million during FY26 to acquire 532,174 shares. A further £3.0 million was invested in June 2026 (FY27), acquiring 633,736 shares. These shares will be used to satisfy future employee share option exercises. As at 8 September the EBT held 1,672,953 shares.

The Board regularly reviews the Group's capital requirements, taking into account its investment plans, liquidity position and strategic opportunities. Following the successful execution of the FY26 buyback programmes and reflecting the Group's strong balance sheet and cash position, the Board is pleased to announce a special dividend of £5.0 million (14.1p per share). The dividend is payable on 9 October 2026 to shareholders on the register at close of business on 18 September 2026 with an ex-dividend date of 17 September 2026.

The Board remains committed to a disciplined and balanced approach to capital allocation. The special dividend reflects confidence in the Group's financial position and prospects, while maintaining sufficient resources to support investment in future growth initiatives and strategic opportunities.

CONSOLIDATED INCOME STATEMENT
FOR THE YEAR ENDED 31 MAY 2026

	Notes	**12 months to 31 May 2026 £'000**	12 months to 31 May 2025 £'000
Revenue		**104,796**	90,600
Cost of sales		**(34,932)**	(27,257)
Gross profit		**69,864**	63,343
Research and development expenses		**(32,022)**	(31,971)
Sales and marketing expenses		**(7,235)**	(7,710)
Administrative expenses		**(16,869)**	(14,921)
Other operating income	3	**11,296**	3,910
Operating profit		**25,034**	12,651
Finance income		**1,242**	800
Finance costs		**(932)**	(1,032)
Profit before tax		**25,344**	12,419
Taxation credit	4	**1,937**	3,968
Profit for the year attributable to shareholders		**27,281**	16,387

		12 months to 31 May 2026 p	12 months to 31 May 2025 p
Earnings per share	5		
Basic earnings per share		**74.6**	(42.4)
Diluted earnings per share		**70.0**	(40.7)

All the activities of the Group are classified as continuing.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 MAY 2026

	12 months to 31 May 2026 £'000	12 months to 31 May 2025 £'000
Profit for the year	**27,281**	16,387
Other comprehensive income		
Items that will be reclassified subsequently to profit or loss:		
Exchange differences on translation of foreign operations	**(46)**	(534)
Total comprehensive income for the year attributable to the equity holders of the parent	**27,235**	15,853

The accompanying accounting policies and notes form part of this financial information.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

AS AT 31 MAY 2026

(REGISTERED COMPANY NO: 02892559)

	Notes	**31 May 2026 £'000**	31 May 2025 £'000
Non-current assets			
Goodwill	6	**6,512**	6,539
Other intangible assets	6	**49,487**	41,971
Property, plant and equipment		**3,854**	3,810
Right-of-use assets		**15,556**	17,548
Trade and other receivables		**828**	1,105
Total non-current assets		**76,237**	70,973
Current assets			
Trade and other receivables		**11,524**	10,784
Receivables from expenditure credits		**11,506**	1,506
Current tax assets		**3,841**	4,928
Cash and cash equivalents		**43,968**	42,502
Total current assets		**70,839**	59,720
Total assets		**147,076**	130,693
Current liabilities			
Trade and other payables		**(13,390)**	(10,418)
Lease liabilities		**(1,921)**	(1,823)
Deferred revenue		**(2,830)**	(1,486)
Deferred income from expenditure credits		**(2,072)**	(955)
Current tax liabilities		**(35)**	(276)
Total current liabilities		**(20,248)**	(14,958)
Net current assets		**50,591**	44,762
Non-current liabilities			
Provisions		**(114)**	(100)
Lease liabilities		**(15,747)**	(17,644)
Other payables		**(193)**	(635)
Deferred income from expenditure credits		**(2,334)**	(1,204)
Deferred tax liabilities		**(1,412)**	(990)
Total non-current liabilities		**(19,800)**	(20,573)
Total liabilities		**(40,048)**	(35,531)
Net assets		**107,028**	95,162
Equity			
Share capital		**197**	197
Share premium account		**36,547**	36,547
Own shares held in treasury		**(15,542)**	-
Equity reserve		**(15,027)**	(12,955)
Foreign exchange reserve		**(1,453)**	(1,407)
Retained earnings		**102,306**	72,780
Total equity		**107,028**	**95,162**

The accompanying accounting policies and notes form part of this financial information.

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED 31 MAY 2026

	Share capital £'000	Share premium account £'000	Own shares held in treasury £'000	Equity reserve £'000	Foreign exchange reserve £'000	Retained earnings £'000	Total equity £'000
At 31 May 2024	197	36,547	–	(13,283)	(873)	54,235	76,823
Profit for the year	–	–	–	–	–	16,387	16,387
Other comprehensive income:							
Exchange differences on translation of foreign operations	–	–	–	–	(534)	–	(534)
Total comprehensive income/(loss) for the year	–	–	–	–	(534)	16,387	15,853
Share-based payment charges	–	–	–	2,368	–	–	2,368
Share-based payment transfer relating to option exercises and lapses	–	–	–	(2,158)	–	2,158	–
Employee Benefit Trust cash inflows from option exercises	–	–	–	118	–	–	118
Transactions with owners	–	–	–	328	–	2,158	2,486
At 31 May 2025	197	36,547	–	(12,955)	(1,407)	72,780	95,162
Profit for the year	–	–	–	–	–	27,281	27,281
Other comprehensive income:							
Exchange differences on translation of foreign operations	–	–	–	–	(46)	–	(46)
Total comprehensive income/(loss) for the year	**–**	**–**	–	**–**	**(46)**	**27,281**	**27,235**
Share-based payment charges	–	–	–	1,977	–	–	1,977
Share-based payment transfer relating to option exercises and lapses	–	–	–	(2,171)	–	2,171	–
Employee Benefit Trust share purchases	–	–	–	(2,053)	–	–	(2,053)
Employee Benefit Trust cash inflows from option exercises	–	–	–	175	–	–	175
Deferred tax movements posted directly to reserves	–	–	–	–	–	74	74
Purchase of treasury shares	–	–	(15,542)	–	–	–	(15,542)
Transactions with owners	–	–	**(15,542)**	**(2,072)**	–	2,245	(15,369)
At 31 May 2026	**197**	**36,547**	**(15,542)**	**(15,027)**	**(1,453)**	**102,306**	**107,028**

The accompanying accounting policies and notes form part of this financial information.

CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED 31 MAY 2026

	12 months to 31 May 2026 £'000	12 months to 31 May 2025 £'000
Profit before taxation	**25,344**	12,419
Adjustments for:		
Depreciation and amortisation	**21,691**	23,435
Share-based payment expenses	**1,977**	2,368
Interest received	**(1,242)**	(800)
Payment of interest element of lease liabilities	**932**	1,032
Other operating income	**–**	(3,910)
Working capital changes:		
Change in trade and other receivables and receivables from expenditure credits	**(12,399)**	1,466
Change in trade and other payables	**3,214**	635
Change in deferred revenue	**1,344**	(3,121)
Change in deferred income from expenditure credits	**2,247**	2,159
Change in provisions	**14**	15
Cash generated from operations	**43,122**	35,698
Taxes received	**4,761**	5,808
Net cashflows from operating activities	**47,883**	41,506
Investing activities		
Purchase of property, plant and equipment	**(978)**	(341)
Expenditure on other intangible assets	**(27,021)**	(30,370)
Sale of publishing rights	**458**	4,005
Interest received	**1,242**	800
Net cashflows used in investing activities	**(26,299)**	(25,906)
Financing activities		
Employee Benefit Trust cash outflows from share purchases	**(2,000)**	–
Employee Benefit Trust cash inflows from option exercises	**175**	118
Payment of principal element of lease liabilities	**(1,838)**	(1,726)
Payment of interest element of lease liabilities	**(932)**	(1,032)
Purchase of treasury shares	**(15,542)**	–
Net cashflows used in financing activities	**(20,137)**	(2,640)
Net change in cash and cash equivalents from continuing operations	**1,447**	12,960
Cash and cash equivalents at beginning of year	**42,502**	29,523
Exchange differences on cash and cash equivalents	**19**	19
Cash and cash equivalents at end of year	**43,968**	42,502

The accompanying accounting policies and notes form part of this financial information.

NOTES TO THE FINANCIAL INFORMATION

1. CORPORATE INFORMATION

Frontier Developments plc (the 'Group' or the 'Company') develops and publishes video games for the interactive entertainment sector. The Company is a public limited company and is incorporated and domiciled in the United Kingdom.

The address of its registered office is 26 Science Park, Milton Road, Cambridge CB4 0FP.

The Group's operations are based and headquartered in the UK, with a subsidiary based in Canada.

2. BASIS OF PREPARATION AND STATEMENT OF COMPLIANCE

The financial information contained in this preliminary announcement of audited results does not constitute the Group's statutory accounts for the years ended 31 May 2026 and 31 May 2025. The accounts for the year ended 31 May 2025 have been delivered to the Registrar of Companies. The statutory accounts for the year ended 31 May 2026 have been reported on by the Company's auditors. The report on these accounts was unqualified, did not draw attention to any matters by way of emphasis and did not contain any statement under section 498(2) or (3) of the Companies Act 2006 or equivalent preceding legislation.

The statutory accounts for the year ended 31 May 2026 are expected to be posted to shareholders in due course and will be delivered to the Registrar of Companies after they have been laid before the shareholders in a general meeting on 29 October 2026. Copies will be available from the registered office of the Company, 26 Science Park, Milton Road, Cambridge CB4 0FP and will be accessible on the Frontier Developments website at www.frontier.co.uk. The registered number of Frontier Developments plc is 02892559.

The basis of preparation and going concern policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods presented, unless otherwise stated.

Basis of preparation

The consolidated financial statements of the Group have been prepared in accordance with UK-adopted International Accounting Standards (IASs) and the requirements of the Companies Act 2006 applicable to companies reporting under UK-adopted IASs. The financial information has been prepared on the basis of all applicable IFRSs, including all IASs, Standing Interpretations Committee (SIC) interpretations and International Financial Reporting Interpretations Committee (IFRIC) interpretations that are applicable to the financial period.

The consolidated financial information has been prepared on a going concern basis under the historical cost convention, except for financial instruments held at fair value. The consolidated financial information is presented in Sterling and has been rounded to the nearest thousand (£'000) except when otherwise indicated.

Going concern basis

The Group and Company's forecasts and projections, taking account of current cash resources and reasonably possible changes in trading performance, support the conclusion that there is a reasonable expectation that the Group and Company have adequate resources to continue in operational existence for the period to 30 September 2027. The Group and Company therefore continue to adopt the going concern basis in preparing their financial statements.

The Group's day-to-day working capital requirements are expected to be met through the cash and cash equivalent resources (including treasury deposits) at the balance sheet date of 31 May 2026 of £44.0 million along with expected cash inflows from current business activities. Cash and cash equivalent resources (including treasury deposits) at 31 August 2026 were £51.4 million. The Annual Budget approved by the Board of Directors, which has been used to assess going concern, reflects assessments of current and future market conditions and the impact this may have on cash resources.

The Group has also performed stress testing on the Annual Budget in respect of potential downside scenarios to identify the break point of current cash resources and to identify when current liquidity resources may fall short of requirements.

The scenarios both consider a reduction in predicted revenues; however, the reduction would need to be severe in order to prevent the Group from continuing as a going concern and is considered to be highly unlikely to occur. The Group has also identified mitigating actions that could be reasonably taken, if required, to offset the reduction of cash inflows, to enable it to continue its operations for the period to 30 September 2027.

The sensitivities included in the stress testing include a significant reduction of revenue for the Group from both the existing portfolio and future game launches, including factoring in delays to major game launches.

As expected, the scenarios resulted in an accelerated use of current cash resources; however, in all scenarios tested the current cash resources were sufficient to support the Group's activities. This is due to a variety of factors:

- the Group currently has significant cash reserves to maintain the current level of operations;
- the development and publishing of titles has progressed as expected; and
- should a more extreme downside scenario occur, the Group could take further mitigating actions by reducing its operating costs.

Having considered all the above, including the current strong cash position, no current impact on debtor recoverability and the continued strong trading performance for the Group, the Directors are satisfied that there are sufficient resources to continue operations for the period to 30 September 2027. The financial statements for the year ended 31 May 2026 are therefore prepared under the going concern basis.

3. OTHER OPERATING INCOME

Other operating income comprises gains on the sale and remeasurement of game publishing rights, subletting income from space within Frontier's Cambridge studio, and expenditure credits recognised under the UK's Video Games Expenditure Credit (VGEC) and Research and Development Expenditure Credit (RDEC) schemes.

	12 months to 31 May 2026 £'000	12 months to 31 May 2025 £'000
Fair value revaluation of contingent consideration on sale of publishing rights	**69**	382
Gain on sale of publishing rights	**–**	3,528
Subletting income	**1,226**	–
Income recognised in respect of VGEC	**9,343**	–
Income recognised in respect of RDEC	**658**	–
Total other operating income	**11,296**	3,910

FY25 comparative: Other operating income included a gain of £3.5 million arising on the disposal of the *Stranded: Alien Dawn* game assets and associated publishing and development rights. The transaction completed on 1 April 2025 for cash consideration of £3.6 million.

During the year, the Group recognised income of £1.2 million (FY25: £nil) arising from the subletting of surplus office space. The tenancy commenced in July 2025 and therefore FY26 is the first year in which subletting income has been recognised. The income is recognised on a straight-line basis over the term of the lease.

Expenditure credits are recognised in respect of the VGEC and RDEC schemes. These credits are accounted for in accordance with IAS 20 and arise from qualifying video game development and research and development activities.

Income recognised during the year totalled £10.0 million (FY25: £nil), comprising VGEC credits of £9.3 million and RDEC credits of £0.7 million. VGEC is calculated at 34% of qualifying expenditure less Step 2 notional tax deduction, while RDEC is recognised under the merged R&D scheme at 20% of qualifying expenditure less step 2 notional tax deduction. The credits are recognised on a systematic basis over the periods in which the related qualifying expenditure is recognised in the Consolidated Income Statement, including third-party intellectual property royalties, development costs and the amortisation of capitalised development assets.

During the year, the Group submitted RDEC and VGEC claims in respect of qualifying expenditure incurred on selected titles, including *Planet Zoo* and the *Jurassic World Evolution* franchise. Of the total income recognised, £5.9 million relates to prior periods, including a one-off transitional benefit of £4.4 million arising from the refiled FY24 claim following the transition from VGTR to VGEC. The remaining £4.1 million relates to qualifying expenditure incurred during FY26.

4. TAXATION

Consolidated Income Statement	**12 months to 31 May 2026 £'000**	12 months to 31 May 2025 £'000
Current tax:		
Credit in respect of current year	**(2,366)**	(4,512)
Adjustments in respect of prior years	**(72)**	(78)
Total current tax	**(2,438)**	(4,590)
Deferred tax:		
Charge in respect of current year	**2,548**	617
Adjustments in respect of prior years	**(2,047)**	5
Total deferred tax	**501**	622
Total taxation credit	**(1,937)**	(3,968)

Consolidated Statement of Changes in Equity	**12 months to 31 May 2026 £'000**	12 months to 31 May 2025 £'000
Deferred tax related to items recognised in equity during the year:		
Net change in share option exercises	**(74)**	–

Reconciliation of total tax credit:

	12 months to 31 May 2026 £'000	12 months to 31 May 2025 £'000
Profit before tax	**25,344**	12,419
Taxation using the UK corporation tax rate of 25% (FY25: 25%)	**6,336**	3,105
Factors affecting tax expense for the year:		
Non-taxable income and non-deductible expenses	**(360)**	238
Adjustments in respect of prior years	**(2,104)**	(73)
Video Games Tax Relief enhanced deductions on which credits claimed	**(3,871)**	(5,869)
Benefit of Patent Box	**(5,183)**	(1,016)
Movement in unrecognised deferred tax asset	**3,190**	(410)
Effect of higher tax rates in Canada	**55**	57
Total taxation credit	**(1,937)**	(3,968)

The UK corporation tax rate is 25%. Accordingly, current tax on profits for the year ended 31 May 2026 has been measured at 25%. Deferred tax assets and liabilities have been measured using the tax rate expected to apply when the related temporary differences reverse, being 25% (31 May 2025: 25%).

The Group recognised a taxation credit of £1.9 million for FY26 (FY25: £4.0 million). The movement primarily reflects higher taxable profits in FY26 and the transition from VGTR to VGEC. Under VGTR, the benefit of qualifying claims was recognised within taxation as a corporation tax credit, whereas credits arising under VGEC are recognised as an expenditure credit within other operating income (note 3). As a result, a large part of the benefit previously reported within taxation is now recognised above operating profit.

Prior year adjustments resulted in a net tax credit of £2.1 million (FY25: £0.1 million), comprising a deferred tax credit of £2.0 million and a current tax credit of £0.1 million. The adjustments principally arose from the finalisation of VGEC claims and the reassessment of the associated tax positions, which were previously assessed under the VGTR regime. Under the VGEC regime, expenditure credits are subject to a notional corporation tax charge, with any excess not utilised in the current period available to be carried forward and utilised against future corporation tax liabilities.

The benefit arising from VGTR was £3.9 million (FY25: £5.9 million). The reduction compared to the prior year principally reflects the transition of certain game franchises, including the Jurassic World Evolution and Planet Zoo, from VGTR to the VGEC regime.

Patent Box relief provides a reduced corporation tax rate of 10% on profits attributable to qualifying patented innovations. During FY26, the Group claimed total Patent Box deductions of £20.7 million (FY25: £4.1 million), which generated a tax benefit of £5.2 million (FY25: £1.0 million), reflecting higher qualifying profits from patented income, principally relating to *Planet Zoo*, the *Jurassic World Evolution* franchise and the *F1® Manager* franchise.

The movement in unrecognised deferred tax assets resulted in a net tax charge of £3.2 million (FY25: tax credit of £0.4 million), comprising:

- Employee share schemes – credit of £0.2 million (temporary difference of £0.6 million at 25%): reflects the tax-effected movement arising on employee share scheme deductions and the difference between deferred tax movements and amounts recognised in the Consolidated Income Statement.
- VGEC deferred income – charge of £0.3 million (temporary difference of £1.2 million at 25%): no deferred tax asset has been recognised in respect of VGEC deferred income within Frontier Games Limited.
- Expenditure credit Step 2 restriction amounts – charge of £2.4 million (temporary difference of £9.7 million at 25%): the Group had accumulated VGEC and RDEC Step 2 restriction amounts of £2.4 million at 31 May 2026). No deferred tax asset has been recognised due to uncertainty regarding future taxable profits. The amounts do not expire and remain available for offset against future corporation tax liabilities.
- Tax losses – charge of £0.6 million (tax losses of £2.4 million at 25%): current year tax losses of £5.0 million arose during the period. A deferred tax asset of £0.7 million has been recognised in respect of £2.6 million of these losses, limited to the extent that they can be offset against the Company's deferred tax liabilities. No deferred tax asset has been recognised on the remaining losses due to uncertainty over the availability of sufficient future taxable profits. The losses can be carried forward indefinitely and remain available for offset against future taxable profits.

5. EARNINGS PER SHARE

The calculation of the basic earnings per share is based on the profits attributable to the shareholders of Frontier Developments plc divided by the weighted average number of shares in issue during the year.

	12 months to 31 May 2026	12 months to 31 May 2025
Profit attributable to shareholders (£'000)	**27,281**	16,387
Weighted average number of shares	**36,575,131**	38,658,275
Basic earnings per share (p)	**74.6**	42.4

The calculation of the diluted earnings per share is based on the profits attributable to the shareholders of Frontier Developments plc divided by the weighted average number of shares in issue during the year as adjusted for the dilutive effect of share options.

	12 months to 31 May 2026	12 months to 31 May 2025
Profit attributable to shareholders (£'000)	**27,281**	16,387
Diluted weighted average number of shares	**38,974,275**	40,265,330
Diluted earnings per share (p)	**70.0**	40.7

The reconciliation of the average number of Ordinary Shares used for basic and diluted earnings per share is as follows:

	12 months to 31 May 2026	12 months to 31 May 2025
Weighted average number of shares	**36,575,131**	38,658,275
Dilutive effect of share options	**2,399,144**	1,607,055
Diluted average number of shares	**38,974,275**	40,265,330

6. GOODWILL AND OTHER INTANGIBLE ASSETS

The Group's intangible assets comprise goodwill, game technology, game development assets, third-party software and IP licences. Goodwill represents the excess of the consideration paid over the fair value of identifiable net assets acquired in a business combination. Game technology principally consists of Frontier's proprietary COBRA game engine and related technologies that support the development, publishing and operation of the Group's games. Game development assets comprise capitalised development expenditure relating to both base games and paid downloadable content (PDLC). Third-party software includes licences and subscriptions for development and business applications. IP licences are recognised at cost on execution of the licence agreement, based on the minimum guaranteed amounts payable by the Group to the IP rights holder.

	Goodwill £'000	Game technology £'000	Game developments £'000	Third-party software £'000	IP licences £'000	Total £'000
Cost						
At 31 May 2024	6,954	27,740	188,508	3,312	13,024	239,538
Additions	–	5,024	23,255	276	–	28,555
Disposals	–	–	(5,841)	–	(1,916)	(7,757)
Exchange rate movement	(415)	–	(406)	(3)	–	(824)
At 31 May 2025	6,539	32,764	205,516	3,585	11,108	259,512
Additions	–	4,287	21,726	271	–	26,284
Exchange rate movement	(27)	–	(42)	–	–	(69)
At 31 May 2026	**6,512**	**37,051**	**227,200**	**3,856**	**11,108**	**285,727**
Amortisation and impairment						
At 31 May 2024	–	19,975	165,066	2,572	9,269	196,882
Amortisation charges	–	3,577	16,100	472	–	20,149
Disposals	–	–	(5,769)	–	–	(5,769)
Exchange rate movement	–	–	(257)	(3)	–	(260)
At 31 May 2025	–	23,552	175,140	3,041	9,269	211,002
Amortisation charges	–	4,344	13,214	393	792	18,743
Exchange rate movement	–	–	(17)	–	–	(17)
At 31 May 2026	–	**27,896**	**188,337**	**3,434**	**10,061**	**229,728**
Net book value						
Net book value at 31 May 2026	**6,512**	**9,155**	**38,863**	**422**	**1,047**	**55,999**
Net book value at 31 May 2025	6,539	9,212	30,376	544	1,839	48,510

Amortisation of game technology, game development assets and third-party software is recognised within research and development expenses. Amortisation of IP licences is generally recognised within cost of sales, reflecting the underlying royalty arrangements and minimum guarantee commitments associated with the licensed intellectual property.

The Group assesses the carrying value of its intangible assets, including goodwill. Capitalised development costs and other intangible assets are tested for impairment when indicators of impairment are identified while goodwill is tested for impairment at least annually. For the purposes of impairment testing, capitalised development costs are allocated to franchise-level cash-generating units (CGUs), which management has determined represent the lowest level at which largely independent cash inflows are generated. Goodwill arising on business combinations has been allocated to a group of CGUs equivalent to the Group's single operating segment. The recoverable amount of the Group's intangible assets was determined using value-in-use calculations based on a five-year bottom-up cash flow forecast covering FY27 to FY31, discounted using a pre-tax rate of 9.5% (FY25: 10.0%).

Key assumptions within the impairment assessment include forecast revenues, operating margins, and development and marketing costs, together with the discount rate and long-term growth rate applied in determining terminal value. Forecast cash flows are derived from Board-approved business plans and reflect management's expectations of the performance of the Group's existing game portfolio and future releases, taking account of historical performance, current market conditions and external industry data where available. Cash flows beyond the five-year forecast period are extrapolated using annual drop-off rates of between 10% and 20% (FY25: 10% to 20%), reflecting management's expectations of the typical lifecycle performance of the Group's games based on historical trading patterns and experience across the existing portfolio.

Sensitivity analyses were performed using reasonably possible changes in the key assumptions, including forecast trading performance, discount rates and long-term growth rates, and indicated that no material impairment would arise in any of the scenarios considered. Climate change is not expected to have a material impact on forecast cash flows. Accordingly, no impairment charge was recognised in FY26 (FY25: £nil).

7. KEY PERFORMANCE INDICATORS – NON-STATUTORY MEASURES

Frontier measures, and reports on, the non-statutory measure of Adjusted Operating Profit, in addition to IFRS-based financial measures. Adjusted Operating Profit, in the Board's view, provides a consistent representation of underlying 'cash profitability', since it eliminates non-cash accounting charges that are included in calculating IFRS operating profit, and includes the full value of tax and expenditure credits.

Adjusted Operating Profit measures Frontier's financial performance after eliminating non-cash development cost accounting adjustments (cost capitalisation, amortisation charges and impairment charges), non-cash share charges, non-operating items (including restructuring costs). The measure also excludes the impact of the IAS 20 recognition constraints applied to VGEC and RDEC, recognising the full value of credits earned from qualifying expenditure in the period to which they relate.

This effectively provides the cash profit figure that would have been achieved if we expensed all game development investment as it was incurred, net of those tax and expenditure credits, rather than capitalising those costs and amortising them over several years.

During the year, the definition of Adjusted Operating Profit was updated following the introduction of VGEC scheme. The new definition explains that Adjusted Operating Profit excludes the impact of the IAS 20 recognition constraints applied to VGEC and RDEC credits in the statutory Financial Statements, providing users with a measure of underlying financial performance. The new definition does not affect the calculation of Adjusted Operating Profit in the prior year as there were no IAS 20 recognition constraints and therefore no restatement of comparative information is required.

Adjusted Operating Profit increased by 62% to £21.4 million in FY26, a Company record, reflecting strong revenue growth, continued cost discipline and higher tax and expenditure credits. The one-off transitional tax credit of £4.4 million included in IFRS operating profit in FY26 was excluded from the calculation of Adjusted Operating Profit to better reflect the actual underlying performance and results achieved in FY26.

	12 months to 31 May 2026 £'000	12 months to 31 May 2025 £'000
IFRS operating profit	**25,034**	12,651
Add back non-cash intangible asset amortisation charges for game developments and game technology	**17,558**	19,677
Deduct capitalised investment costs in game developments and game technology	**(26,013)**	(28,279)
Add back non-cash share-based payment expenses	**2,060**	2,368
Adjustment to record the full benefits of tax and expenditure credits against the expenditure they relate to	**446**	6,767
Adjustments to tax and expenditure credits of prior years	**2,311**	62
Adjusted Operating Profit	**21,396**	13,246

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