UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): November 12, 2026

Snail, Inc.
(Exact name of registrant as specified in its charter)

Delaware	**001-41556**	**88-4146991**
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification Number)

12049 Jefferson Blvd
Culver City, CA 90230
(Address of principal executive offices) (Zip Code)

+1 (310) 988-0643
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Class A Common Stock, $0.0001 par value per share	**SNAL**	**The Nasdaq Stock Market LLC (The Nasdaq Capital Market)**

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☒

Item 2.02. Results of Operations and Financial Condition.

On November 12, 2026, Snail, Inc., a Delaware corporation, (the "Company") issued a press release that included financial information for its quarter ended September 30, 2026. A copy of the press release is attached as Exhibit 99.1 to this Report on Form 8-K and is incorporated herein by reference.

The information in this Item 2.02 and in the press release attached as Exhibit 99.1 to this Current Report on Form 8-K shall not be deemed to be "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended, or otherwise subject to the liabilities of that section or Sections 11 and 12(a)(2) of the Securities Act of 1933, as amended. The information contained in this Item 2.02 and in the press release attached as Exhibit 99.1 to this Current Report on Form 8-K shall not be incorporated by reference into any filing with the U.S. Securities and Exchange Commission made by the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits.

Exhibit No.	Description
99.1	Press Release, dated November 12, 2026, issued by Snail, Inc. regarding its financial results for its quarter ended September 30, 2026
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, as amended, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SNAIL, INC.

Date: November 12, 2026

By: */s/ Hai Shi*
Name: Hai Shi
Title: Founder, Chief Executive Officer, Chief Strategy Officer and Chairman of the Board of Directors

Exhibit 99.1

Snail, Inc. Reports Third Quarter 2026 Financial Results

CULVER CITY, Calif., November 12, 2026 (GLOBE NEWSWIRE) – Snail, Inc. (Nasdaq: SNAL) ("Snail Games" or the "Company"), a leading global independent developer and publisher of interactive digital entertainment, today announced financial results for the third quarter ended September 30, 2026.

Third Quarter 2026 and Recent Operational Highlights

ARK Franchise Updates:

- ***ARK: Survival Evolved ("ASE"):***
    - Units sold were approximately 559,000 for the third quarter of 2026
    - During the third quarter of 2026, average daily active users ("DAU") were approximately 99,000 and peak DAU was approximately 126,000
- ***ARK: Survival Ascended ("ASA"):***
    - Units sold were approximately 1.2 million for the third quarter of 2026
    - During the third quarter of 2026, average DAU was approximately 121,000 and peak DAU was approximately 184,000
    - Launched *ARK: Genesis Part 1 Ascended, ARK: Tides of Fortune,* and shadow-dropped *ARK: Dragontopia*
    - Released *ARK: Dragontopia* content updates in July and September 2026
    - Released the *Cerberax* fantastic tame under the *ARK: Fantastic Tames Season 1 Pack*
    - Released a major update for the *ARK: Astraeos* downloadable content ("DLC")
    - Upcoming tames and content releases planned for *ARK: Fantastic Tames Season 1* and *ARK: Dragontopia* in November and December 2026
- ***ARK: Ultimate Mobile Edition ("ARK Mobile")***
    - Approximately 14.5 million downloads as of September 30, 2026
    - During the third quarter of 2026, average DAU was approximately 134,000
- **Other *ARK* IPs**
    - Released *PixARK: Terracrypt* DLC
    - Debuted the first public demo of *ARK: Survival of the Fittest* during ChinaJoy 2026

Game Portfolio and Business Updates:

- **AAA Game Pipeline**
    - Officially unveiled *9 Yin Sutra: Immortal* at ChinaJoy 2026, revealing a new trailer and Steam page
    - Publicly debuted *9 Yin Sutra: Wuxia* at Gamescom 2026, revealing a new trailer and Steam page
    - Showcased *For The Stars* at Gamescom 2026, releasing a new gameplay trailer and exclusive demos for attending media
    - Showcased *9 Yin Sutra: Immortal* and *For The Stars* during the IGN Fan Fest event
- Launched *Honeycomb: The World Beyond* across Steam, Epic Games Store, PlayStation 5, and Xbox Series X|S

- Showcased a new playable demo of *Bellwright* at Gamescom 2026, previewing its highly requested traversal update planned for the end of 2026
- Launched *Stoneguard* on Steam Early Access and achieved a "Mostly Positive" rating from Steam users to date
- Launched *The Fame Game II: LA Heartbreaker*, receiving an "Overwhelmingly Positive" Steam rating to date with more than 500 reviews
- Launched *Dead Party* on Steam
- Released new demos for *Dead Party*, *Whispers of West Grove*, and *Veil of Madness* during Steam Next Fest

Business and Operational Updates

- Egofold, the Company's subsidiary, publicly debuted the AI Ranch initiative and Non-Human Player™ (NHP), an AI gaming companion for consumers, at the Ai4 2026 conference
- As of September 30, 2026, *SaltyTV* released 350+ short film dramas

ARK Content Pipeline

Title	Platforms	Type	Release Schedule
ARK Dragontopia	*Steam, Xbox, PlayStation*	*DLC Content Update (new map)*	*December 2026*
ARK Maker	*Steam, Xbox, PlayStation*	*ASA Content Creation Tool*	*2027*
ARK Survival of the Fittest	*Steam, Xbox, PlayStation*	*ASA Game Mode*	*2027*
PixARK Worlds	*Steam, Xbox, PlayStation, Nintendo Switch 2*	*New Title*	*2027*
ARK Atlantis	*Steam, Xbox, PlayStation*	*ASA DLC*	*2027*
ARK Galaxy Wars	*Steam, Xbox, PlayStation*	*ASA DLC*	*2027*
ARK Legacy of Santiago	*Steam, Xbox, PlayStation*	*ASA DLC*	*2027*

Diversified Content Pipeline

Title	Platforms	Type	Release Schedule
Bellwright	*Steam, Xbox, Playstation*	*Game Content Update*	*2026*
Veil of Madness	*Steam*	*Indie Title*	*2026/2027*
Whispers of West Grove	*Steam*	*Indie Title*	*2027*
Gobby Gang	*Steam*	*Indie Title*	*2027*
For The Stars	*Steam*	*AAA Title*	*TBD*
9 Yin Sutra: Immortal	*Steam*	*AAA Title*	*TBD*
9 Yin Sutra: Wuxia	*Steam*	*AAA Title*	*TBD*

Management Commentary

"Our third quarter results reflected the continued execution of our *ARK* content pipeline, which extends through 2027 and remains a key driver of engagement and monetization across *ASA*," said Snail CEO Hai Shi. "The release of three *ASA* DLCs at the beginning of the quarter provided a strong foundation for our performance, demonstrating the importance of our ongoing content strategy to expand the franchise's reach and longevity.

"Beyond our revenue-generating *ARK* content, the past several months have provided valuable opportunities to showcase the breadth and progress of our broader development portfolio. We unveiled and publicly debuted our two *9 Yin Sutra* titles at ChinaJoy and Gamescom, supported by new trailers and the official launch of their respective Steam pages. These milestones mark important steps in building early awareness and engagement, particularly among the IP's established fan base in China. We also featured *For The Stars* at Gamescom, where we released a new gameplay trailer and offered exclusive demos to attending media, and again at IGN Fan Fest. The positive reception and continued development progress across these projects reinforce our confidence in the commercial potential of our AAA pipeline. As these highly anticipated titles continue advancing toward launch, industry events and community engagement initiatives remain important platforms to build momentum and provide players with greater visibility into our development progress.

"Looking ahead, we are encouraged by the opportunities in front of us. We expect our recently released titles, together with the anticipated *ARK: Dragontopia* skyworld map in December, to support fourth quarter performance. More importantly, our visibility beyond the current year remains strong. With an established *ARK* content roadmap extending throughout 2027 and multiple AAA titles continuing to make solid development progress toward key milestones, we believe we are well positioned to build on the momentum generated this year. Our focus remains on disciplined execution, consistent content delivery, and advancing our high-conviction development initiatives."

Third Quarter 2026 Financial Highlights

Net revenues increased 139.2% to $33.1 million compared to $13.8 million in the same period last year. The increase was primarily due to a $13.9 million change in deferred revenue, a $4.9 million increase in *ASA* sales, which was primarily driven by the base game and the release of *ARK: Tides of Fortune* and *ARK: Dragontopia*, a $1.0 million increase in *Bellwright* sales, and a $0.4 million increase in *Honeycomb: The World Beyond* sales, partially offset by a decrease of $0.5 million in *ASE* sales, a decrease of $0.2 million in *ARK Mobile* sales, and a decrease of $0.2 million in *SaltyTV* sales.

Total units sold increased 73.3% to 2.0 million units compared to 1.1 million units in the same period last year, primarily driven by increased sales of *ASA* by 0.7 million units and an increase in sales of *Bellwright* of 0.1 million units.

Net income improved to $6.7 million compared to a net loss of $(7.9) million in the same period last year. The increase was primarily due to an increase in gross profit of $17.6 million, partially offset by an increase in the provision for income taxes of $2.0 million, an increase in total operating expenses of $0.6 million, and an increase in total other expense of $0.5 million.

Bookings increased 30.4% to $23.0 million compared to $17.6 million in the same period last year. The increase was primarily due to higher sales of *ASA* and *Bellwright*, partially offset by a decrease in bookings from *ASE*.

EBITDA improved to $7.2 million compared to $(9.7) million in the same period last year. The increase was primarily driven by the $14.5 million increase in net income, a decrease in interest income and interest income – related parties of $0.4 million, and an increase in the provision of income taxes of $2.0 million.

Nine Months 2026 Financial Highlights

Net revenues increased 42.6% to $80.0 million compared to $56.1 million in the same period last year. The increase was primarily due to the change in deferred revenue of $19.2 million, an increase in *ASA* sales of $4.8 million, which was primarily driven by the sales of the base game, *ARK: Bob's Tall Tales, ARK: Lost Colony,* and the newly released *ARK: Tides of Fortune* and *ARK: Dragontopia*, an increase of $4.6 million in *Bellwright* sales, and an increase of $0.4 million in *Honeycomb: The World Beyond* sales. The increase in revenue was partially offset by a decrease in *ASE* revenue of $3.2 million, a decrease in *ARK Mobile* revenue of $1.5 million, and a decrease in *SaltyTV* application revenue of $0.4 million.

Total units sold increased 28.0% to 6.2 million units compared to 4.8 million units in the same period last year, primarily due to an increase in *ASA* sales of 1.7 million units and an increase in *Bellwright* sales of 0.3 million units, partially offset by a decrease in *ASE* sales of 0.8 million units.

Net income improved to $5.8 million compared to a net loss of $(26.4) million in the same period last year. The improvement was primarily due to an increase in revenue of $23.9 million, a decrease in the provision of income taxes of $10.4 million, and a decrease in cost of revenue of $0.3 million, partially offset by an increase in total operating expenses of $1.9 million and total other expense of $0.6 million.

Bookings increased 7.0% to $71.7 million compared to $67.0 million in the same period last year. The increase was primarily due to higher sales of *ASA* and *Bellwright*, which benefited from promotional pricing during the period, offset by *ASE* as the title continued to mature and consumer demand shifted toward *ASA* and its related downloadable content.

EBITDA improved to $6.5 million compared to $(15.6) million in the same period last year. The increase was primarily due to an increase in net income of $32.1 million, partially offset by a decrease in provision for income taxes of $10.4 million.

As of September 30, 2026, **unrestricted cash** was $12.1 million compared to $8.6 million as of December 31, 2025.

Use of Non-GAAP Financial Measures

In addition to the financial results determined in accordance with U.S. generally accepted accounting principles, or GAAP, Snail believes EBITDA, as a non-GAAP measure, and Bookings as a key operating metric, are useful in evaluating its operating performance. Bookings and EBITDA are non-GAAP and key operating financial measures that are presented as supplemental disclosures and should not be construed as alternatives to net income (loss) or revenue as indicators of operating performance, nor as alternatives to cash flow provided by operating activities as measures of liquidity, both as determined in accordance with GAAP. Snail supplementally presents Bookings and EBITDA because they are key operating measures used by management to assess financial performance. Bookings adjusts for the impact of deferrals and, Snail believes, provides a useful indicator of sales in a given period. Management believes Bookings and EBITDA are useful to investors and analysts in highlighting trends in Snail's operating performance. At the same time, other measures can differ significantly depending on long-term strategic decisions regarding capital structure, the tax jurisdictions in which Snail operates, and capital investments.

Bookings is defined as the net amount of products and services sold digitally or physically in the period. Bookings is equal to revenues, excluding the impact from deferrals. Below is a reconciliation of total net revenue to Bookings, the closest GAAP financial measure.

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(in millions)		(in millions)	
Total net revenue	$ 33.1	$ 13.8	$ 80.0	$ 56.1
Change in deferred net revenue	(10.1)	3.8	(8.3)	10.9
Bookings	$ 23.0	$ 17.6	$ 71.7	$ 67.0

We define EBITDA as net income (loss) before (i) interest expense, (ii) interest income, (iii) provision for (benefit from) income taxes and (iv) depreciation expense. The following table provides a reconciliation from net income (loss) to EBITDA:

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
	(in millions)		(in millions)	
Net income (loss)	$ 6.7	$ (7.9)	$ 5.8	$ (26.4)
Interest income and interest income – related parties	(0.1)	(0.5)	(0.2)	(0.6)
Interest expense	0.2	0.2	0.5	0.4
(Benefit from) provision for income taxes	0.4	(1.6)	0.4	10.8
Depreciation expense	—	0.1	—	0.2
EBITDA	$ 7.2	$ (9.7)	$ 6.5	$ (15.6)

Webcast Details

The Company will host a webcast at 4:30 PM ET today to discuss its third quarter 2026 financial and operational results. Participants may access the live webcast and replay via the link here or on the Company's investor relations website at https://investor.snail.com/.

About Snail, Inc.

Snail, Inc. (Nasdaq: SNAL) is a leading, global independent developer and publisher of interactive digital entertainment for consumers around the world, with a premier portfolio of premium games designed for use on a variety of platforms, including consoles, PCs, and mobile devices. For more information, please visit: https://snail.com/.

Forward-Looking Statements

This press release contains statements that constitute forward-looking statements. Many of the forward-looking statements contained in this press release can be identified by the use of forward-looking words such as "anticipate," "believe," "could," "expect," "should," "plan," "intend," "may," "predict," "continue," "estimate" and "potential," or the negative of these terms or other similar expressions. Forward-looking statements appear in a number of places in this press release and include, but are not limited to, statements regarding Snail's intent, belief or current expectations. These forward-looking statements include information about possible or assumed future results of Snail's business, financial condition, results of operations, liquidity, plans and objectives. The statements Snail makes regarding the following matters are forward-looking by their nature: upcoming tames and content releases for *ARK: Fantastic Tames Season 1* and *ARK: Dragontopia* in November and December 2026; the further development of Bellwright, including the traversal update planned for the end of 2026; the commercial potential of Snail's AAA pipeline; Snail's *ARK* content pipeline extending through 2027 and Snail's ongoing content strategy to expand the franchise's reach and longevity; Snail's recently released titles, together with the anticipated *ARK: Dragontopia* skyworld map in December supporting fourth quarter performance; and being well positioned to build on the momentum generated this year. Any forward-looking statements included herein reflect our current views, and they involve certain risks and uncertainties, including, among others, acceptance of our titles in the marketplace and the successful development, marketing or sale of our titles and our ability to retain our key employees or maintain our Nasdaq listing. These risks should not be construed as exhaustive and should be read together with the other cautionary statement included in our Annual Report on Form 10-K for the year ended December 31, 2025, subsequent Quarterly Reports on Form 10-Q and current reports on Form 8-K filed with the Securities and Exchange Commission. Any forward-looking statement speaks only as of the date on which it was initially made. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, changed circumstances or otherwise, unless required by law.

Investor Contact:

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Snail, Inc. and Subsidiaries
Condensed Consolidated Balance Sheets as of September 30, 2026 and December 31, 2025 (Unaudited)

	September 30, 2026	*December 31, 2025*
ASSETS		
Current Assets:		
Cash and cash equivalents	$ 12,104,332	$ 8,568,164
Restricted cash and cash equivalents	562,000	187,000
Accounts receivable, net of allowances for credit losses of $523,500 as of September 30, 2026 and December 31, 2025	7,052,196	12,528,347
Loan and interest receivable – related party	109,255	107,759
Prepaid expenses – related party	3,339,620	2,700,474
Prepaid expenses and other current assets	2,677,154	2,232,485
Prepaid taxes	611,871	4,734,007
Total current assets	26,456,428	31,058,236
Restricted cash and cash equivalents, net of current portion	1,748,000	1,748,000
Prepaid expenses – related party, net of current portion	5,582,500	8,282,974
Property and equipment, net	4,107,573	4,146,175
Intangible assets, net	3,763,110	3,827,927
Intangible assets, net – related party	4,166,667	4,916,667
Other noncurrent assets, net	1,130,406	604,793
Operating lease right-of-use assets, net	4,537,349	4,722,366
Total assets	$ 51,492,033	$ 59,307,138
LIABILITIES, NONCONTROLLING INTERESTS AND STOCKHOLDERS' DEFICIT		
Current Liabilities:		
Accounts payable	$ 5,432,378	$ 5,506,332
Accounts payable – related parties	16,556,305	20,067,013
Accrued expenses and other liabilities	3,577,183	3,364,150
Interest payable – related parties	527,770	527,770
Convertible notes at fair value	—	3,842,189
Current portion of long-term debt	1,350,071	1,305,880
Current portion of deferred revenue	17,305,342	14,799,840
Current portion of operating lease liabilities	485,905	393,448
Total current liabilities	45,234,954	49,806,622
Accrued expenses	625,354	468,106
Revolving loan	2,500,000	5,000,000
Long-term debt, net of current portion	3,356,578	4,292,538
Deferred revenue, net of current portion	5,326,512	17,282,685
Operating lease liabilities, net of current portion	4,188,089	4,336,240
Total liabilities	61,231,487	81,186,191
Commitments and contingencies		
Stockholders' Deficit:		
Class A common stock, $0.0001 par value, 500,000,000 shares authorized; 3,485,979 shares issued and 3,205,095 shares outstanding as of September 30, 2026, and 2,076,467 shares issued and 1,806,412 shares outstanding as of December 31, 2025	348	208
Class B common stock, $0.0001 par value, 100,000,000 shares authorized; 5,749,716 shares issued and outstanding as of September 30, 2026 and December 31, 2025	575	575
Additional paid-in capital	33,341,655	26,926,245
Accumulated other comprehensive loss	(315,197)	(275,049)
Accumulated deficit	(33,587,550)	(39,352,510)
Treasury stock at cost (270,055 shares as of September 30, 2026 and December 31, 2025)	(3,671,806)	(3,671,806)
Total Snail, Inc. deficit	(4,231,975)	(16,372,337)
Noncontrolling interests	(5,507,479)	(5,506,716)
Total stockholders' deficit	(9,739,454)	(21,879,053)
Total liabilities, noncontrolling interests and stockholders' deficit	$ 51,492,033	$ 59,307,138

Snail, Inc. and Subsidiaries
Condensed Consolidated Statements of Operations and Comprehensive Income (Loss) for the Three and Nine Months Ended September 30, 2026 and 2025 (Unaudited)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	*2025*	*2026*	*2025*
Revenues, net	$ 33,061,435	$ 13,819,527	$ 80,032,536	$ 56,116,149
Cost of revenues	15,418,013	13,805,121	43,044,890	43,299,471
Gross profit	17,643,422	14,406	36,987,646	12,816,678
Operating expenses:				
General and administrative	4,911,867	4,844,261	14,537,874	13,283,701
Research and development	4,619,542	3,731,441	13,087,364	10,634,595
Advertising and marketing	901,768	884,914	2,585,262	3,711,480
Depreciation	13,034	67,915	38,602	203,579
Impairment of film assets	24,250	336,134	190,237	751,853
Total operating expenses	10,470,461	9,864,665	30,439,339	28,585,208
Income (loss) from operations	7,172,961	(9,850,259)	6,548,307	(15,768,530)
Other income (expense):				
Interest income	55,718	492,088	155,799	553,966
Interest income – related party	504	504	1,496	1,496
Interest expense	(188,873)	(194,189)	(547,044)	(444,304)
Other (expense) income	56,060	130,529	(3,971)	192,323
Foreign currency transaction gain (loss)	10,436	(8,519)	18,695	(76,697)
Total other (expense) income, net	(66,155)	420,413	(375,025)	226,784
Income (loss) before provision for (benefit from) income taxes	7,106,806	(9,429,846)	6,173,282	(15,541,746)
Provision for (benefit from) income taxes	435,891	(1,564,152)	409,086	10,833,616
Net income (loss)	6,670,915	(7,865,694)	5,764,196	(26,375,362)
Net loss attributable to non-controlling interests	(88)	(1,153)	(763)	(2,391)
Net income (loss) attributable to Snail, Inc.	6,671,003	(7,864,541)	5,764,959	(26,372,971)
Comprehensive income (loss) statement:				
Net income (loss)	6,670,915	(7,865,694)	5,764,196	(26,375,362)
Other comprehensive income (loss) related to foreign currency translation adjustments, net of tax	(19,619)	4,462	(45,458)	68,282
Other comprehensive income related to credit adjustments, net of tax	—	997	5,310	23,020
Total comprehensive income (loss)	$ 6,651,296	$ (7,860,235)	$ 5,724,048	$ (26,284,060)
Net income (loss) attributable to Class A common stockholders:				
Basic	**$ 2,377,869**	**$ (1,847,559)**	**$ 1,790,950**	**$ (6,066,325)**
Diluted	**$ 2,377,869**	**$ (1,847,559)**	**$ 1,792,798**	**$ (6,066,325)**
Net income (loss) attributable to Class B common stockholders:				
Basic	**$ 4,293,134**	**$ (6,016,982)**	**$ 3,974,009**	**$ (20,306,646)**
Diluted	**$ 4,293,134**	**$ (6,174,656)**	**$ 3,974,009**	**$ (20,585,138)**
Income (loss) per share attributable to Class A common stockholders:				

Basic	$ 0.75	$ (1.05)	$ 0.69	$ (3.53)
Diluted	$ 0.75	$ (1.05)	$ 0.68	$ (3.53)
Income (loss) per share attributable to Class B common stockholders:				
Basic	$ 0.75	$ (1.05)	$ 0.69	$ (3.53)
Diluted	$ 0.75	$ (1.07)	$ 0.69	$ (3.58)
Weighted-average shares used to compute income (loss) per share attributable to Class A common stockholders:				
Basic	3,184,637	1,765,493	2,591,200	1,717,647
Diluted	3,184,637	1,765,493	2,619,768	1,717,647
Weighted-average shares used to compute income (loss) per share attributable to Class B common stockholders:				
Basic	5,749,716	5,749,716	5,749,716	5,749,716
Diluted	5,749,716	5,749,716	5,749,716	5,749,716

Snail, Inc. and Subsidiaries
Condensed Consolidated Statements of Cash Flows for the Nine Months Ended September 30, 2026 and 2025 (Unaudited)

	2026	*2025*
Cash flows from operating activities:		
Net income (loss)	$ 5,764,196	$ (26,375,362)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Amortization – intangible assets, net	505,070	190,981
Amortization – intangible assets, net – related party	750,000	—
Amortization – film assets	271,054	1,025,201
Amortization – loan origination fees and debt discounts	6,915	(16,073)
Loss on change in fair value of convertible notes	154,669	268,220
Gain on change in fair value of warrant liabilities	(76,423)	(481,825)
Depreciation – property and equipment	38,602	203,579
Impairment of film assets	190,237	751,853
Gain on remeasurement of previously held equity interest	—	(7,857)
Gain on lease termination	(1,799)	—
Stock-based compensation expense	146,130	325,941
Gain on sale of fixed assets	(22,200)	—
Deferred taxes, net	—	10,808,885
Changes in assets and liabilities, net of business acquisitions:		
Accounts receivable	5,476,151	2,351,251
Accounts receivable – related party	—	3,836,866
Prepaid expenses – related party	2,061,328	(2,692,532)
Prepaid expenses and other current assets	(444,669)	514,921
Prepaid taxes	4,122,136	2,893,867
Other noncurrent assets, net	(986,317)	(1,152,434)
Accounts payable	(113,954)	581,910
Accounts payable – related parties	(3,510,708)	(325,322)
Accrued expenses and other liabilities	1,053,244	791,258
Loan and interest receivable – related party	(1,496)	(1,496)
Lease liabilities	131,122	(243,095)
Deferred revenue	(9,450,671)	10,901,655
Net cash provided by operating activities	6,062,617	4,150,392
Cash flows from investing activities:		
Acquisition of software	—	(290,000)
Acquisition of software licenses	(400,253)	(2,989,026)
Investments in software	—	(849,138)
Net cash paid for acquisition of Matrioshka	—	(9,719)
Acquisition of fixed assets	—	(9,109)
Proceeds from sale of fixed assets	22,200	—
Net cash used in investing activities	(378,053)	(4,146,992)
Cash flows from financing activities:		
Proceeds from at-the-market offering, net of issuance costs	4,796,702	—
Repayments on promissory note	—	(64,419)
Repayments on notes payable	(891,769)	(271,658)
Repayments on convertible notes	(3,125,298)	(1,414,705)
Repayments on revolving loan	(2,500,000)	—
Borrowings on term loan	—	3,500,000
Cash proceeds from exercise of warrants	—	159,000
Proceeds from issuance of convertible notes	—	3,000,000
Cash paid in lieu of fractional shares	(73)	—
Payments of loan origination fees	(7,500)	—
Net cash (used in) provided by financing activities	(1,727,938)	4,908,218
Effect of foreign currency translation on cash and cash equivalents	(45,458)	69,113
Net increase in cash and cash equivalents, and restricted cash and cash equivalents	3,911,168	4,980,731
Cash and cash equivalents, and restricted cash and cash equivalents – beginning of the period	10,503,164	8,238,944
Cash and cash equivalents, and restricted cash and cash equivalents – end of the period	**$ 14,414,332**	**$ 13,219,675**
Supplemental disclosures of cash flow information Cash paid during the period for:		

Interest	$ 443,069	$ 477,157
Income taxes	$ 182,428	$ 612,007
Noncash transactions during the period for:		
Liabilities converted to equity upon exercise of warrants	$ 606,541	$ 323,113
Acquisition of film licenses in accounts payable	$ —	$ 1,050
Acquisition of software and software licenses in accounts payable	$ 40,000	$ 2,000
Change in fair value of notes recorded in accumulated other comprehensive income	$ 5,310	$ 18,568
Right-of-use assets obtained in exchange for lease liability	$ (288,229)	$ (124,214)
Net assets acquired in a business combination	$ —	$ 5,461
Debt converted to equity	$ 866,250	$ 231,000