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CYPRUS GAME MAKERS ASSOCIATION

CYPRUS VIDEO GAME INDUSTRY REPORT

2025

The first measured reference for one of the world's most efficient video game development ecosystems — its market, companies, capital, economics, talent and community.



Cyprus Video Game Industry Report 2025

Inaugural Edition

ABOUT THIS EDITION

A first edition. Every figure is drawn from named public sources; numbers are informed estimates, not audited results, and will be revised as the underlying dataset improves.

Detailed review of the data sources and methodology, as well as the validation of the processed data sets and the summaries made by the results' analysis can be found in the Methodology section (page 66). The review was performed with the leading industry experts, including Alinea Analytics.

PUBLISHER

CYGMA (Cyprus Game Makers Association) Limited

HE 486303

Lampousas 1, 1095 Nicosia, Cyprus

info@cygma.eu

cygma.eu

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An Island of Innovation

Over recent months, across many conversations during Cyprus's Presidency of the Council of the European Union, one theme has emerged consistently: the pace of technological change and the opportunities it creates for Europe's growth, competitiveness and strategic autonomy.

Of all the fields shaping that change, game development is among those I find most compelling. Games are no longer a niche. They are among the most creative and most demanding forms of technology, where art, storytelling, engineering and imagination meet. They shape culture, push innovation forward, and reach audiences across the world.

Developing games means operating at the very frontier of the digital economy. Cyprus offers strong foundations on which this specialized industry can grow.

We have reached full 5G population coverage, and fibre-grade gigabit connectivity has risen to 95% of the population — a first in Europe. Our technology sector is the fastest-growing pillar of the economy, contributing almost 16% of national GDP, supported by a highly skilled, multilingual workforce and one of the densest concentrations of technology specialists in the region. For anyone building demanding digital products — and games are among the most demanding — these are precisely the conditions that matter.

Against this backdrop, a prominent game development community is fast growing, formed by both global technology firms and locally scaling startups. The full potential of this growth is tremendous; The market is expanding, while specialized studios and talented professionals are choosing to build here, and this deserves our attention.

This industry matters for Cyprus. It can create high-value employment, offer young people opportunities to build their future here, attract international talent and generate knowledge and expertise that benefit the wider economy. It also reflects the kind of growth we want to encourage: outward-looking, technology-driven and founded on creativity, skills and innovation; Not just for Cyprus, but from Cyprus as a technology and innovation hub for the broader region and globally.

What follows in these pages is a first, closer look at our game development industry — where it stands today, and where it may be heading. I commend the Cyprus Game Makers Association for bringing the industry together, giving it a collective voice and promoting Cypriot game development internationally. This is a field with real momentum and considerable promise - one whose progress deserves to be recognised, both at home and on the global stage.



Nicodemos Damianou

Deputy Minister of Research,
Innovation and Digital Policy,
Republic of Cyprus



DEPUTY MINISTRY OF
RESEARCH, INNOVATION
AND DIGITAL POLICY
REPUBLIC OF CYPRUS

A word from CYGMA

Dear reader,

Welcome to the inaugural Cyprus Games Industry Report 2025. Over the past decade, Cyprus has built one of the world's most remarkable video game development ecosystems. More than 400 game studios and related companies now operate from the island, ranging from major international live-service businesses with global player bases to independent developers and the specialist companies that support them. Yet outside the industry, very few people are aware of its true scale.

Despite the scale and success of its games sector, Cyprus was the last EU country without a dedicated national trade association for its games industry. CYGMA — the Cyprus Game Makers Association — was created to change that: to make the sector visible, measurable and understandable; to collect reliable data; to support local talent; to represent the industry in policy discussions in Cyprus and at EU level; and to connect Cyprus-based companies with partners across Europe, the Middle East, Asia and beyond.

The figures presented in this report demonstrate the exceptional position Cyprus holds in the global games industry. More than 400 studios and games companies operating from Cyprus generate over €3 billion in annual gross revenue. This makes Cyprus one of the ten largest games-industry countries in Europe by revenue. Games published by Cyprus-based companies rank third in the world by mobile downloads.

However, the most striking results emerge when these figures are considered relative to the size of the country. With a population of just 1 million, Cyprus has more game companies per capita, generates more games-industry gross revenue per capita and produces more mobile game installs per capita than any other country.

By all three measures, Cyprus is the most efficient video game development country in the world today. This is not a future ambition. It is the reality of the industry that already exists here.

Until now, little of this reality has reached the data governments, investors, universities and partners rely on — leaving the industry easy to overlook. This report closes that gap: an industry can only be taken seriously when it is measured consistently and described in terms that withstand scrutiny.

It is also an invitation: to policymakers, investors, educators, platforms, publishers and developers around the world to recognise Cyprus not as an emerging games hub, but as one of the global industry's established centres.

Thank you for reading.



Andrey Ivashentsev

General Manager, CYGMA



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SECTION 01

The Global Games Market in 2025

A \$263.7B industry, larger than the on-demand TV, film and music industries combined. Now a true mass-market cultural and economic driver.

Bigger than film and music

Games are the largest entertainment industry in the world. In 2025 the sector earned more than on-demand video, film and recorded music combined.

Global games revenue reached around \$263.7B in 2025. Mobile accounts for the majority, with PC and console close behind and cloud still a small share. Growth has cooled from the pandemic years to steady single digits, but several markets are moving faster: MENA, parts of Asia and some Latin American countries are posting double-digit growth, which points to where demand is still expanding.

The industry is also consolidating. Investment has tightened since 2022, costs are under closer control, and direct-to-consumer payments are reshaping how developers reach players. This is the backdrop against which the Cyprus industry operates.

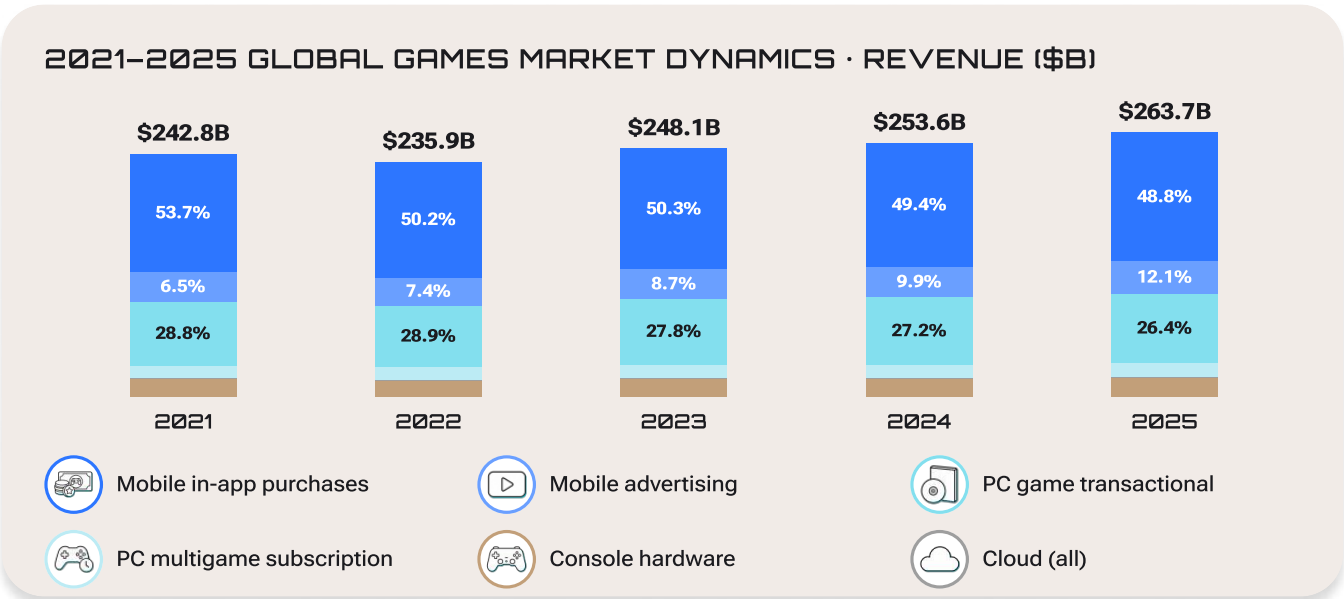


Growth has cooled to steady single digits, but several regional markets are still expanding by double digits.

Westland Survival, Helio Games

A \$263.7B year for games

Games now out-earn the on-demand TV, film and music industries combined. After a post-COVID dip, the market has returned to steady growth, reaching \$263.7B in 2025.

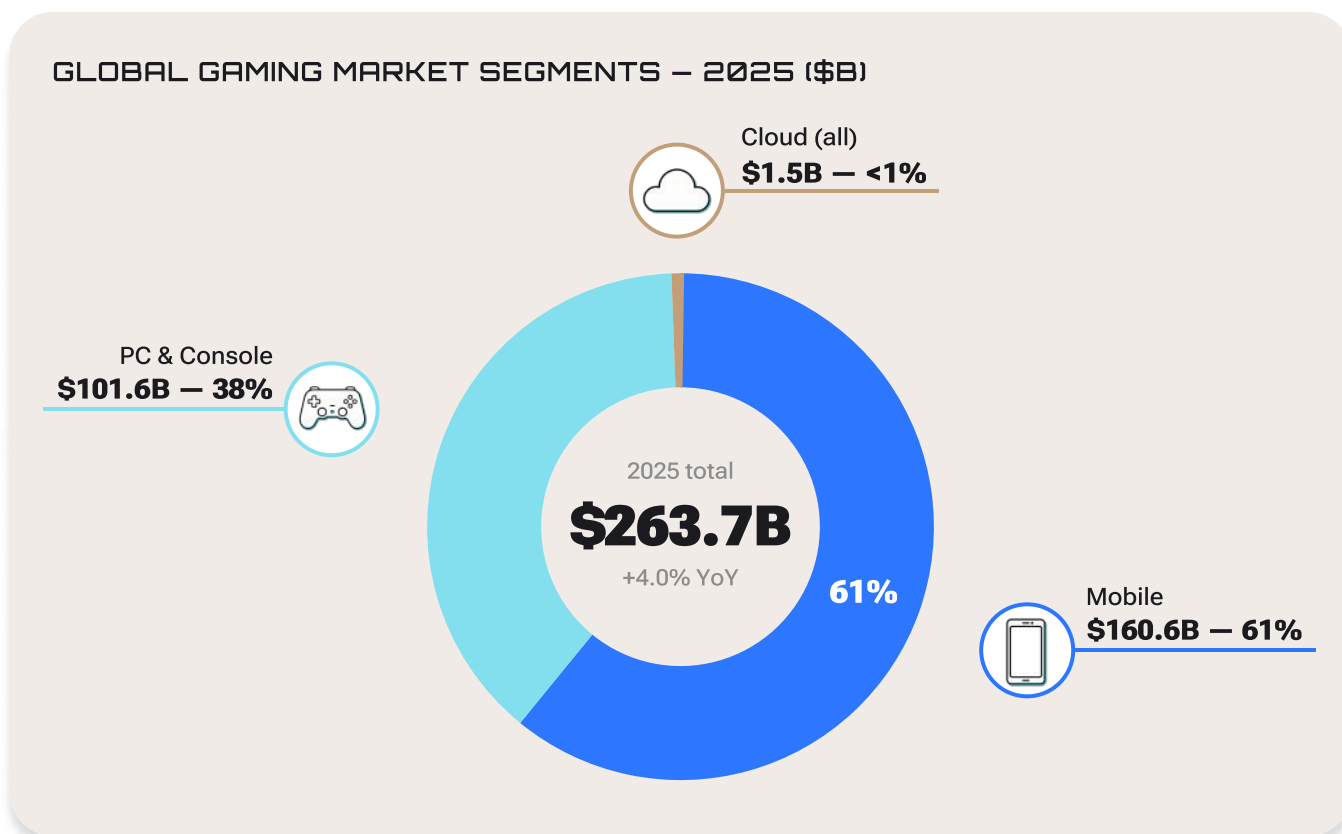


Source: BCG Analytics, Ampere Analytics, Sensor Tower; cross-checked with Newzoo and Circana, 2025.

Where the money is made

Mobile generates around 61% of all gaming revenue. PC and console split most of the rest. Cloud is still a rounding error.

Monetisation is the way a game turns players into revenue, and it looks very different from one platform to another. Mobile games are usually free to install and earn afterwards, mainly through small optional purchases made inside the game and, to a smaller degree, advertising. PC and console games still rely largely on selling the game itself, but increasingly add subscription services and, uniquely, the sale of the hardware players need to run them.



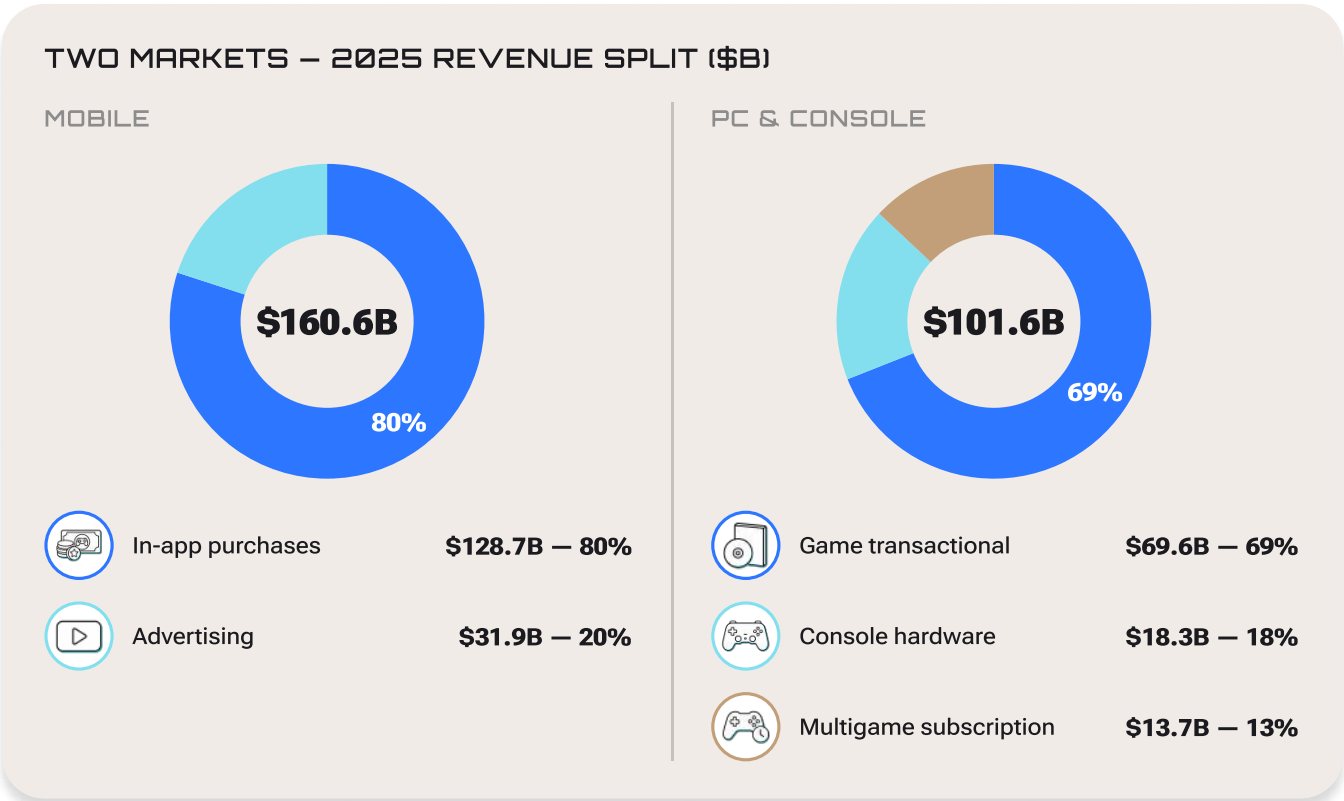
Source: BCG Analytics, Ampere Analytics, Sensor Tower; cross-checked with Newzoo and Circana, 2025. Figures follow BCG's total-market definition, which counts console hardware (~\$18.3B) and direct billing alongside software revenue; software-only totals published elsewhere are correspondingly lower.

A separate trend cuts across all three platforms: direct-to-consumer, or D2C — when a studio sells games and in-game content through its own website or storefront, rather than through Apple's or Google's app stores. After a recent series of legal changes, D2C has become one of the fastest-growing channels in the industry. We return to it later in this report, and look at its weight in the Cyprus market in the sections that follow.

Two markets, two business models

Two platforms, two business models. Mobile earns almost entirely from inside otherwise free games. PC and console still earn from selling games — and the consoles that play them.

Four-fifths of mobile revenue comes from in-app purchases: the optional payments players make for items, currency or upgrades inside an otherwise free game. The remaining fifth comes from advertising shown to players who never pay anything directly.



Source: BCG Analytics, Ampere Analytics, Sensor Tower; cross-checked with Newzoo and Circana, 2025. Console hardware includes PC handhelds; revenue splits are market-level estimates.

Buying games and their add-on content remains the largest source. Multigame subscriptions, such as Xbox Game Pass and PlayStation Plus, charge a monthly fee for access to a large library — a smaller but rising share. Console hardware — the machines themselves — is a revenue stream that mobile and PC simply do not have.



Nikoderiko: The Magical World, Veja Games

Seven forces shaping games in 2025

Beneath the surface, a handful of structural shifts are redrawing how games are built, sold and played.

01 Direct-to-Consumer payments (D2C)

For years, most digital sales inside games ran through Apple's and Google's app stores, which took roughly 30 percent of every transaction. After a long legal fight brought by Epic Games (maker of Fortnite), studios in several markets can now send players to their own checkout instead. Selling directly improves margins, but it also gives studios something more valuable: a direct relationship with the player and the data that comes with it. The exact fees Apple may charge on these external purchases are still working their way through the courts, so the shift is real but the rules are not yet final.

02 Market saturation

More games are released every year than ever before — over ten thousand new titles now launch annually on Steam, the largest PC store, alone. Player time and spending are finite, and a small number of long-running hits such as Fortnite, Roblox and Minecraft absorb a large share of both. A new release competes not only with other launches but with these entrenched titles, which makes winning and keeping an audience harder and more expensive than it used to be.

03 Asian mobile dominance

Most of the biggest new mobile games now come from Asian studios, and Chinese ones in particular. These companies have spent more than a decade refining the free-to-play model — free to download, revenue from inside the game. Titles such as Genshin Impact pair high production values with sophisticated long-term operation, a depth of craft and scale that Western teams find increasingly difficult to match.

04 PC, the old-new frontier

As mobile became crowded and the cost of acquiring players rose, many developers turned back to PC. The appeal is the premium model, where a player pays once to own the game, rather than the live-service model, where a title runs for years as an ongoing business with constant new content. Premium PC games are typically faster and cheaper to build, carry no long-term operating burden, and offer a clearer, more predictable return. Storefronts like Steam have made this route accessible to studios of almost any size.



War Robots, MY.GAMES

Seven forces shaping games in 2025

05 Fragmentation and local rules

Operating worldwide now means meeting very different national rules. China and Vietnam require a government licence before a game can launch. Europe's GDPR and the United States' COPPA set strict limits on handling user data, especially that of children. Several countries, including Belgium and the Netherlands, restrict or ban loot boxes, the randomised in-game rewards that regulators treat as close to gambling. Payment norms and content standards vary as well. Every new market a studio enters adds a layer of legal and compliance work.



Amikin Village, Helio Games

06 Games that became platforms

Roblox and Fortnite are usually described as games, but both now work as platforms. Players — many of them children and teenagers — move between millions of experiences built by other users, and creators earn real income from them, through Robux on Roblox and a creator payout pool on Fortnite. Neither is a recent development, and that is the point: for a large share of young players these platforms are the first interactive entertainment they ever touch, which shapes what they expect a game to be. For developers they are a distribution channel, a self-contained economy, and a competitor that never appears on a store chart.

07 Capital discipline

During the COVID pandemic, a surge in players and investment led many companies to expand quickly through hiring and acquisitions, including some of the largest takeovers in the sector's history. When growth returned to normal, much of that expansion proved unsustainable. The industry went through a sharp correction, with layoffs that peaked in 2024 and a wave of studio closures and consolidation. Revenue has since resumed growing, but companies now run on tighter cost control and a stronger focus on profitability rather than expansion at any cost.

Where the industry stands

At \$263.7B, the industry is large, mature and increasingly competitive. The threads below define the world the Cyprus video games industry operates in.

The market is bigger than ever but no longer easy. Games now out-earn on-demand TV, film and music combined, but single-digit growth is the new norm in mature markets. The remaining momentum sits in emerging markets — parts of Asia, the Middle East and Latin America.

Two business models run in parallel. Mobile, which accounts for around 61% of global revenue, is built almost entirely on free-to-play and in-app purchases. PC and console, together close behind, still revolve around selling the game itself, with subscriptions and hardware filling out the rest. These are not minor variations; they shape what studios build and how they reach players.

The most active live shift is direct-to-consumer. The thirty-year settlement around Apple's and Google's app stores is loosening, and studios able to sell directly are seeing better margins and richer data on their players. The legal picture is not yet final, but the direction is.

Competition has intensified in parallel.

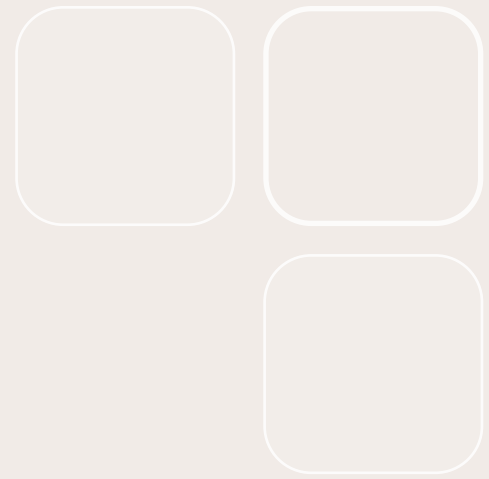
Over ten thousand games launch on Steam each year, a small group of long-running hits absorbs most player time, and Chinese studios now set the standard at the top of mobile. Capital has tightened with it: layoffs peaked in 2024, and the industry now favours profitability over growth.

And the playing field is uneven by design. National licensing in China and Vietnam, data rules in Europe and the US, loot box restrictions in parts of the EU — global operations now carry layers of legal and compliance work that did not exist a decade ago.

Cyprus operates inside all of this. The next section looks at how it fits.



Warhammer 40,000: Rogue Trader, OwlCat Games



SECTION 02

Cyprus Video Game Market

Home to more than 400 gaming companies — a small island delivering globally significant output across mobile and PC/console for almost two decades.

How the industry got here

An island of around one million people is home to more than 400 game companies, generates close to €3.2 billion in annual revenue, and is the world's third-largest source of mobile game downloads. This section shows how that happened — and what it looks like in 2025.

Scale of this kind does not accumulate on its own, and it is worth understanding how it did. Cyprus's role as a games industry hub took shape gradually across the 2010s, as studios arrived, teams formed, and companies that had started elsewhere moved their centre of gravity to the island. The last five years are when that long build-up turned into acceleration — and, just as importantly, when consistent industry-wide data first became available. That is why a report like this one is possible now and would not have been a decade ago.

The character of what emerged is unusual, and two features explain most of it.

The first is platform: the majority of Cyprus studios build primarily for mobile, which shapes everything downstream — how large their teams are, how often they ship, and how they earn.

The second is the market: almost nothing made here is sold to players in Cyprus, because an audience of roughly a million people cannot sustain a games industry of this size. Export orientation is not a strategy the sector adopted at some point; it is the condition it was born into.

The industry also arrived in two waves, and both are still visible in its structure. Many of the largest studios established their Cyprus operations during the 2010s, bringing with them existing games, established audiences and the revenue that came with both. Beneath them a much broader base of small teams and independent founders has formed, a large share of it in the last five years. The result is a market with real depth at the top and genuine breadth at the bottom, rather than one built around a single anchor company.

What that produces is a concentration without parallel. Whether measured in game companies per person or revenue per person, no other video games market operates at anything close to Cyprus's scale.

Cyprus studios have also been unusually early to commercial shifts that later became industry-wide. The clearest case is direct-to-consumer selling — Cyprus publishers were running live-service D2C businesses more than a decade before the model went mainstream elsewhere. That head start is part of why the island's figures are harder to read from outside than most: much of the revenue is earned through channels independent trackers can't see, so the full picture depends partly on what publishers themselves report. The pages that follow set out what all of this looks like in 2025, platform by platform and figure by figure.

The acceleration, in numbers

Between 2019 and 2024, the number of Cyprus game companies more than doubled, and the workforce tripled — from around 1,400 to over 4,300 people.



Source: Registrar of Companies (bottom-up entity count), cross-verified with CYPSTAT (NACE J58 and J62) via the Cyprus Games Industry Footprint 2024 by C Business Advisors.

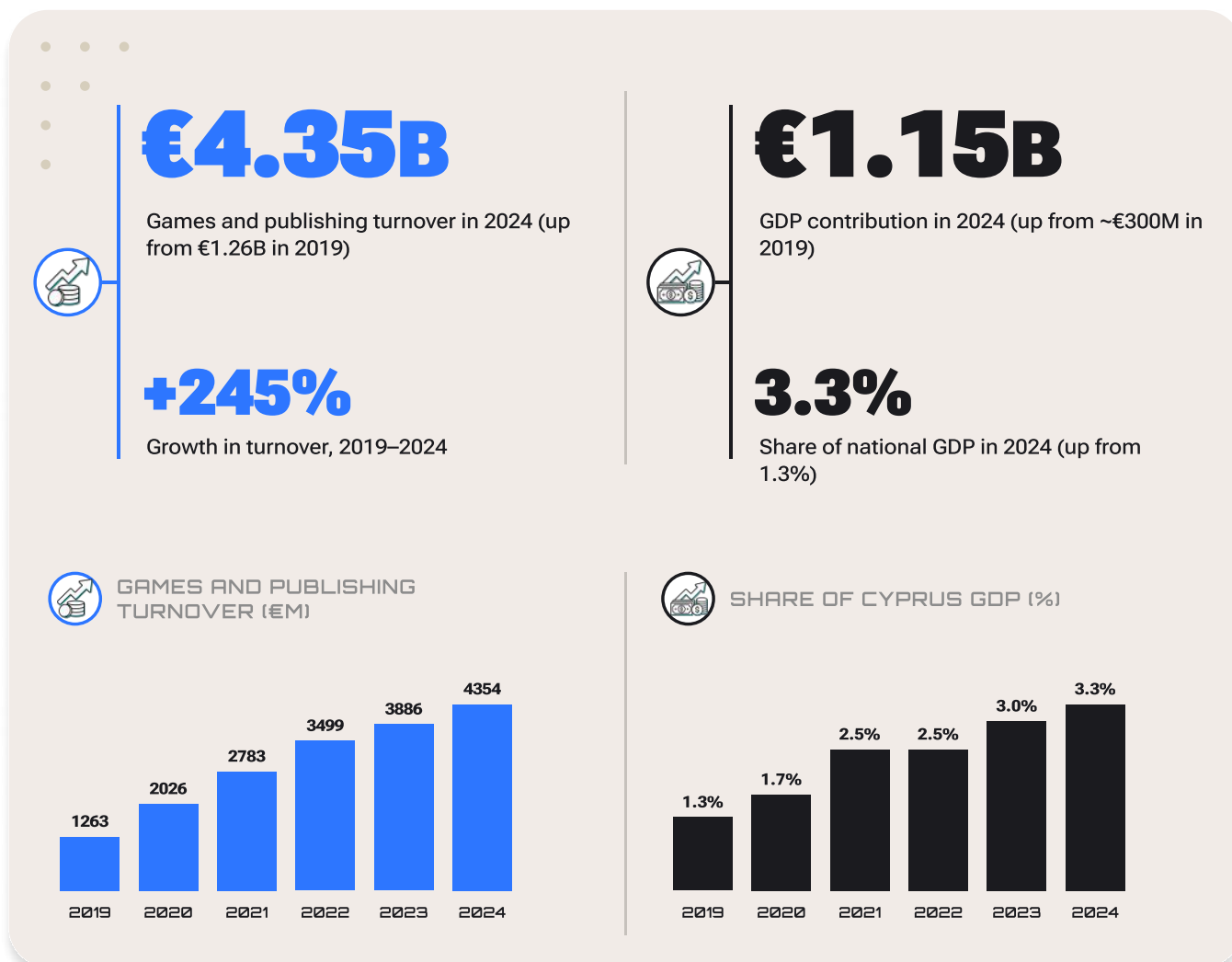
Two things grew between 2019 and 2024, and the difference between their rates is the interesting part. The number of game companies registered in Cyprus went from 169 to 393, increasing more than twice. Employment inside those companies grew faster, from 1,438 people to 4,320 — a tripling. Companies were not simply arriving and staying small.

Growth peaked in 2022, when employment rose 43% and the company count 24.3% in a single year — the fastest the sector has grown before or since. It has slowed without stopping: 2024 added 8.3% more companies and 6% more people. For most of the five years games sector also grew faster than the Cyprus economy around it.

Section 3 examines these companies in detail — who they are, where they came from, how the two waves of arrivals differ and what the pattern implies for the next five years.

The financial rise

Between 2019 and 2024, Cyprus game publishing turnover more than tripled, and the sector's contribution to national GDP nearly quadrupled — from around €300 million to €1.15 billion.



Source: CYSTAT (NACE J58 and J62) + Eurostat, via the Cyprus Games Industry Footprint 2024 by C Business Advisors with Chrysostomides Advocates and Legal Consultants.

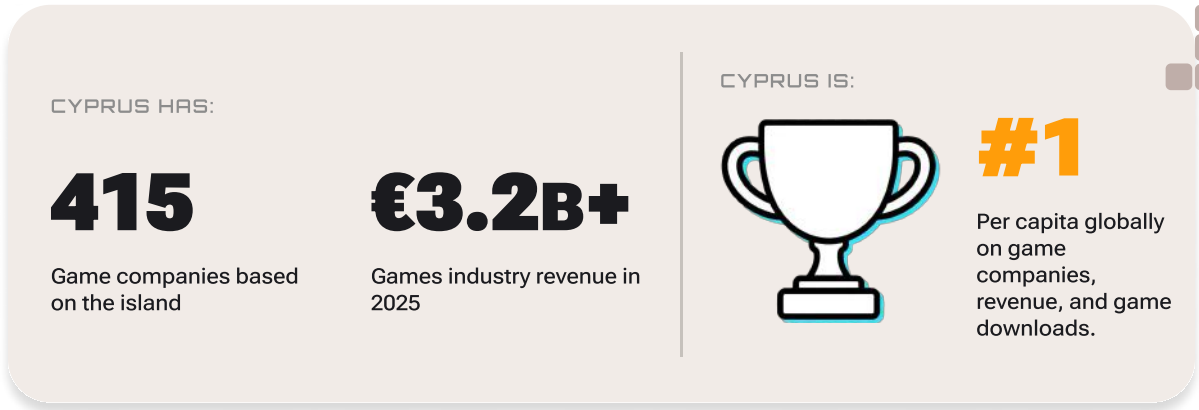
The money followed the same curve, and two figures are doing the work. Turnover — everything Cyprus game publishing companies sold — rose from €1.26 billion in 2019 to €4.35 billion in 2024. Value added is what remains once bought-in costs are stripped out, and it is what reaches the national accounts as GDP contribution: it grew from around €300 million to €1.15 billion, taking games from 1.3% of Cyprus GDP to 3.3%.

The climb was not even. The steepest turnover gains came in 2020 and 2021, when the pandemic pushed players onto games everywhere; in 2022 the rest of the Cyprus economy rebounded too, so the GDP share barely moved despite absolute growth. From 2023 it resumed climbing.

Value added grew slightly faster than turnover across the period: more of every euro earned stayed in Cyprus. Section 5 returns to what that means.

Highest per-capita output in the world

In 2025, no other country in the world is home to more game companies, produces more game revenue or attributes more game installs per person than Cyprus — by a wide margin.



Sources: AppMagic, Sensor Tower, Ampere Analytics, BCG.

Cyprus has one million people. From that base, 2025 shows more than 400 game companies and over €3.2 billion in revenue.

A change of measure first: from this page onward the report uses revenue rather than turnover. Turnover counts everything a company sells; revenue strips out sales inside the industry, so the €4.35 billion figure on the previous page becomes something narrower here — the same activity, without double-counting.



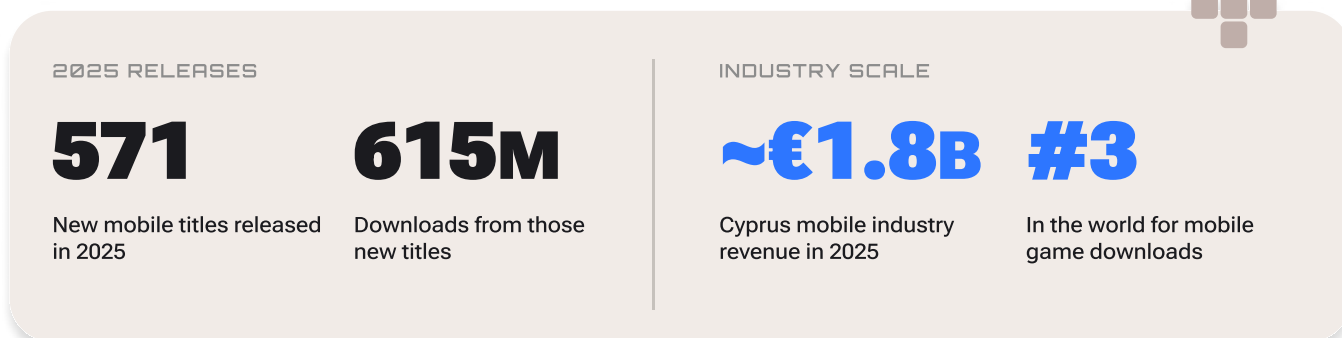
Sources: Neogames (Finland), DEV (Spain), SGA (Serbia); Eurostat populations.

Cyprus sits well outside the normal per-capita range on both measures. The charts above show two curves collapsing into the same shape — Cyprus far above, the world's other video games markets clustered together at a fraction of the scale. That isn't a lead. It's a different tier.

Part of that distance is an artifact of how the ratio is built: almost all of this revenue is earned from players outside Cyprus, then divided by the small number of people who live in it. Any small country with a large export sector looks unusually productive measured this way. What the comparison still shows is that no other market anywhere comes close on either measure.

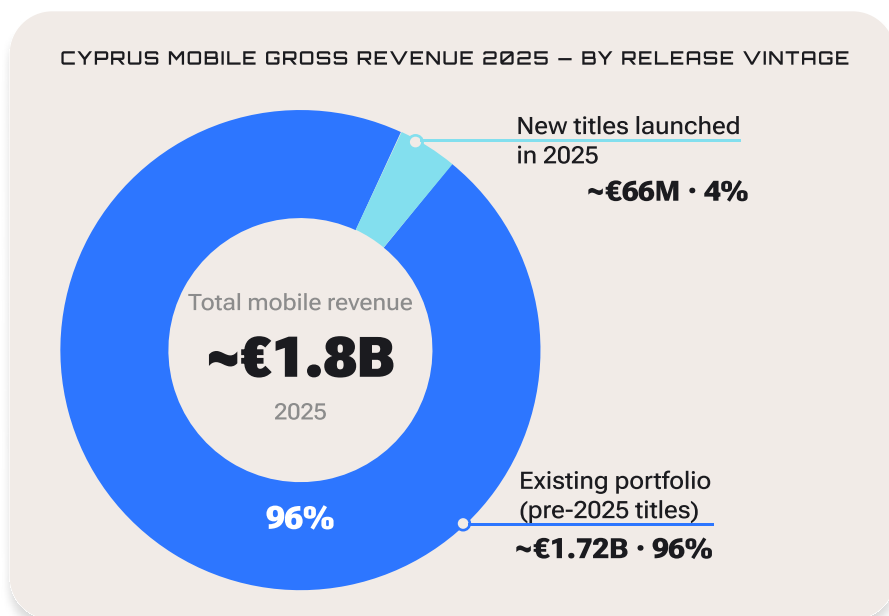
The engine

Mobile carries the bulk of Cyprus gaming — 571 new titles in 2025, 615 million downloads from those launches, and around €1.8 billion in total mobile industry revenue.



Source: AppMagic; Sensor Tower; Ampere Analytics; BCG. Mobile revenue includes IAP, in-app advertising and D2C.

Mobile is where the Cyprus industry reached scale, and it is worth being clear about what that means before the figures. A mobile studio ships more often than a PC one, reaches players in dozens of countries on launch day, and earns small amounts from very large numbers of people. Cyprus built on exactly that model: 571 new titles in 2025, 615 million downloads from them, and roughly €1.8 billion in total mobile industry revenue for the year.



Only about 4% of that revenue came from titles launched in 2025. The other €1.72 billion was earned by games released in earlier years and still running. That ratio is what a mature mobile market looks like: the new pipeline matters, but the money is made by titles that have been live for years.

EXPERT PERSPECTIVE – APPMAGIC

Cyprus demonstrates how a small ecosystem can have a global impact. The country's studios have found success by creating highly scalable Casual & Hypercasual games that generate massive downloads worldwide. Cyprus stands out for achieving exceptionally high results per capita, reaching global audiences far beyond what its population size would suggest.

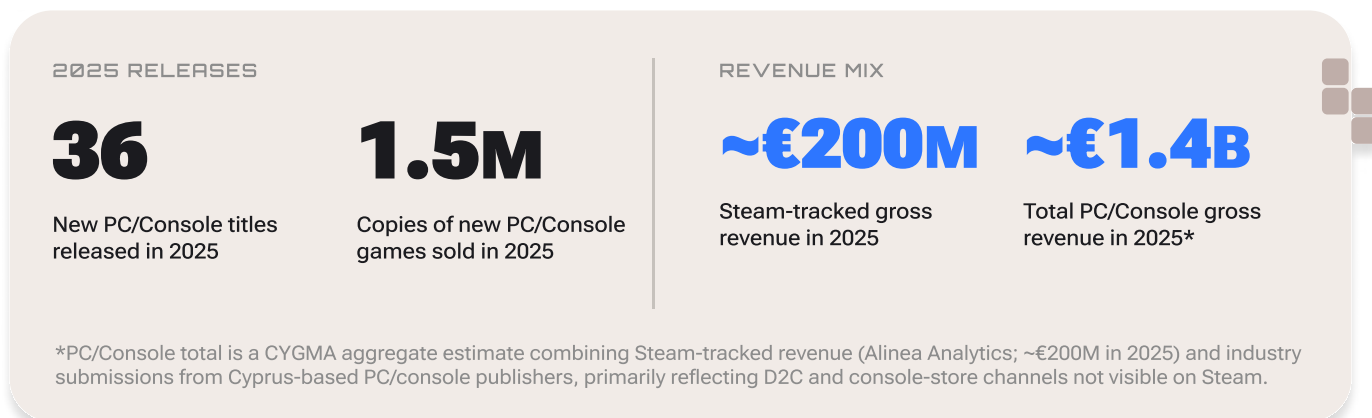
Kirill Vaganov

Head of Sales SMB, AppMagic



The other pillar

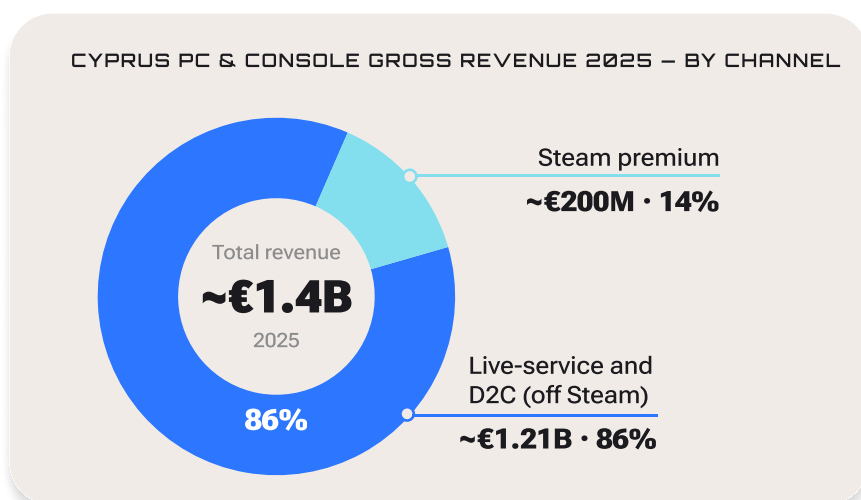
PC and console is Cyprus gaming's other pillar — fewer new titles than mobile, but around €1.4 billion in annual revenue, most of it earned outside the Steam storefront.



Sources: Alinea Analytics (Steam-tracked revenue). Off-Steam figure is a CYGMA aggregate combining industry submissions from Cyprus-based PC/console publishers.

PC and console works the other way round from mobile, and the two sets of figures should be read differently. Where a mobile studio ships often and earns a little from a great many players, a PC or console studio ships rarely and earns a lot from each one. Cyprus released 36 new PC and console games in 2025 and sold roughly 1.5 million copies of them.

The revenue mix is instructive. Around €200 million was tracked through Steam — the traditional premium model, where players buy a game upfront. Titles like Owlcat's *Rogue Trader* and VEA Games' *Nikoderiko: The Magical World* releases sit here.



Most of the ~€1.4 billion comes from long-running live-service PC titles that behave like mobile games: free to download, monetised through progression and cosmetics, sold through publishers' own stores rather than Steam. Several Cyprus studios have run franchises like this for decades.

So "PC/Console" is a label covering two businesses with very little in common. One sells a finished game once; the other sells a service for years. They differ in how they are built, how they earn and how long they last, and the platform is close to the only thing they reliably share.

On the world stage

By mobile downloads, Cyprus is the world's third-largest source of games. By mobile in-app revenue, it ranks eleventh. Both are extraordinary for a country of one million people.



WORLD RANKS 2025

#11

World rank — mobile IAP grossing

TOP GROSSING (IAP) — 2025

1	China
2	United States
3	Japan
4	Turkey
5	South Korea
6	Israel
7	Singapore
8	Sweden
9	Ireland
10	Finland
11	Cyprus
12	Hong Kong
13	Switzerland
14	Taiwan
15	Germany

#3

World rank — mobile downloads

TOP DOWNLOADS — 2025

1	China
2	Vietnam
3	Cyprus
4	United States
5	Pakistan
6	France
7	Hong Kong
8	Israel
9	Turkey
10	Singapore
11	India
12	South Korea
13	Switzerland
14	United Arab Emirates
15	Japan

Sources: AppMagic country rankings 2025.

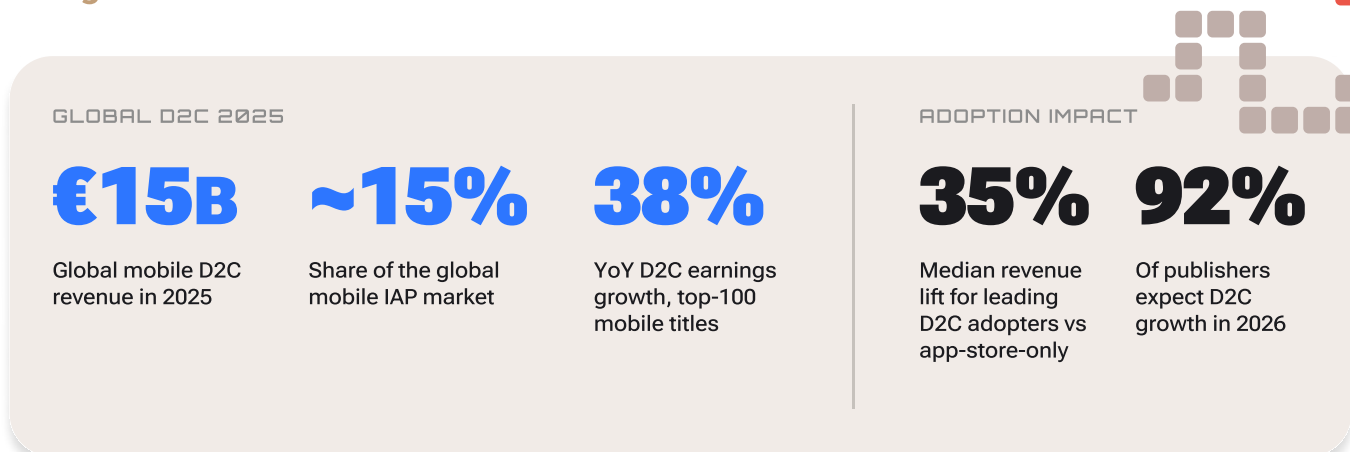
AppMagic's country rankings are among the most widely watched charts in the industry: they sort every country by how many mobile games its companies get downloaded, and separately by how much those games earn. In the 2025 download ranking Cyprus placed third in the world, behind only China and Vietnam. In the revenue ranking it placed eleventh.

The gap between those two positions is the more informative number. Third by volume and eleventh by revenue describes what kind of games Cyprus makes: casual and hyper-casual titles that are downloaded enormously and monetise modestly, rather than the high-spend titles that dominate Japan, South Korea and Turkey. Those markets take more money per download; Cyprus takes more downloads per person.

Adding the PC and console segment from the previous page brings total 2025 gross revenue to approximately €3.2 billion. What the rankings add is proportion: Cyprus is the smallest country in the download top ten, and the next smallest, Singapore, has around six times its population.

Selling direct

By selling in-game content through their own storefronts rather than through Apple's or Google's app stores, studios keep more of the revenue and gain a direct relationship with the player. Cyprus is one of the markets where this shift is furthest along.



Source: The Xsolla Report Q2 2026; Appcharge D2C Market Report 2025; Newzoo cross-reference

Direct-to-consumer means selling games and in-game content through a studio's own storefront instead of through Apple's, Google's or a console maker's. Two things change when a studio does this. The platform commission — historically 15% to 30% of each sale — no longer applies. The saving is smaller than that sounds, because payment processing, tax compliance, fraud and chargebacks move onto the studio's own books; across the industry the net gain lands nearer 10 to 20 percentage points. The second change is harder to price: the studio, not the platform, holds the relationship with the player. It knows who they are, can reach them directly, and keeps that relationship if the player moves to another of its games.

Globally the mobile D2C market reached approximately €15 billion in 2025, around 15% of everything spent inside mobile games that year. Publishers running D2C at scale reported median revenue increases of 35% against app-store-only distribution, which is the practical reason adoption has moved as quickly as it has.

Cyprus is exposed to this shift at both ends. Several major Cyprus-based publishers built their live-service PC businesses around D2C long before it became a global trend — the model has been standard on the island for over a decade. On mobile, Cyprus studios were among the earliest to move as the legal framework opened up, and many now run D2C storefronts alongside app-store distribution. Why the shift accelerated when it did is best explained by the people who built the infrastructure for it.



Rush Royale, MY.GAMES

The shift, from the inside

Xsolla has processed direct-to-consumer payments since 2005. Its President on what changed, what the channel is worth, and why 2026 matters.

The direct-to-consumer channel in gaming has moved decisively from the margins to the mainstream and is now a board-level priority across the industry. In 2022, studios asked us whether they should sell direct. Today, they ask how fast they can scale it.

The growth is driven by three forces. The first is platform fee pressure: for two decades, as much as 30% of every sale went to platform holders, and for a live game that fee repeats on every transaction across the life of the franchise. A game generating €200 million a year hands over €60 million annually, or €600 million across a decade at that run rate. Selling direct turns most of that into margin that studios can reinvest in content, live operations, and better value for players.

The second is regulation: the EU's Digital Markets Act, court rulings in the United States, and new mobile competition law in Japan. Doors sealed for 15 years opened in about two. The third is a fundamental shift in how publishers think about player relationships. Selling direct gives a studio first-party data, direct communication with its community, loyalty it can reward, and regional pricing. Players follow value: better deals, exclusive content, and checkout in their own currency and payment method.

Titles that piloted web shops at low single-digit revenue shares now see meaningful double-digit contributions. Across Xsolla's global network, direct-to-consumer volume has grown every year, and 2025 was the strongest yet for the channel.

Xsolla did not enter this space when the regulations changed; this is the business we were founded to build. When Shurick Agapitov started the company in 2005, the conviction was that a developer anywhere in the world should be able to sell to a player anywhere in the world, and we chose the unglamorous problems of payments, currencies, taxation, fraud, and compliance on purpose. As Merchant of Record (MOR), we spent two decades building the rails: checkout, web shops, subscriptions, storefront tools, and a global payments backbone with more than 1,000 payment methods across more than 200 geographies. Today, Xsolla powers direct commerce for many of the world's largest mobile and PC titles and thousands of smaller studios, and the infrastructure works as reliably for a two-person studio as it does for a global publisher.

We expect 2026 to be a defining year for D2C as infrastructure matures, adoption expands across studio sizes and geographies, and direct access to players becomes recognized not just as a margin story, but as a long-term competitive advantage. Cyprus, home to a concentration of mobile-first, globally operating studios, is well positioned for that future. The direct revenue this report quantifies is where the next decade is being built, and the companies that own their player relationships will own that decade.



Chris Hewish

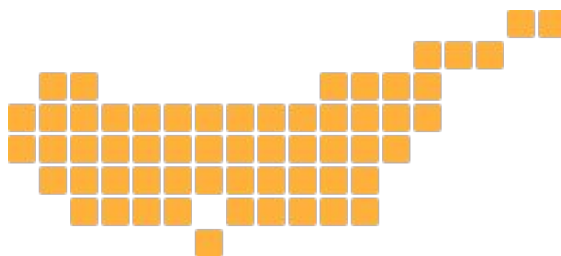
President, Xsolla



Where Cyprus stands

The numbers give the picture. Cyprus is a young gaming country of unusual density and global reach — small by population, large by nearly every industry metric that matters, and still building the depth that produces industry champions.

Start with what makes it different. On per-capita measures, Cyprus is roughly eight times denser by game companies and more than six times denser by revenue than the next-densest video games market anywhere. On both dimensions, no other market operates on a comparable scale.



Even in absolute terms, before adjusting for population, Cyprus registers as a major gaming country. More than 400 game companies earned roughly €3.2 billion in revenue in 2025 — what Cyprus-registered companies took from players worldwide — and game publishing alone employs more than 4,300 people. Both the company count and the workforce more than doubled between 2019 and 2024, and over the same period the sector's contribution to national GDP rose from 1.3% to 3.3%, reaching €1.15 billion in value added: what stays in the economy once everything bought in from elsewhere, including development commissioned abroad, is deducted.

The industry rests on two pillars that work quite differently. Mobile carries the volume — 571 new releases and 615 million downloads in 2025 — though it is the mature back catalogue rather than those launches that produces most of the revenue. PC and console adds around €1.4 billion, the majority earned through live-service and direct-to-consumer channels rather than the Steam storefront.

The result is visible on the global charts. In AppMagic's country rankings Cyprus places third in the world for mobile downloads and eleventh for mobile in-app revenue — positions normally held by countries many times its size, and ahead of several major European economies.

It has also tended to reach commercial shifts early rather than late. Direct-to-consumer selling is now a €15 billion global channel; Cyprus publishers were running live-service D2C businesses more than a decade before that, and moved quickly on mobile once the legal ground shifted. On this change the island led rather than followed.

For an industry that barely existed fifteen years ago, that is a great deal of ground covered. Scale, density and global visibility are in place. What the next decade has to build is the ecosystem depth that produces global champions, and the pages that follow examine the companies, the capital, the framework and the people who will decide whether it does.



SECTION 03

Companies and Employment Figures

One of Europe's fastest-growing centres of game development — a young, mobile-first cluster of many small, agile teams, growing at roughly three times the European pace.

Introduction & key numbers

Section 2 measured the market. This section is about the companies behind it — how they cluster, how they work, and why so many of them are here.

Cyprus is no longer an emerging market, but it is still a young one. In little more than a decade it has become one of Europe's fastest-growing centres of game development, home to more than 400 companies in an industry that barely existed fifteen years ago. It has covered a lot of ground quickly, and its shape tells you as much as its size.

The island is overwhelmingly mobile-first: most studios build for mobile, and well over half work on nothing else. The pages that follow break the industry down by platform and set that tilt against the global mobile boom that shaped it. Most teams are small — the large majority run with fewer than fifty people — though a handful have grown large enough to anchor an ecosystem around them, a role we return to later. From there the section maps where studios sit across the island and makes the case for treating Cyprus as a single, connected talent pool, before closing on the studios themselves: the companies behind well-known titles and long-running IPs, alongside newer names whose plans have already caught players' attention worldwide.

Pixel Gun 3D, Cubic Games



COMPANIES BASE

415

Gaming companies based in Cyprus

72.6%

Of companies run teams under 50 people

4%

Carry a global headcount of 500+

PLATFORM MIX

57.5%

Build for mobile and nothing else

30.1%

Develop for two or more platforms

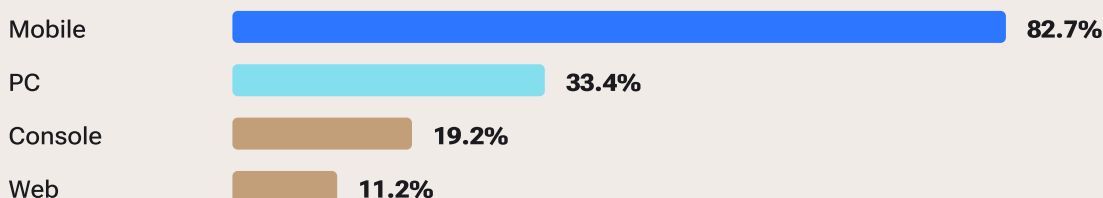
"415" is a bottom-up count from the CYGMA Cyprus Gaming Companies database, confirmed company-by-company against the Registrar of Companies. Read it as a confirmed count of registered entities rather than a census of active studios: companies constantly form, relocate and go dormant. Sources: Registrar of Companies; CYGMA Cyprus Gaming Companies database. The Methodology section sets out the full method.

Platforms and teams

Two facts define the Cypriot industry before any other: it is overwhelmingly mobile, and it is built from small teams.

Mobile is the island's centre of gravity. More than four in five studios (82.7%) build for it, and 57.5% work on mobile and nothing else — a far higher concentration than in most European markets, and a reflection of the free-to-play, mobile-native model the industry formed around during the 2010s. PC is a clear second at 33.4%, ahead of console (19.2%) and web (11.2%), and only about a third of studios (30.1%) build for two or more platforms.

STUDIOS BUILDING FOR EACH PLATFORM (%)

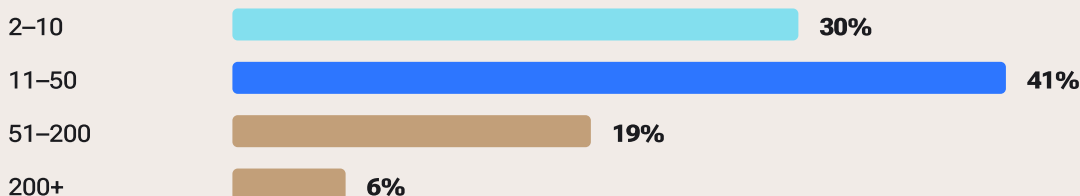


Share of companies developing for each platform. Sums to more than 100% because studios ship on several.

Source: CYGMA named-companies base, analysed by GameDev Reports. Known-platform / known-headcount companies only.

The teams behind those games are mostly small. Among companies with a known headcount, roughly seven in ten have fewer than fifty people — about 30% with two to ten staff and 41% with eleven to fifty — while 19% sit in the 51–200 band, only around 6% run above 200, and just 4% carry a global headcount of 500 or more. The smallest band is the least uniform of the four. Companies of two to ten people include independent micro-studios, holding and licensing entities, and small corporate teams running finance, publishing and rights for groups whose development sits elsewhere. It is the classic shape of a young, fast-forming market: many small companies rather than a few dominant firms.

STUDIOS BY TEAM SIZE (%)



Share of companies by employee band (known-headcount companies).

Source: CYGMA named-companies base, analysed by GameDev Reports. Known-platform / known-headcount companies only.

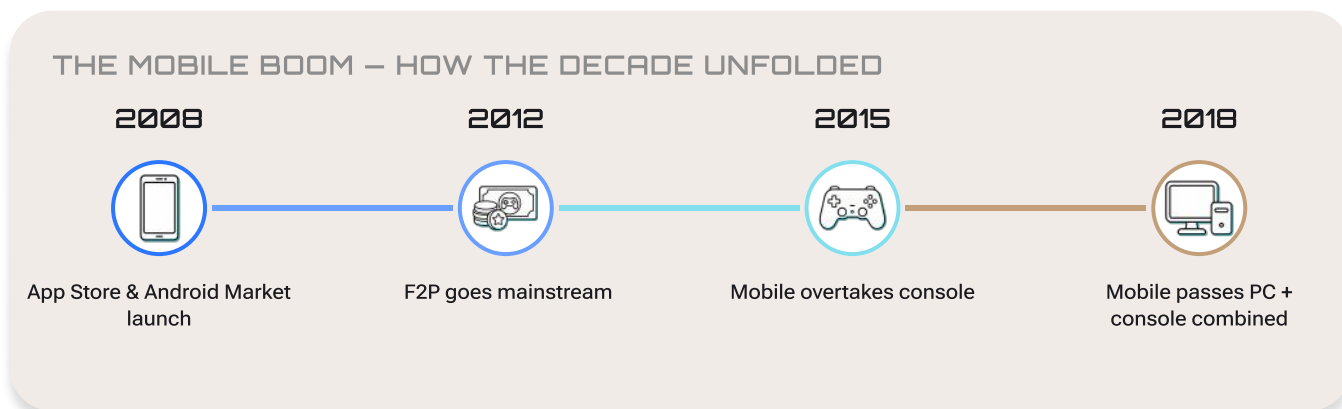
Both facts point the same way. A base of small, focused mobile teams is the local mark of the global mobile boom — where the industry came from, and the subject of the next page.

The growth background

Cyprus's games sector is recent, and its rise traces to two forces working together — a global wave that created studios everywhere, and a local lever that drew an unusual share of them here.

Cyprus's games sector is a recent creation. Studio activity on the island grows noticeably more common after 2016 and never slows back down — though it is worth saying that we count when a studio's Cyprus presence first appears in the record, not the age or origin of the company behind it, since many arrived already formed. Two forces sit behind that growth, and they reinforced one another: a global one, the mobile boom, which produced new studios all over the world; and a local one, Cyprus's IP Box, which helped decide where many of them chose to base.

Take the global wave first. Over the 2010s the phone became the screen people looked at most, and — after Apple's App Store and Google's Android Market both launched in 2008 — the easiest way to play games the world had ever had. Free-to-play, where a game is free to install and earns through small in-game purchases, went from an unusual idea to the standard for the decade; King's Candy Crush Saga (2012) was its clearest example, past 400 million players by the end of 2013. As more than half the world came to own a smartphone by 2016, the audience grew toward an estimated 2.7 billion mobile players, and the revenue followed: mobile overtook console around 2015 and passed PC and console combined by 2018. Cyprus has its own chapter in that story — Hero Wars, a mobile role-playing game that became a regular on app-store charts and in mobile ads, is made by Nexters, today the Limassol-based, Nasdaq-listed GDEV — so one of the era's best-known mobile games is, in part, a Cyprus one.

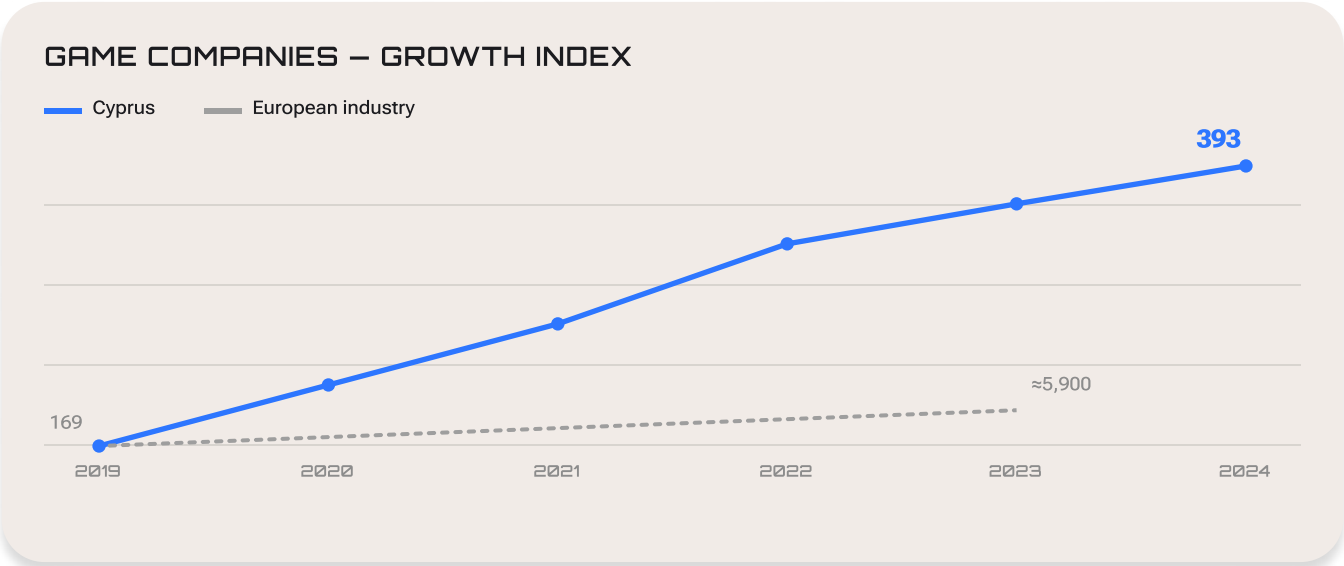


A global wave creates studios everywhere, but it does not decide where they base, and that is where Cyprus came in. Its IP Box regime, introduced in 2012 and revised in 2016, lets a company tax qualifying game-IP profits at an effective rate of less than 3%; the 2016 revision brought it into line with international standards and made the island markedly more attractive to exactly the studios the boom was creating — newly formed mobile teams deciding where to incorporate. How it works, alongside the R&D super-deduction, is covered in Section 5. The mobile boom produced the studios; the IP Box helped decide where an unusually large share of them landed. The alignment with each IP Box milestone is a strong association rather than proof on its own, but the two clearly reinforced one another — and an island of under a million people ended up overwhelmingly mobile-first.

Cyprus in the European picture

Cyprus caught the mobile wave from a near standing start — and among Europe's game-development scenes, few have risen as fast.

Cyprus rode that wave from a standing start — a country with almost no game industry to speak of a decade earlier — and few places turned the moment into a cluster as quickly. Seen within the European industry, the national scenes counted each year by ISFE and the European Games Developer Federation (EGDF), its rise is among the fastest of any member. Between 2019 and 2024 the number of game companies on the island grew from 169 to 393 — up 133%, or roughly 18% a year — while across the wider European industry the studio base rose about 4% a year over almost the same period. From a population of under a million, Cyprus has been adding studios and publishers several times faster than the European average.



Number of game studios, indexed to 2019 = 100. Cyprus 2019–24 (Registrar of Companies); European industry 2019–23 (ISFE/EGDF).

For all that speed, the shape is familiar. Cyprus has around 415 game companies today among Europe's 6,000 and, like the wider industry, is built mostly from small teams — the typical Cyprus game company has 11–50 people, close to the European average of around 19. The main difference is age: most of Europe's base formed over decades, while Cyprus built most of its since 2012. In structure it looks like a European games industry in miniature — the same shape, at an earlier stage.

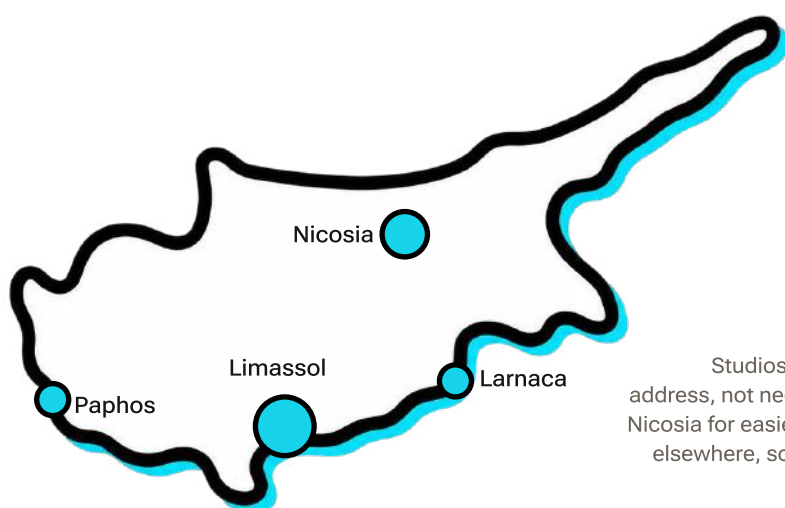
	CYPRUS	EUROPEAN INDUSTRY
Studios and publishers	415	~6,000
Typical size	11–50 (72% under 50)	~19 avg; mostly SMEs
Base built	largely since 2012	over decades

Cyprus counts are bottom-up from the Registrar of Companies, cross-verified against national NACE data (J58 and J62) via the Cyprus Games Industry Footprint 2024 by C Business Advisors. European totals are ISFE/EGDF census estimates with shifting country coverage — directional, not exact.

Where the studios are

On paper the industry clusters in a few cities; in practice, the whole island works as one.

On paper, the industry clusters in Limassol, with Nicosia a clear second and Paphos and Larnaca making up most of the rest.



Studios shown by their self-reported legal (registered) address, not necessarily where the team sits. Some register in Nicosia for easier dealings with the authorities while operating elsewhere, so Nicosia is likely overstated. Dot size indicates relative concentration.

In practice, those clusters matter far less than they would almost anywhere else. Cyprus is small enough that no two cities sit more than about an hour apart, so a company's registered address says little about where its people actually work — and some studios keep a registered address in Nicosia for smoother financial and legal dealings with the authorities while their offices operate elsewhere, one reason the map reflects where companies are filed rather than where they build. The result is that the whole island effectively works as a single talent pool: studios recruit across it while people choose the daily life they want, and the connected community a maturing ecosystem depends on is, in Cyprus, made easier by simple geography.

That single, connected community feeds a studio scene far more varied than the island's size would suggest — global mobile publishers, console and PC specialists, long-running IPs and ambitious newcomers alike. The twelve studios that follow this page are a window onto that range, not a ranking: with more than 400 companies to choose from, we picked names that are either widely recognised for their titles or that together show the breadth of what Cyprus builds. Many equally deserving studios simply could not fit — a limit of the page, not of the island.



Rush Royale, MY.GAMES

The companies behind the games

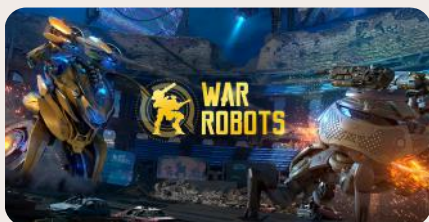
A closer look at twelve companies — from global publishers to new independents — and the range they represent.



MY.GAMES

Est. 2019

Titles: War Robots · Rush Royale



An international game developer and publisher with one of its largest offices in Cyprus. Its flagship game, War Robots, joined the industry's "Billion Dollar Club" after surpassing \$1B in lifetime revenue, while Rush Royale has exceeded \$500M in revenue and in 100M downloads. Through its premium PC/C publishing division, Knights Peak, MY.GAMES will launch Hela: of Mice & Magic in Q4 2026, already with 1M wishlists.



Wargaming

Est. 1998

Titles: World of Tanks · World of Warships



Wargaming is an award-winning online game developer and publisher headquartered in Nicosia, Cyprus. Operating since 1998, Wargaming has grown into one of the leaders in the gaming industry. Its flagship products include hit free-to-play franchises World of Tanks and World of Warships, enjoyed by millions of players across all major gaming platforms.



Scorewarrior

Est. 2015

Titles: Total Battle



Limassol studio running its entire operation on-island around a single title: Total Battle, a free-to-play 4X strategy MMO on web, mobile and Steam. Analysts place it among the genre's top grossers — and in a category whose charts are otherwise dominated by Chinese publishers, one of the few non-Chinese companies competing at that level.



Owlcat Games

Est. 2016

Titles: Pathfinder: WotR · WH40K: Rogue Trader



A Cyprus-based independent developer and publisher specializing in story-driven RPGs based on established global IPs. Known for the Pathfinder series and Warhammer 40,000: Rogue Trader, each major release has sold over 2 million copies. The company is developing The Expanse: Osiris Reborn and Warhammer 40,000: Dark Heresy, while its titles have received multiple international award nominations for deep, reactive RPG experiences.



Horns Up Games

Est. 2024

Titles: Lord of Metal



Cyprus indie and CYGMA member led by Pär Sundström, bassist and co-founder of Sabaton — the iconic metal band that fills stadiums worldwide. Their Lord of Metal, a festival-management sim with all-original music, hit its 2024 Kickstarter goal within 24 hours and closed six times over as a Kickstarter "Project We Love".



SayGames

Est. 2017

Titles: Draw One Part · My Perfect Hotel



Eight billion downloads, roughly one for every person alive, across 200-plus titles published from a Limassol head office and a second in Paphos. AppMagic ranked SayGames the world's third-largest mobile game publisher by downloads in 2024 — its third year running in that position. The Draw One Part puzzle series accounts for 882 million alone; My Perfect Hotel reached the top of the global charts.

More of the companies behind the games

Who's building on the island — from long-running IPs to ambitious newcomers.



Gaijin Entertainment

Est. 2002

Titles: War Thunder · Crossout



Developer and publisher of War Thunder — Gamescom Best Simulation Game and holder of two Guinness World Records for flight simulators: Most planes in the game and Most players simultaneously on one server. The game now spans 2,500+ modelled vehicles for 90M+ players. Its network entity is Cyprus-registered in Nicosia, and in 2023 it made its in-house game engine, Dagor, open source.



Nekki

Est. 2002

Titles: Shadow Fight · Vector



Limassol studio behind Shadow Fight, which began as a Facebook game in 2011 and grew into one of mobile's most-downloaded fighting franchises. Shadow Fight 2 alone has 550M installs and still adds around 100K new users a day. Across Shadow Fight, Nekki's games have passed one billion installs, ~95% organic. Next: SPINE, a premium cinematic PC-and-console action game now being adapted into a live-action film with producers behind the Sonic movies.



Outfit7

Est. 2009

Titles: My Talking Tom · My Talking Angela



From Limassol, Outfit7 creates entertainment enjoyed by millions worldwide. As a global leader in virtual pet games best known for My Talking Tom and My Talking Angela, it delivers fun across games, video, licensing, and theme parks. Its flagship franchise was named the #1 mobile game globally for 10 straight years, driving over 27 billion downloads.



Unfrozen

Est. 2015

Titles: Iratus · Heroes of Olden Era



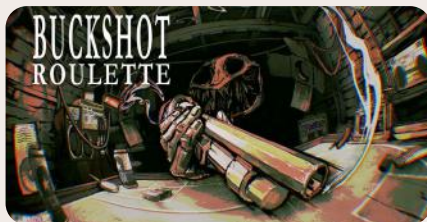
A studio that grew from the indie scene — it debuted with Iratus: Lord of the Dead — into the Limassol hub of a new group of studios consolidated by investor GEM Capital. Chosen by Ubisoft for Heroes of Might & Magic: Olden Era, the series' first entry in a decade, it recouped its development budget within 24 hours and passed one million copies inside a month of Early Access.



Critical Reflex

Est. 2020

Titles: Mouthwashing · Buckshot Roulette



Indie publisher with a taste for games nobody else dares to touch — and two of recent years' most-praised indies to show for it: Mouthwashing (500K+ copies) took Best Narrative at the Horror Game Awards plus D.I.C.E. and GDC nominations, while Buckshot Roulette became a streaming phenomenon past 4M copies. Press call it "the creepiest publisher in indie games".



Cubic Games

Est. 2013

Titles: Pixel Gun 3D · Pixel Gun 2



One game, thirteen years, 300 million installs. In 2013, when mobile shooters were chasing PC/console photorealism, Cubic Games went the other way: Pixel Gun 3D was free-to-play and blocky, a look that ran on any phone and spoke fluent Minecraft to a generation of kids. It beat the genre's boom by four years and hasn't aged. The studio is now 90 people across Limassol and Yerevan, shipping their first sequel.

Company names, logos and artwork are the property of their respective owners and appear here for identification purposes only. All figures on these two pages are drawn from publicly available sources.

Where this leaves Cyprus

An outside view of where the island stands — and the section's threads, drawn together.

EXPERT PERSPECTIVE — MATIAS MYLLYRINNE

For over 15 years he helped build Remedy Entertainment — the Finnish studio behind Max Payne, Alan Wake and Control — latterly as its CEO, before leading development at Wargaming across 2,000+ people in ten locations.

Nothing here is zero-sum

I have watched the Finnish games cluster grow from a handful of studios into a meaningful part of the national economy — an industry that now exports know-how as much as entertainment. Cyprus is poised to do the same, and potentially more.

What turns a cluster into an ecosystem is collaboration across the industry rather than in spite of it. Nothing about this is zero-sum. Every studio that trains a junior, every founder who mentors the next one, every senior who moves between companies adds to a shared pool that all of us draw from.

The returns are incremental at first and then compounding: stronger education pipelines, deeper know-how inside the studios, tax income and rising exports for the wider economy. Finland's experience is that the curve is slow for a decade and then steep.

Games are close to 99% export, and they are a green sector — the product ships over a wire. They build software capability that spills into every other vertical on the island, from fintech to health tech to shipping. A country that gets good at making games gets good at making software, and that capability does not leave when a single company does.

Cyprus has assembled its cluster in a fraction of the time it took most of Europe. The opportunity now is to build the depth underneath it — together. That is the part I would encourage anyone weighing a move here to be part of.



Matias Myllyrinne

Games industry veteran, adviser to studios and investors

In little over a decade, Cyprus has gone from almost no game industry to a cluster of more than 400 companies — one of the fastest-rising scenes in Europe, and mobile-first by nature. Most are small teams, and the whole island effectively works as a single talent pool: no two cities more than an hour apart, and people free to build where they want to live.

Europe shows what depth eventually produces: decades of ecosystem-building turned studios as small as Cyprus's into the companies that define the industry, from Supercell — around €2.8 billion in 2024 from fewer than 700 people — to Ubisoft, King and CD Projekt.

What has been built at speed now needs that depth, and the next phase is already under way. Larger companies are putting down real roots — Wargaming runs its global headquarters from Nicosia, Nasdaq-listed GDEV from Limassol, and Scorewarrior its entire operation from the island. A company with genuine roots is worth far more than its own revenue.



SECTION 04

Investments, Mergers, and Acquisitions

A two-sided capital market. Across publicly disclosed deals since 2020, the Cyprus video games market has attracted €2.8B in mergers and acquisitions (M&A) and €137M in fundraising — and built some of the world's most active strategic acquirers in its own backyard.

Money flows both ways

A two-sided capital market. Across publicly disclosed deals since 2020, the Cyprus video games market has attracted €2.76B in M&A and €137.0M in fundraising, and built its own active consolidators — with GDEV and MY.GAMES among the most acquisitive companies — in its own backyard.

Capital activity is the clearest external signal of industry momentum. The Cyprus video games industry has attracted external capital and built strategic acquirers of its own.



Source: InvestGame. Publicly disclosed transactions only. Figures cover 2020–2025. A further seven deals have been announced in the first half of 2026 and are excluded from these totals — 2026 activity will be aggregated in full at year-end and published in CYGMA's next annual report.

Cyprus has a diverse companies base — different sizes, platforms, specialisations (see Section 3). Capital flows in both directions: external acquirers come from Asia and Europe, while Cyprus-headquartered companies — GDEV, MY.GAMES, Azur Games — are themselves active consolidators, acquiring mostly other Cyprus companies.

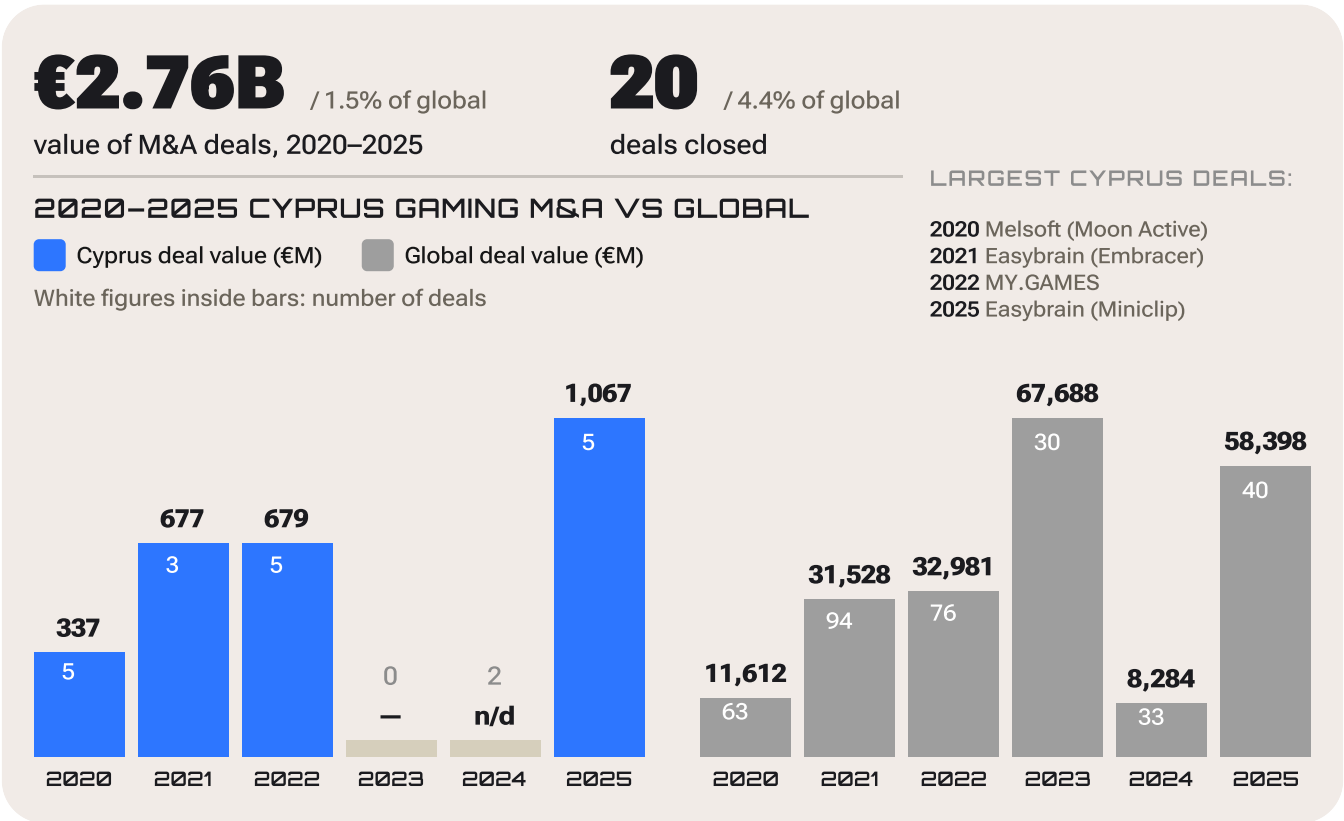
Two structural factors make this work. Cyprus sits at the crossroads of Europe, Asia and MENA — convenient in any direction. And its legal system, based on English common law, gives investors from any major jurisdiction — including the United States — a familiar framework for deal structuring and dispute resolution.

A NOTE ON SCOPE

Private companies are not required to publicly disclose M&A transactions or their financial terms. The figures in this section therefore capture publicly disclosed deals only. A meaningful volume of private, unannounced activity sits outside them and is not tracked here, so the real market is larger than these numbers show.

Cyprus in the global picture

Cyprus participates in every wave of global capital activity — but in its own way: many deals, smaller average tickets, and the occasional billion-dollar exit.



Source: InvestGame. Gaming Content and Ecosystem segments only; control M&A deals with value > \$10M only; 2024 Cyprus deal values announced but undisclosed. USD values converted at €1 = \$1.13 (2025 ECB average).

Cyprus accounts for 4.4% of global gaming control M&A deals over \$10M and 1.5% of their value — a high cadence of transactions, typically smaller than the global megamergers that shape the headline value figure (Microsoft-Activision among them). The total is lumpy: a handful of standout exits — Easybrain in 2021 and again in 2025, MY.GAMES in 2022 — drive most of the value, with quieter years in between. The 2023–2024 gap is a scope effect — only publicly disclosed control deals over \$10M appear here; undisclosed transactions and the private activity noted earlier sit outside.



War Robots, MY.GAMES

Cyprus in the global picture (continued)

€92.7M

/ 0.7% of global

early-stage capital raised, 2020–2025

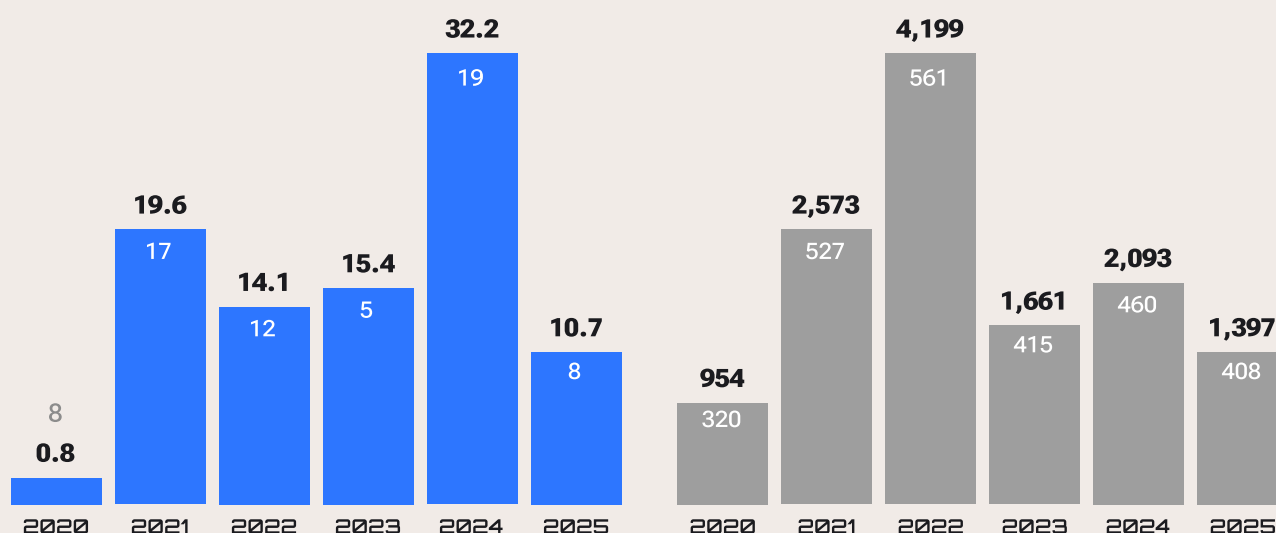
69

/ 2.5% of global

rounds closed

2020–2025 CYPRUS EARLY-STAGE FUNDING VS GLOBAL

■ Cyprus deal value (€M) ■ Global deal value (€M) White figures inside bars: number of rounds



Source: InvestGame. Includes early-stage investment rounds only. USD values converted at €1 = \$1.13 (2025 ECB average).

The same shape repeats in early-stage funding: 2.5% of the world's disclosed early-stage rounds, 0.7% of the value. Activity tracks the global cycle with a lag: global early-stage deal count peaked in 2022; Cyprus peaked two years later, in 2024, when global funding similarly recovered.

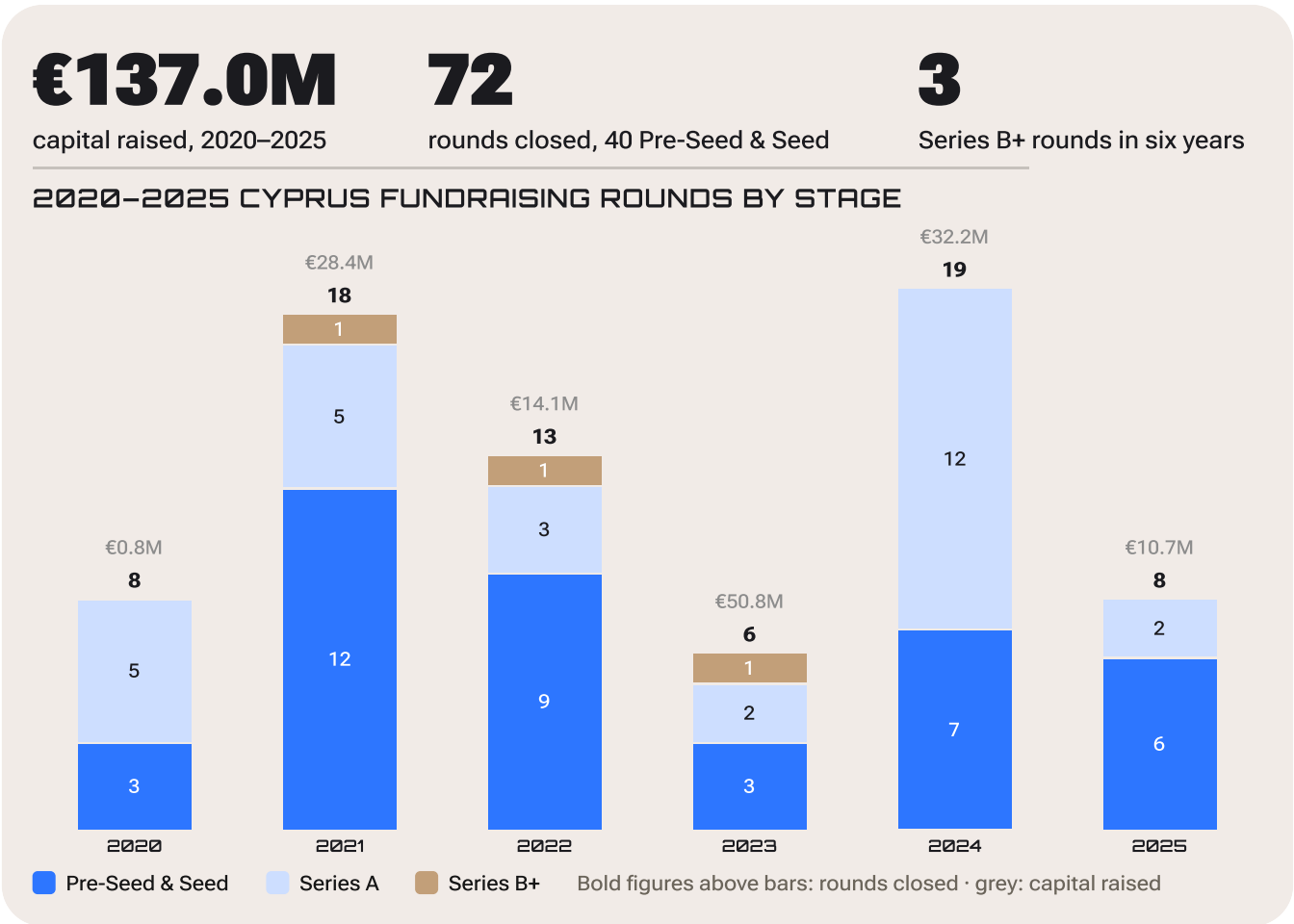
Together, the two charts read the same way: Cyprus is an active, broad-base capital market that participates in every wave of global activity but is rarely home to the single biggest deal. The 2025 Easybrain acquisition by Miniclip (€1.06B) — and a handful like it — are the exceptions that prove the rule.



Jigsaw Puzzles, Easybrain

Where the funding sits

Cyprus's capital pipeline is dominated by Pre-Seed and Seed activity. Series A appears in cycles, late-stage rounds are rare — and what happens beyond is usually an exit.



2020–2025 CYPRUS FUNDRAISING ROUNDS BY STAGE

Source: InvestGame. Publicly disclosed transactions only; includes accelerator/grant rounds and undisclosed deals. USD values converted at €1 = \$1.13 (2025 ECB average).

Pre-Seed and Seed rounds form the steady base — typically between three and twelve a year, reflecting the constant flow of new studios. Series A is more cyclical: 2024 surged to twelve rounds and around €25.7M raised, before cooling in 2025.

Late-stage rounds (Series B and beyond) are rare: only three in six years, headlined by Strikerz's €35.4M round in 2023. Cyprus companies that reach scale tend to exit through acquisition rather than raise large growth rounds publicly — that part of the story continues on the following pages.



Nikoderiko: The Magical World, Vea Games

The deals behind the numbers

Behind the cumulative figures sit a handful of deals that defined the period — the largest fundraises drew global publishers and well-known names, and the largest exits put Cyprus studios into the hands of major industry buyers.

TOP FUNDRAISINGS IN CYPRUS GAMING · 2020–2025

#	TARGET	LEAD INVESTORS	ROUNDS	RAISED
1	STRIKERZ (STRZ)	Undisclosed	Late-stage '23	€35.4M
2	Eschatology Ent.	GEM Capital, The Games Fund, Krafton	Seed '22 · Series A '24	€13.5M
3	KEK Entertainment	The Games Fund, PLAY, Korea Investment Partners	Pre-Seed '21 · Seed '23	€9.7M
4	Mundfish	Tencent	Series B '21	€8.8M
5	Top App Games	Vladimir Nikolsky, Utmost Games	Early '24 · Series A '24	€8.8M
6	Weappy	GEM Capital	Early '21 · Series A '24	€4.5M
7	Sad Cat Studios	GEM Capital, Kolos Ventures	Early '22, '23	€4.4M
8	Game Garden	GEM Capital, MY.GAMES	Series A '20, '22, '24	€3.7M
9	VEA Games	GEM Capital	Early '21 · Series A '24	€3.3M

Source: InvestGame. Ranked by disclosed deal value; excludes UA financing. USD converted at €1 = \$1.13 (2025 ECB average).

The top fundraisers pulled in a mix of capital. Strikerz's €35.4M round in 2023 included Cristiano Ronaldo as an investor — the largest single fundraiser on the island. Eschatology Entertainment (€13.5M) and KEK Entertainment (€9.7M) drew capital from Asian publisher-investors Krafton and Korea Investment Partners. Mundfish secured €8.8M from Tencent. Cyprus-based GEM Capital appears across multiple smaller rounds, anchoring local follow-on activity. Mika Games — with two disclosed lead investments in Cyprus studios — is emerging as another local backer.

TOP M&A DEALS IN CYPRUS GAMING · 2017–2025

#	YEAR	TARGET	ACQUIRER	SEGMENT	DEAL VALUE
1	2025	Easybrain	Miniclip	Mobile	€1.06B
2	2017	Outfit7	United Luck Consortium	Mobile	€885M
3	2022	MY.GAMES	Aleksander Chachava	Mobile, PC/Console	€568M
4	2021	Easybrain	Embracer Group	Mobile	€566M
5	2020	Melsoft	Moon Active	Mobile	€265M
6	2019	Belka Games	AppLovin	Mobile	€136M
7	2022	Cubic Games	GDEV	Mobile	€53M
8	2020	Deus Craft	MY.GAMES	Mobile	€43M
9	2020	BeINGAME	MY.GAMES	Mobile	€16M

Source: InvestGame. Ranked by disclosed deal value; Cyprus nexus (target or acquirer). USD converted at €1 = \$1.13.

The headline exits are heavily concentrated. Easybrain's €1.06B sale to Miniclip in 2025 stands as the largest disclosed gaming exit in Cyprus history. MY.GAMES's €568M reorganisation in 2022 and Easybrain's earlier sale to Embracer in 2021 (up to €677M including earn-out) round out the top three since 2020, with Melsoft's €265M sale to Moon Active in 2020 close behind. Smaller deals predominantly featured Cyprus-headquartered buyers — GDEV in particular — acquiring other Cyprus studios. Beyond M&A, GDEV's own 2021 listing on NASDAQ via SPAC is a notable Cyprus exit in its own right.

Together, the lists make the section's central point concrete. Capital comes in from Asia (Krafton, Tencent, Korea Investment Partners), Europe (Embracer), international platforms (Miniclip) and headline individuals (Ronaldo). It also moves between Cyprus companies themselves. The market is plural, active and global in its reach — and what's visible in the public record is only part of a larger picture.

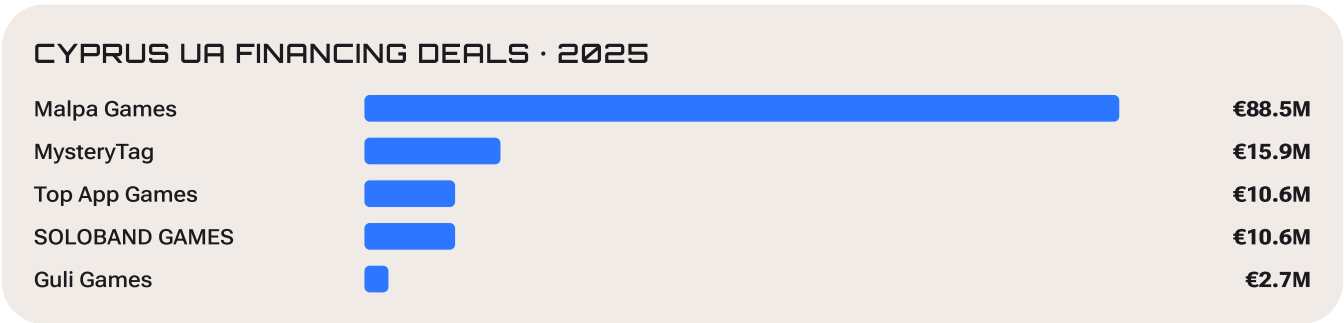
Alternative capital channel: UA financing

Alongside VC rounds and M&A, a fast-growing category of non-dilutive capital is starting to show up in Cyprus — and the island is one of its most active markets.

User-acquisition (UA) financing is capital lent against the future revenue of already-live games. Studios use it to scale marketing spend on titles with proven unit economics — without giving up equity. Specialist providers have built the category into a real capital channel since around 2023, particularly for mobile publishers — and Cyprus's mobile-heavy studio base is a natural fit.

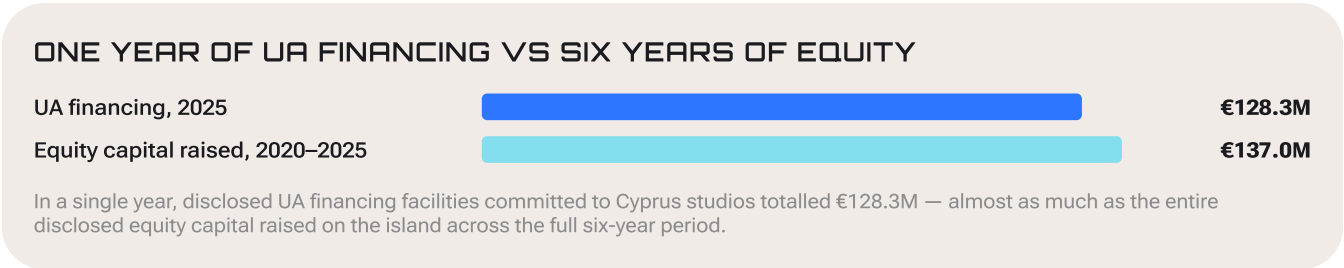


Source: InvestGame. Publicly disclosed UA financing facilities, 2025. USD converted at €1 = \$1.13 (2025 ECB average).



Source: InvestGame. Publicly disclosed UA financing transactions only; all five facilities led by PvX Partners. USD converted at €1 = \$1.13.

Cyprus posted five disclosed UA financing facilities in 2025, totalling €128.3M in committed capacity, with Malpa Games (€88.5M) as the standout facility. MysteryTag (€15.9M), Top App Games (€10.6M), SOLOBAND GAMES (€10.6M) and Guli Games (€2.7M) round out the roster. All five were led by PvX Partners; as more providers enter the market, the channel is expected to diversify.



Source: InvestGame. UA financing = committed facility capacity disclosed in 2025. Equity = disclosed equity capital raised by Cyprus-based studios, 2020–2025. USD converted at €1 = \$1.13.

Studios that reach product-market fit are now scaling on capital that traditional early-stage tallies do not see — which reframes the standard reading that late-stage depth is missing from the equity data. The category is young: disclosed Cyprus activity effectively starts in 2025. But at €128.3M in committed facilities in that first tracked year, it is already a material capital channel for the island.

A decade of transformation

Perhaps nowhere is this transformation more visible than in the gaming industry, where the convergence of talent, ambition and investment has created one of Cyprus' most dynamic technology-led growth clusters.

Over the past decade, Cyprus has positioned itself as an emerging innovation and technology hub, investing in research and innovation, strengthening entrepreneurship, attracting international companies and building a highly skilled talent base.

A journey that began with a few has attracted many more.

Innovative companies drew talent from around the world. Talent created or attracted new companies. More companies generated demand for specialised services, investors, accelerators, startup communities. The ecosystem gained depth. The connections became stronger. Confidence grew. Momentum accelerated.

The results are increasingly visible. In the WIPO Global Innovation Index 2025, Cyprus features in the 25th place, from 29th in 2020 earning recognition as an innovation leader. At the same time, StartupBlink ranks Cyprus 34th globally, up from 57th place in 2020, making it Europe's fastest-rising startup ecosystem for three consecutive years. StartupBlink also places Cyprus 15th globally in the Innovators Business Environment Index, reflecting the country's ability to create conditions where innovative companies can thrive.

The numbers in this report tell a compelling story. Between 2020 and 2025, Cyprus-based gaming companies attracted €137 million in equity financing and generated €2.76 billion in disclosed M&A activity, creating globally recognized success stories while attracting leading international investors and strategic buyers. At the same time, Cyprus-based companies have become active acquirers themselves, demonstrating ability to attract capital but also to deploy.

A remarkable achievement. For a country of just one million people, Cyprus now accounts for 4.4% of the world's disclosed gaming M&A deals above \$10 million and 2.5% of global early-stage gaming funding rounds. Late-stage equity financing is quite understandably still emerging, as many successful companies choose acquisition rather than large growth rounds as their path to scale. Yet the ecosystem continues to mature and GDEV's NASDAQ listing demonstrated that public markets are within reach.

Equally important has been the rise of non-dilutive growth capital. In 2025 alone, €128.3 million in User Acquisition (UA) financing was committed to Cyprus gaming companies, almost matching the €137 million raised through equity financing over the entire previous six-year period. This reflects the emergence of a more sophisticated funding landscape, one that gives companies greater flexibility to scale while preserving ownership.

The message is clear: Cyprus is no longer simply building gaming companies. It is building a gaming ecosystem with increasing depth, maturity and global relevance. Access to capital is expanding, financing instruments are becoming more diverse and companies are gaining the tools needed to compete at the highest international level.

What matters most now is not where the ecosystem stands today, but the trajectory it is on.



Theodoros Loukaidis

Director General, Research & Innovation Foundation





SECTION 05

Economic Environment

The mobile boom explained in Section 3 produced the studios. Where they chose to base was, in large part, an economic decision — and for a growing number, the answer was Cyprus. This section looks at the framework that drew them in, and at the competition now forming around it.

How Cyprus got here

Section 2 showed the scale of Cyprus's gaming market. Section 3 showed the diversity of the studios that make it up. Section 4 showed the capital that flows through them. This section looks at what made all of it possible in the first place.

The growth of Cyprus' gaming sector can be traced back to a specific policy moment in the early 2010s. Before 2012, Cyprus was known abroad for three things: shipping, financial services, and tourism. There was a developing tech sector, but gaming had not yet emerged as a visible industry. That changed when Cyprus introduced its IP Box regime in 2012.

The principle behind the IP Box was straightforward. Companies could benefit from an 80% deduction on qualifying profits from eligible intellectual property, including game engines, source code and in-game IP, subject to the relevant conditions. At the previous 12.5% corporate tax rate, this could result in an effective tax rate as low as 2.5% on qualifying IP income. That made the regime highly competitive by European standards.

The timing mattered. The regime arrived just as the global mobile gaming boom was taking off. Mobile distribution was expanding rapidly, and free-to-play models were changing the economics of the industry. International studios — many from Central and Eastern Europe — were looking for jurisdictions that combined tax efficiency with a credible operating base. Cyprus was well placed to offer that combination.

In 2016, the regime was amended to align with OECD/BEPS standards and the modified nexus approach. The key change was substance: to benefit, a company had to carry out genuine development activity connected to the IP, rather than merely holding rights on paper. Studios whose IP already qualified were given a five-year transition period to allow time for adjustment. The update tightened the rules, but it also made the regime more durable. In practice, the 2016 change strengthened Cyprus' position as a jurisdiction for real development activity, not passive IP holding. Following the increase of the corporate tax rate to 15% from 1 January 2026, the effective rate under the IP Box is approximately 3% where the relevant conditions are met.

Today, Cyprus is increasingly recognised as a base for international games companies and development activity. That did not happen by accident. As the following pages explain, it reflects a combination of policy, timing and substance — the factors that made this growth possible and continue to support Cyprus' competitiveness as other countries in the region develop their own offering. What the following pages cover is broader than the IP Box alone — a parallel set of personal-tax provisions forms the other half of Cyprus's framework.



George Mountis

Co-managing Partner,
Chrysostomides Advocates and
Legal Consultants

Chrysostomides
ADVOCATES AND LEGAL CONSULTANTS

Two instruments, plus a talent layer

IP Box and R&D super-deduction are Cyprus's two corporate tax instruments for game studios. A parallel set of personal-tax incentives helps them attract the international talent they need. Here is how each works in practice.

IP Box

WHAT IT DOES

When a Cyprus studio earns profit from qualifying game IP — engines, source code, in-game assets — only 20% of that profit is taxed. The other 80% is exempt. With corporate tax at 15%, the effective rate on IP profits is around 3%.

WHAT QUALIFIES

IP genuinely developed by the Cyprus company or through third-party outsourcers it hires. Just holding IP on paper, without real development activity, does not qualify.

IN PRACTICE — €1,000,000 OF IP PROFIT

Profit from qualifying game IP	€1,000,000
Less: 80% IP Box deduction	–€800,000
Amount left to be taxed	€200,000
Corporate tax at 15%	€30,000
Effective tax rate	3%

Without IP Box you would pay 15% on the full €1,000,000 = €150,000. With IP Box you pay €30,000 — a saving of €120,000.

R&D super-deduction

WHAT IT DOES

When a Cyprus studio spends money on qualifying R&D — building game engines, writing code, developing IP — it can deduct 120% of that spending from taxable profit, not just 100%. The extra 20% is a policy incentive from the government.

WHAT QUALIFIES

Real R&D work: engineer and developer salaries, direct development costs, and R&D outsourced to unrelated third parties. Available until at least 2030.

IN PRACTICE — €100,000 OF R&D SPEND

Actual R&D spend	€100,000
Deducted from taxable profit	€120,000
vs. without super-deduction	€100,000
Tax saved at 15% CIT	€18,000
vs. without super-deduction	€15,000
Extra saving from “super”	+€3,000

Put simply: for every €100,000 spent on R&D, you pay €3,000 less tax — an effective 3% subsidy on your R&D costs.

Choose one, not both. The two instruments cannot both be applied to the same spending in the same year. In practice, studios use the R&D super-deduction during development (when they are spending on R&D but not yet earning), then switch to the IP Box once a game is released and starts generating IP profit.

The individual side

The corporate framework above is only half of what Cyprus offers. A parallel set of personal-tax incentives targets the international talent that studios need to hire.

50% income tax exemption for people in their first employment in Cyprus earning over €55,000 a year — for 17 years. On a €100,000 salary, only €50,000 is taxable.

Non-Dom status — non-domiciled tax residents pay no Special Defence Contribution on dividends or interest income for 17 years. Most international founders and senior hires qualify.

Together, these make Cyprus one of the most tax-efficient jurisdictions in Europe for international talent — the necessary companion to the corporate instruments that draw studios in.

Rates reflect the Cyprus tax framework effective from 1 January 2026. Source: [Cyprus Tax Framework and Tax Reform 2026](#), a guide by CYGMA and Chrysostomides Advocates and Legal Consultants.

Five jurisdictions, three playbooks

Cyprus is not the only jurisdiction competing for game studios. The UK, Germany, Turkey and Abu Dhabi each use a different tax and funding mix. The choice of location is increasingly a choice of instrument.

JURISDICTION	STANDARD CIT	GAMES-SPECIFIC MECHANISM	DIRECT FUNDING
 Cyprus	15% (from 2026)	IP Box: 80% deduction on qualifying IP profits → effective ~3%	RIF programme stack: SEED (up to €500K), INNOVATE (up to €1M), plus blended-finance schemes DISRUPT and BOOST — matched to VC or angel commitments in MVP-stage companies; Plug&Play accelerator launching 2026 as first dedicated gaming instrument
 United Kingdom	25% (main rate)	Video Games Expenditure Credit (VGEC): 34% credit on qualifying dev spend ¹	Various small schemes; no headline federal fund
 Germany	~30% (federal + trade tax combined)	No dedicated games credit yet (planned); R&D Forschungszulage 35% for SMEs	€125M/year Federal Games Fund from 2026
 Turkey	25% (standard)	Technology Development Zone (Teknopark)²: 0% CIT + income tax exemption for eligible tech workers	Broad subsidy stack: UA & advertising (up to ~\$1M/year), platform commission coverage (~\$420K/year), salary subsidies, cloud & analytics rebates, office rental support, gaming event participation
 UAE (Abu Dhabi)	0% for Qualified Free Zone Persons ³	twofour54 free-zone regime: 100% foreign ownership, first 2 years' licensing fees waived; no dedicated games tax credit	AD Gaming ecosystem programme: mentorship, funding via AD Gaming Ventures, community and events

Three playbooks are visible in this comparison — the analysis continues on the next page.

Footnotes

¹ The 34% credit is itself subject to UK corporation tax, so the net benefit to a studio is around 25.5% of qualifying spend.

² Teknoparks (Technology Development Zones) are established under Turkey's Law No. 4691 (2001). Companies operating within them receive corporate tax exemption on eligible income and income tax exemption for R&D-focused employees. The gaming and digital service export subsidy stack listed in the "Games-specific mechanism" and "Direct funding" columns is administered separately by the Ministry of Commerce under Presidential Decree No. 10962 (published 27 February 2026), which replaced earlier service-export support programs. Not all Turkish studios operate within a Teknopark.

³ The 0% rate requires "adequate substance" — real office, employees and qualifying income within the free zone. Otherwise the standard UAE corporate tax rate of 9% applies.

What Cyprus offers

Three broad playbooks emerge from the five-jurisdiction comparison on the previous page — and what Cyprus offers is a combination unusual for its size.

01 Low tax on the profits games generate

Cyprus (IP Box), Turkey (within Teknopark) and the UAE (within Abu Dhabi's twofour54 free zone) compete by taxing qualifying IP earnings lightly — an effective 0–3% range. Cyprus adds legal familiarity (English common law, 65+ tax treaties, full EU membership); the UAE adds a zero personal-income-tax regime that competes directly for talent.

02 Tax credits on the cost of development

The UK and Germany subsidise the money spent on building games. UK's VGEC returns roughly a quarter of qualifying development spend; Germany's R&D Forschungszulage returns up to 35% for SMEs.

03 Direct cash funding

Germany runs the largest single grant programme in Europe — €125M annually from 2026. Turkey's Teknopark stack is arguably the most comprehensive per-studio subsidy package in the region: UA and advertising coverage up to ~\$1M/year, platform commission rebates up to ~\$420K/year, salary subsidies for local and overseas hires, office rental rebates, and support for international event participation (details in footnote 2). The UAE adds twofour54's licensing waivers and AD Gaming's ecosystem programmes (Abu Dhabi). Cyprus lags on this dimension — RIF general innovation grants accept gaming applications, but no games-specific programme exists at present. The Plug&Play accelerator, launching in 2026, will be the island's first step toward closing that gap.

What Cyprus specifically offers is a combination unusual for its size: a profit-side incentive (IP Box, ~3% effective) and a cost-side incentive (120% R&D super-deduction), within full EU membership. Direct funding is the least-developed of its three legs — Plug&Play in 2026 begins to close that gap, but Cyprus remains behind Germany, the UK and the UAE on dedicated grant infrastructure. The equivalent regimes elsewhere either sacrifice EU membership (Turkey, UAE) or lack the profit-side combination altogether (UK, Germany).



My Talking Tom Friends, Outfit7

The early-stage gap

Cyprus's tax framework — corporate and individual — is strongest for studios that already earn. The tools to help young studios reach that stage are the next layer the framework needs to build.

JURISDICTION	DEDICATED GAMES EARLY-STAGE GRANT?	INSTRUMENT (REPRESENTATIVE)	TYPICAL GRANT RANGE
 Cyprus	Not yet (Plug&Play from 2026)	RIF SEED / INNOVATE — general innovation, gaming eligible	RIF SEED / INNOVATE (general grants); DISRUPT / BOOST (blended finance, requires MVP + private investor) SEED €500K / INNOVATE €1M; BOOST 50% match up to €300K; DISRUPT match to VC investment ≥€1M
 United Kingdom	Yes	UK Games Fund (Prototype + Content Fund) since 2015	Prototype: £30–50K; Content Fund: £100K–250K
 Germany	Yes	Games Founding Grant (Press Start) + Federal Games Fund	Press Start: €2,750/month × 18 months; Federal Fund variable, part of €125M/year
 Turkey	Partial	Government salary subsidy + event/booth support	Salary: ~\$50K / 2 devs; Event: up to 80% of costs
 UAE (Abu Dhabi)	Yes	AD Gaming programmes + twofour54 licensing waivers	First 2 years' licensing fees waived; direct funding via AD Gaming programmes

Cyprus's framework — IP Box, R&D super-deduction, non-dom regime — is a strong package for a studio with revenue. Growth-stage capital is beginning to emerge alongside it, including the UA financing channel described in Section 4. On established-studio economics, few EU jurisdictions compete.

The picture at the earliest stage is different. Founders need cash grants, seed funding and dedicated accelerators — instruments that reward experimentation, not profitability. Every jurisdiction above has been building this layer for years: the UK Games Fund since 2015; Germany's Press Start Grant and Federal Fund; Turkey's salary subsidies; the UAE's AD Gaming programmes. Cyprus's answer, so far, is RIF — general innovation grants and blended-finance schemes accessible to gaming, but structured around MVP and private-investor commitments that leave earlier stages uncovered. Plug&Play, launching in 2026, will be the first games-dedicated instrument.

This is the growth point for Cyprus's economic framework. The tax regime rewards profitability. It does not build it. Without dedicated early-stage tools, most young studios will not survive long enough to benefit from IP Box or the R&D super-deduction. Extending support to the earliest years is the next layer to build.



SECTION 06

Talent Pipeline and Education

Of everyone in Cyprus higher education, how many people can a local game studio realistically hire? A funnel from 57,889 students to a few dozen game-ready graduates a year.

The talent funnel

This section follows a single question end to end: of everyone in Cyprus higher education, how many people can a local game studio realistically hire?

It answers that as a funnel — from the whole university system at the top, narrowing stage by stage to the small number of game-ready graduates local studios can actually recruit each year.



Mansion Tale, TapClap

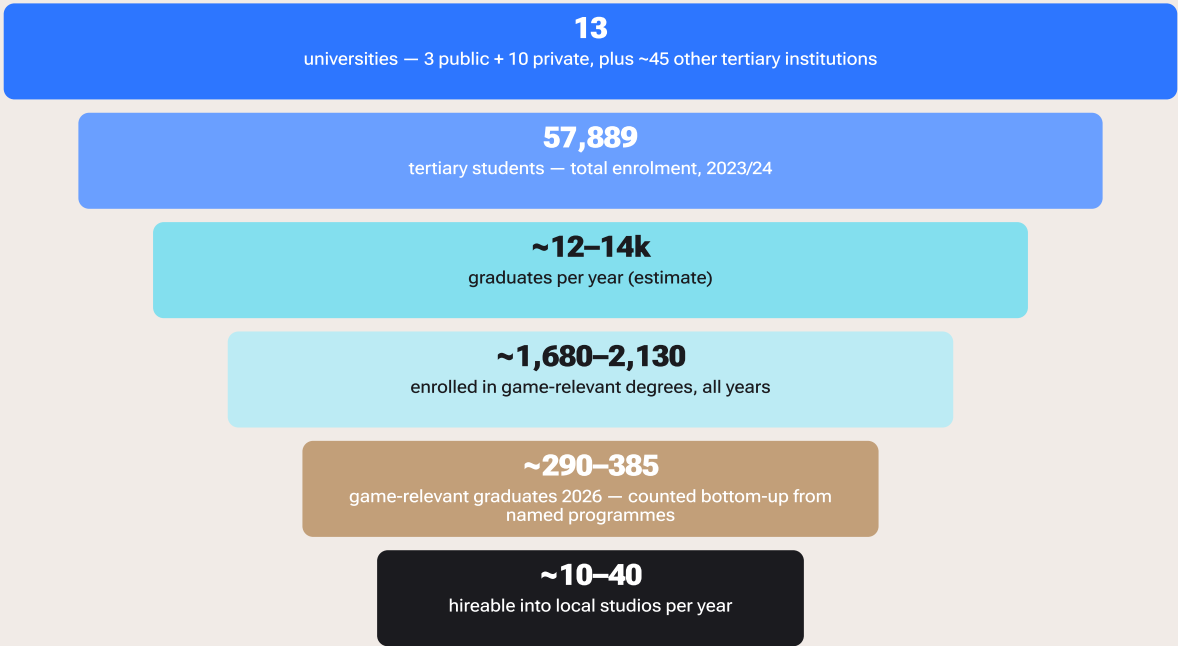
EVIDENCE FRAMEWORK

System-level statistics are drawn from published 2024–2025 sources: CYSTAT, the Cyprus Department of Higher Education, Eurostat, the OECD and the European Commission. Programme-level enrolment and graduate figures use two clearly identified categories:

First-party institutional data	2025/26 enrolment and graduate figures provided directly by CUT’s Department of Multimedia and Graphic Arts and UCY’s Department of Computer Science.
Labelled estimates	All other programmes — Cypriot universities do not publish per-programme data, so estimates are based on institutional size, graduation-ceremony data and typical cohort distributions.

THE CYPRUS GAMES-TALENT FUNNEL – 2023–2026

Each stage narrows the pool — from the whole higher-education system to the graduates local studios can realistically hire each year.

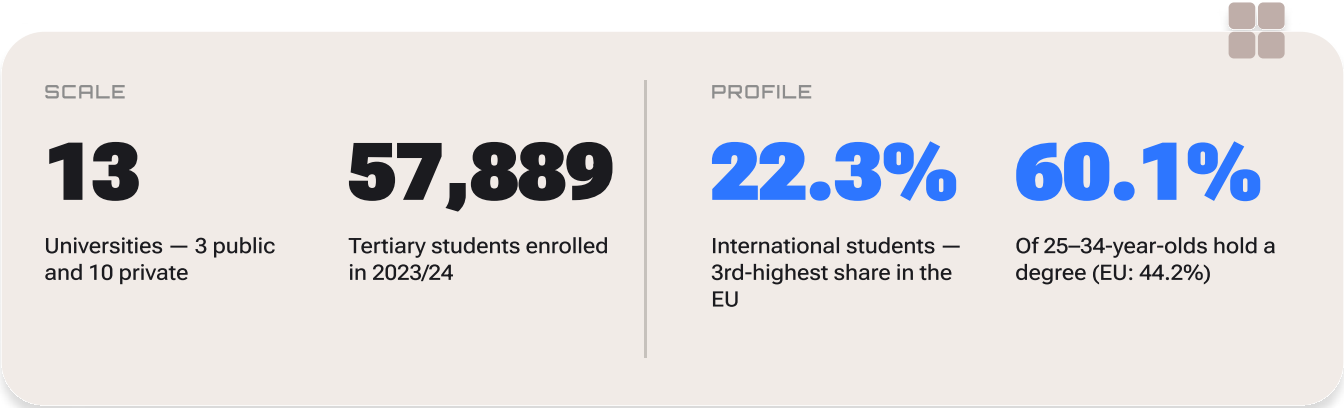


Context: 83.8% of recent Cypriot graduates are employed (2024) — the constraint is destination, not employability.

Sources: CYSTAT; Cyprus DHE; Eurostat; OECD; European Commission; institutional data.

Top of the funnel

The base of the funnel is broad — 13 universities, nearly 58,000 students, the EU’s third-highest share of international students — and it is still opening up: only in 2025 did public universities gain the right to teach undergraduates in English.



How many universities

Alongside the 13 universities, roughly 45 other private tertiary institutions are supervised by the Department of Higher Education (DHE). Counting all types, 59 tertiary institutions operated in 2023/24.

THE 13 UNIVERSITIES		
PUBLIC (3)	PRIVATE (10)	
University of Cyprus (UCY), 1989	University of Nicosia (UNIC), 2007	Philips University, 2019
Open University of Cyprus (OUC), 2002	European University Cyprus (EUC), 2007	American University of Cyprus, 2021
Cyprus University of Technology (CUT), 2007	Frederick University, 2007	University of Limassol, 2023
	Neapolis University Pafos, 2010	AUB Mediterraneo, 2023
	UCLan Cyprus, 2012	+ further licensed institutions

A significant policy development took place in 2025, when Parliament approved legislative amendments allowing public universities to offer undergraduate programmes in foreign languages, including English. This may further expand the talent pool available to internationally oriented sectors such as game development.

How many students

Between 2015 and 2023, overall tertiary enrolment increased by approximately 42%. A quarter of students are in private institutions (25.5%), and instruction is very widely in English — an ideal base for internationally oriented and export-driven industries.

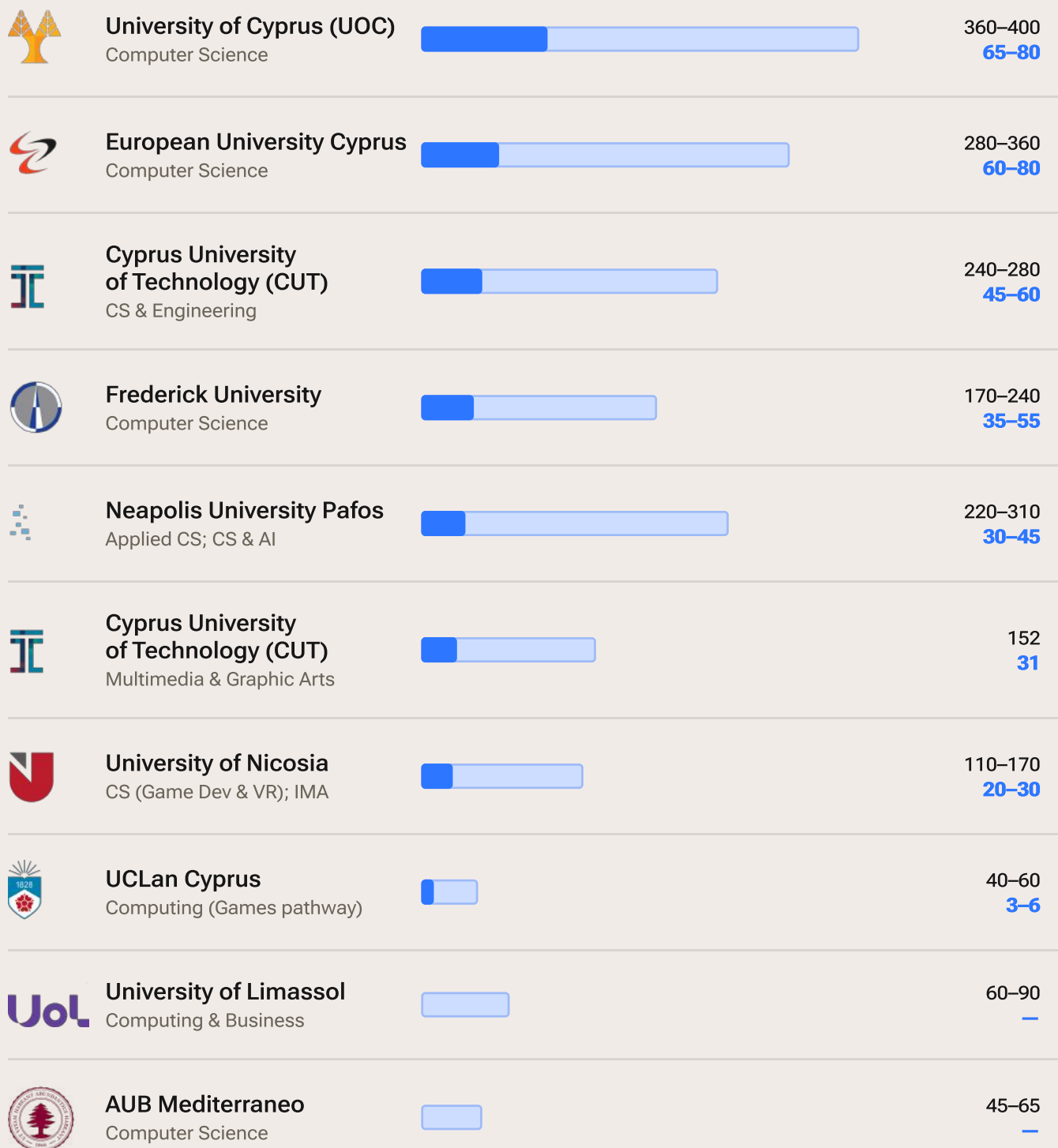
How many graduates

Cyprus does not publish a single figure for total tertiary graduates in 2024/25, so the funnel uses a labelled estimate of roughly 12,000–14,000 graduates a year, built from enrolment, completion ratios and institutional data. Graduate numbers have grown by approximately 125% over the past decade, and women significantly outnumber men among graduates — roughly 185 women per 100 men, one of the highest ratios in the EU.

Which programmes feed games

Students enrolled in each game-relevant programme (all years), and the share that graduates each year.

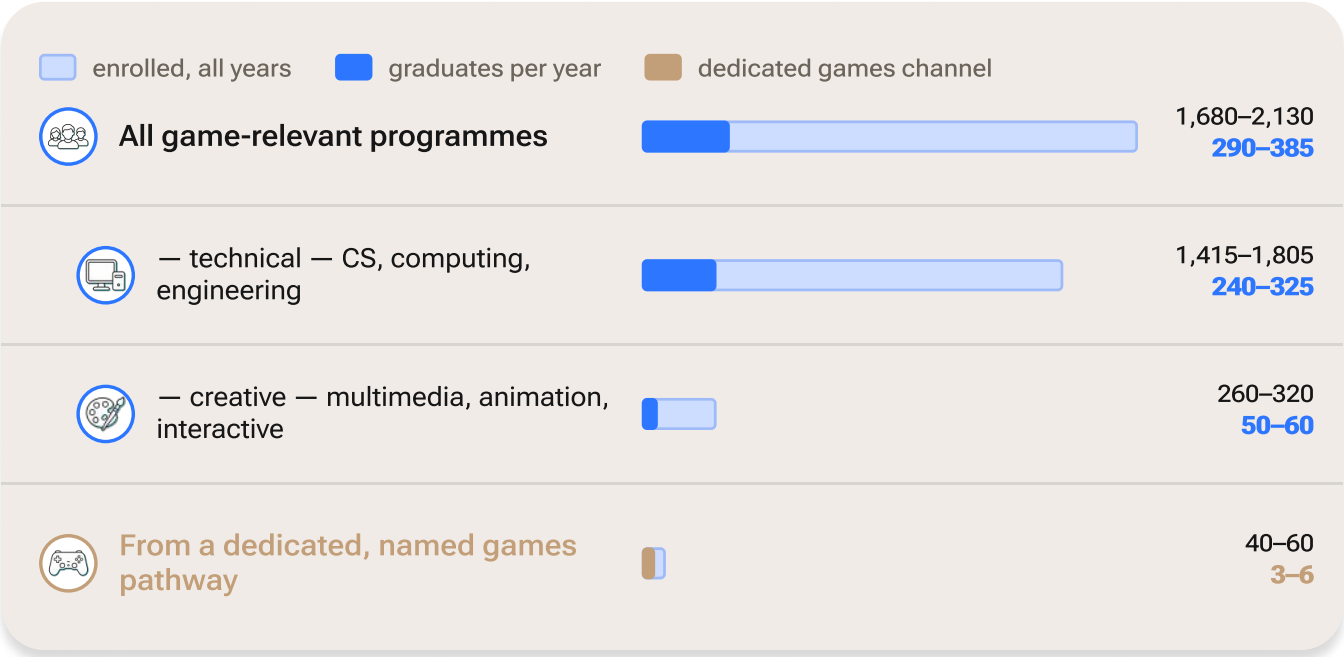
 enrolled, all years  graduates per year (2026)



The pool, counted bottom-up

Only a slice of Cyprus’s graduates is game-relevant, and it splits cleanly in two: a technical half led by UCY’s Computer Science, and a creative half led by CUT.

Counted bottom-up from the named programmes, this is the section’s most important supply number. And Cyprus is not starting from zero: undergraduate games specialisations already exist at UCLan Cyprus and UNIC (Game Development & VR track).



Sums of the per-programme figures (CUT Multimedia & Graphic Arts first-party; all others labelled estimates). Excludes AUB Mediterraneo and University of Limassol, too new to graduate a cohort. Top-down cross-check: ICT is 28.6% of Cyprus's STEM enrolment and ~4% of all graduates (~450–600 ICT graduates nationally); the ~290–385 here is the named, game-relevant subset.

KEY MESSAGE

The single most important number in this section: Cyprus has roughly 1,680–2,130 students enrolled in game-relevant degrees and produced an estimated 290–385 game-relevant graduates in 2026 — but only 3–6 of them graduated from a dedicated, named game-development pathway (UCLan Cyprus). The raw material is abundant; the games-specific channel is a rounding error.



Pathfinder: Kingmaker, Owlcat Games

Employment, leakage & the real hire pool

Game-relevant graduates are highly employable — but they are employable everywhere: games compete for them with a large fintech cluster, general IT, remote work for foreign firms, and emigration. After those filters, the realistically hireable number is small.

The employment rate for recent tertiary graduates reached 83.8% in 2024, compared with 86.7% across the EU — an increase of 10.1 percentage points since 2015, showing that graduates generally find work quickly. However, the main challenge is not employment itself, but whether graduates find jobs that match their qualifications. In 2023, 30.0% of workers with higher-education qualifications were overqualified for their positions, and the National Graduate Tracking Survey found that only around one-third of employed graduates were working in roles related to their field of study. Graduate employment is high, but the match between education and employment remains weak.

Where the graduates go — the leakage

The Limassol forex and fintech sector is the main competitor for technical talent. In 2025, CySEC supervised 252 investment firms, while retail brokers employed an estimated 7,000–8,000 people in 2024. These companies recruit many of the same computer science and full-stack development specialists required by game studios. Entry-level salaries in forex and fintech are widely believed to be higher than those offered for junior game-development roles, but no published Cyprus data directly compares the two sectors, so this should be treated as a widely reported market view rather than a verified statistic. Game studios also compete with the wider IT sector, remote jobs for foreign companies and emigration: remote professionals may remain in Cyprus but do not contribute to local studios, while 27.8% of Cypriot students already study abroad. As a result, most game-relevant graduates do not enter the local games industry.

How many can local studios realistically hire today?

Combining the stages: ~290–385 game-relevant graduates in 2026, of whom only 3–6 came from a dedicated games pathway, and of the remainder only a minority have genuine game-specific skills, want to work in games rather than higher-paying fintech/IT, and stay in Cyprus in a local company. There is no official statistic for this, so it is a labelled estimate.

REASONED ESTIMATE — NOT AN OFFICIAL KPI

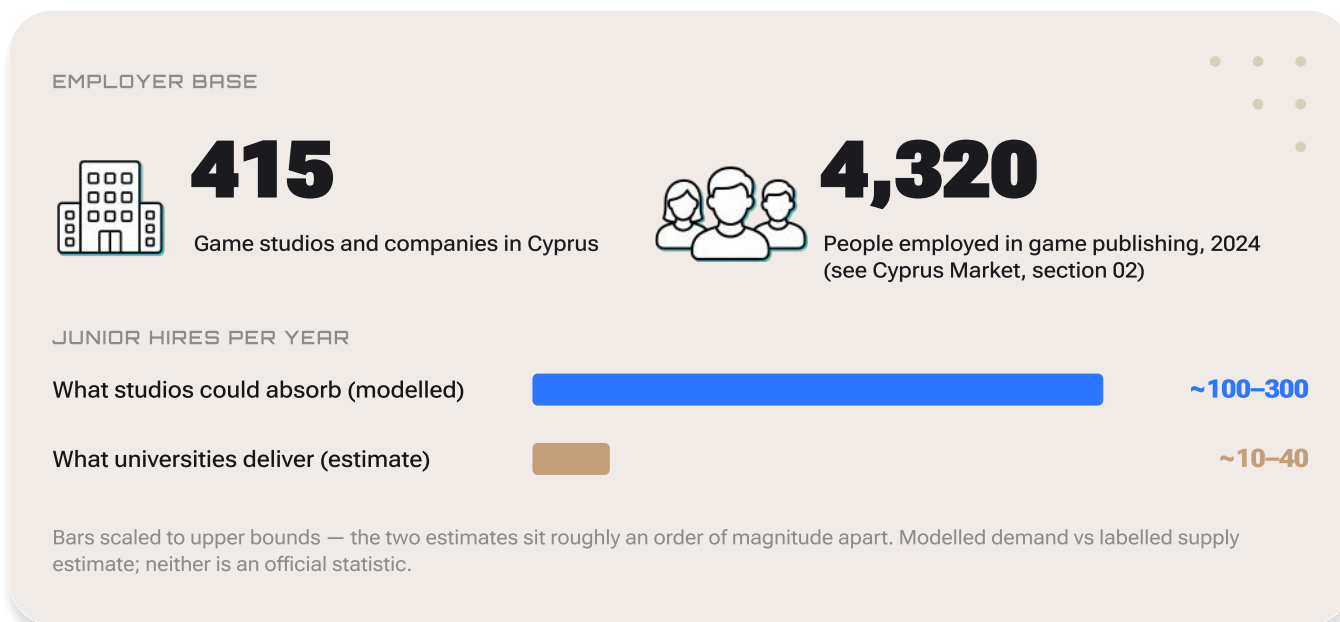
~10–40

game-relevant graduates hireable
by local studios per year

Under current conditions, local game studios can realistically recruit approximately 10–40 game-relevant graduates from Cypriot universities each year. This limited supply helps explain why foreign-owned and relocated studios continue to import talent to Cyprus.

The demand side

What could 400+ companies absorb? Available evidence suggests the main constraint is talent supply, not employer demand — Cyprus-based studios could hire several times more junior graduates than local universities currently produce.



Sizing the employer base

Cyprus is home to more than 400 game-development studios and companies — from global publishers to small independents — with major employers including Wargaming, Playrix, Nexters and MY.GAMES.

Applying European studio-size benchmarks across this base suggests studios could absorb roughly 100–300 junior graduates a year — a scale consistent with the 4,320 people recorded in game publishing in 2024 (see the Cyprus Market section). The demand estimate is modelled rather than based on confirmed hiring intentions.

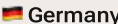
From 2027: a local-hiring obligation

The supply question is about to matter more. Under the Business Facilitation Unit framework, foreign interest companies committed to ensuring that at least 30% of their total workforce consists of Cypriot or EU nationals within five years of registration — and for the first cohort, registered at the unit's launch in January 2022, compliance is assessed from 2 January 2027. Falling short can trigger administrative review and affect a company's ability to sponsor further non-EU hires. For relocated studios that have so far imported most of their talent, the local graduate pipeline is about to become a compliance question as well as a hiring one.

International benchmark

Cyprus should benchmark not against countries that merely “have game companies”, but against systems where education, project practice and industry collaboration are tightly integrated — each comparator shows one transferable mechanism Cyprus only partly has.

The comparators span a fellow small EU island state (Malta), applied-sciences and large-market leaders (the Netherlands, Germany, France, the UK) and a fast-scaling regional peer (Turkey).

BENCHMARK	DEDICATED GAME-EDUCATION EXAMPLE (2024–25)	MECHANISM CYPRUS ONLY PARTLY HAS	WHY IT MATTERS
 Finland	Kaakkois-Suomen AMK (Xamk) offers a dedicated Bachelor of Culture and Arts in Game Design, including practical training and a final thesis.	A clearly named bachelor's degree focused specifically on games	Creates a visible entry point into the industry and gives students a structured route into professional game-development roles.
 Germany	HTW Berlin offers Game Design BA and MA programmes through the DE:HIVE Game Hub — fully games-focused, with studio-style teamwork from the first semester and about 40 places per year (Cologne Game Lab provides a comparable model).	A game hub combining education, research, entrepreneurship and studio practice	Portfolio-based selection and studio-style teaching produce graduates better prepared for professional production.
 Netherlands	Breda University of Applied Sciences offers Creative Media and Game Technologies programmes with long, mandatory internships; the Games Monitor 2024 identifies 41 game-related programmes nationally.	Mandatory, credit-bearing internships integrated into applied degrees	Students gain routine industry experience before graduation, improving their readiness for employment.
 France	Cnam-Enjmin offers a bachelor's programme in Game Design for Video-Game Professions through a work-study model, with students spending most of the week inside a company.	A formal apprenticeship or alternating-study model	Creates a direct pathway from university education into studio employment.
 United Kingdom	Abertay University combines dedicated games degrees with centre-of-excellence positioning and industry partnerships, including PlayStation First.	Strong international positioning supported by studio-facing infrastructure	Builds credibility for games as an academic and professional field while attracting students, employers and public-sector support.
 Turkey	Bahçeşehir University offers BA and MA programmes in Digital Game Design linked to BUG Game Lab, BUG Pro studio, VR First, Cryengine Academy and Gamebootcamp İstanbul.	An integrated pipeline connecting education, studio production, incubation, industry and investment	Demonstrates how one institution can support the full journey from learning and concept development to production and commercialisation.
 Malta	The University of Malta operates a dedicated Institute of Digital Games and offers an MSc in Digital Games. Graduates have progressed to companies including CD Projekt RED and Creative Assembly.	A specialised national games institute within a small EU country	Provides the closest structural comparison for Cyprus, showing that a focused institution can achieve international visibility even in a small market.
 Cyprus today	Undergraduate games specialisations exist (Computer Games Development track + student studio at UCLan; Game Development & VR track at UNIC), but provision is spread across specialisations, modules and adjacent degrees.	No single, nationally legible “front door” bachelor's fully dedicated to game talent	Students can reach games, but the route is diffuse and hard to see.

Current programme pages / reports active in 2024–2025: Xamk (FI); HTW Berlin DE:HIVE & Cologne Game Lab (DE); BUas & Dutch Games Monitor 2024 (NL); Cnam-Enjmin (FR); Abertay (UK); Bahçeşehir / BUG Game Lab (TR); University of Malta IDG (MT).

Executive conclusions

The section in five conclusions: a wide funnel that narrows to ~10–40 hires a year, demand that outstrips supply — and one missing piece, a nationally recognised games pathway.

01 Wide at the top, vanishingly narrow at the bottom

13 universities and 57,889 students yield ≈1,680–2,130 students in game-relevant degrees and ≈290–385 game-relevant graduates in 2026 — but only 3–6 from a dedicated games pathway, and only ~10–40 realistically hireable into local studios.

02 Capacity appears to exceed supply

On a modelled basis, the game companies in Cyprus could in principle absorb ~100–300 junior graduates a year against ~10–40 delivered — but this is modelled capacity, not measured hiring intent.

03 Conversion and retention, not raw numbers

83.8% of graduates are employed — but fintech and forex (7,000–8,000 jobs), remote work for foreign companies and emigration capture most of the game-relevant pool.

04 The gap is a recognised pathway, not capacity

Cyprus has no single, nationally recognised “front door” bachelor’s degree fully dedicated to game-industry talent — provision is spread across tracks, modules and adjacent degrees. Introducing dedicated game-development specialisations at CUT and UCY would be a practical first step, potentially producing 45–85 additional games-ready graduates a year and laying the foundation for a future public bachelor’s programme in game development.

05 The benchmark lesson is legibility

Finland, Germany, the Netherlands, France, the UK, Turkey and Malta differ in scale but share three mechanisms — a named games qualification, mandatory studio placement, and a visible hub or institute. Malta shows a small island state can achieve international standing through one focused institute. Cyprus already holds the components — but lacks a single recognised pathway connecting them.



Mansion Tale, TapClap



SECTION 07

Community and Events

Where the industry meets. A concentration of founders, executives, publishers, platforms and investors has created a highly specialised, senior-heavy event ecosystem.

Where the industry meets

The island's concentration of founders, senior executives, publishers, platforms, investors and service providers has created a highly specialised event ecosystem.

THE CALENDAR

5

Annual major game-development conferences

25+

Game-development events per year

THE AUDIENCE

2,000+

Annual participants at major conferences

10,000+

Participants across the wider event ecosystem

Companies come together not only to exchange knowledge, but to negotiate partnerships, discuss investments, meet platforms, recruit senior talent and shape the next stage of their businesses.

This is particularly important for an industry whose customers and commercial partners are distributed globally. For many Cyprus-based companies, local events provide a more efficient way to engage with their professional audience without requiring their leadership teams to travel continuously between Europe, North America and the Middle East.

However, this ecosystem is not always easy to see from the outside.



The photos from Cyprus game-industry events: GDCy Fest'25, GDCy Executive Lounge, WN Conference Cyprus 2025, Gamesforum 2025.

Major video-games industry conferences

Behind the search noise, Cyprus has built a diverse, year-round calendar of professional video-games events — conferences, meetups and private formats.

A search for “gaming conferences in Cyprus” still produces a large number of results related to iGaming and gambling. The gambling industry's frequent use of the word “gaming” creates confusion between two fundamentally different sectors and makes video game development events more difficult to identify.

At the centre of that calendar are major B2B conferences such as GDCy Fest, WN Conference and Gamesforum. They are supported by regular meetups and networking events organised by communities including GDCy, Hivemind, Cyprus_iT and The HUB.

Global companies such as Xsolla, Meta, Google, AppsFlyer, Unity, Aleph and many others also use Cyprus to host corporate events, workshops and meetings for clients and partners. Alongside them, private and invitation-only formats — including the GDCy Executive Lounge and The Games Fund Summit — create space for more focused conversations between founders, executives and investors.

The result is not a single annual conference season, but a continuous professional environment in which relationships can develop throughout the year.

MAJOR B2B CONFERENCES



MEETUPS & NETWORKING



CORPORATE & PRIVATE HOSTS



INVITATION-ONLY FORMATS



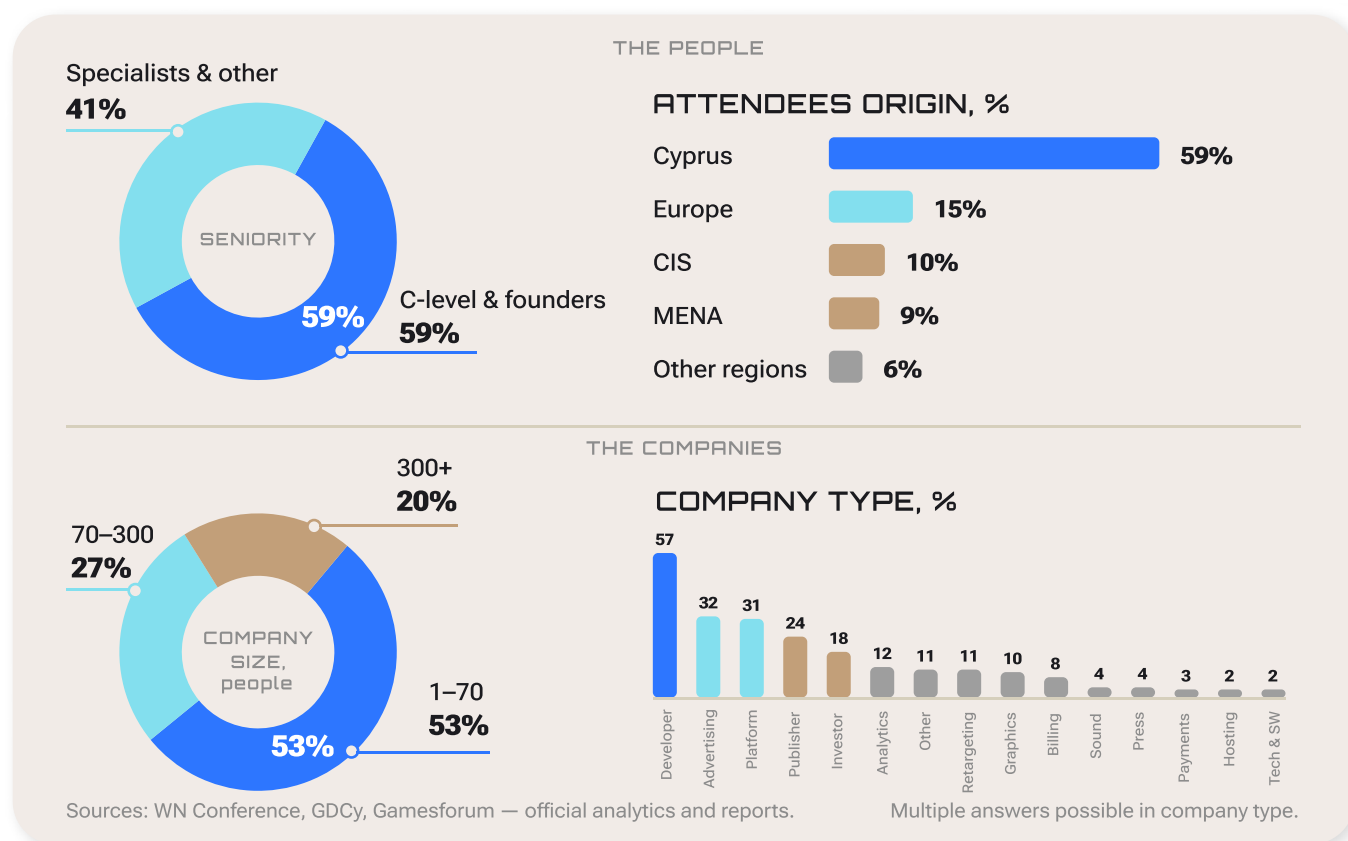
A small island with a senior audience

The defining characteristic of Cyprus game industry events is not only their size, but the seniority of their audiences.

Approximately 60–70% of participants at the island's major game development conferences are locally based, while 30–35% travel from abroad. This gives Cyprus events a distinctive balance: they are deeply connected to the local industry while remaining international in reach.

More than half of attendees are company founders or C-level executives. This unusually senior audience reflects the structure of the Cyprus games industry itself, making it possible for conferences to attract a concentration of professionals that would be difficult to achieve in a larger and more geographically dispersed market.

The high cost of travelling to and staying in Cyprus also shapes the international audience. Visitors are generally not casual participants. They tend to arrive with clear commercial objectives, scheduled meetings and the authority to make decisions.



As a result, local conferences are strongly B2B-oriented. Their value is measured not only through attendance, but through the quality of conversations taking place around the programme: publishing agreements, platform relationships, user acquisition partnerships, investments, recruitment and technology deals.

The audience is divided approximately equally between game developers and publishers on one side, and the companies that support them on the other. These include advertising networks, platforms, analytics providers, payment companies, investors, legal advisers and other specialised service businesses. This balance makes Cyprus events representative of the full commercial ecosystem surrounding modern game production and operation.

Three established conference brands

Three conference brands anchor the island's events calendar, each serving a different layer of the industry: community, global connections and mobile growth.

01 GDCy



GDCy operates the largest dedicated game development community in Cyprus from 2020. Its flagship event, GDCy Fest, has developed into the region's largest open-air game development conference. The organisation also hosts the GDCy Executive Lounge, a more focused format designed for founders, executives and invited industry leaders. Together, the two formats serve both the wider professional community and its senior decision-making layer.

02 WN Events



WN Events is the longest-established international game industry conference brand operating in Cyprus. Its presence on the island dates back to the WN Executive Summit held in Limassol in 2018. Today, its Cyprus programme includes WN Conference and the WN Growth Summit, connecting local companies with publishers, investors, platforms and service providers from the global industry.

03 Gamesforum



Gamesforum hosts an annual Cyprus event focused on the commercial side of mobile game development. Its programme centres on user acquisition, advertising monetisation, data and growth. This focus reflects the major role that mobile game companies and marketing expertise play within the Cyprus ecosystem.

THE MISSING B2C LAYER

While Cyprus has developed a strong B2B event ecosystem, consumer-facing games events have become increasingly rare.

The limited size of the domestic market makes large B2C formats difficult to sustain. Events centred on popular culture, esports and consumer gaming have often struggled to achieve the attendance and commercial support required for long-term operation.

Cyprus Comic Con remains the island's only notable consumer-facing event with a significant gaming component. Held annually, the multi-genre festival brings together gaming, comics, cosplay, anime, film, tabletop culture and international guests. Its scale demonstrates that a broad B2C audience exists, even if the market has not sustained multiple dedicated gaming events.



The community between the conferences

Conferences provide visibility and attract international attention, but the strength of the Cyprus ecosystem is built between the major events.

The island's professional communities organise meetups, informal gatherings, educational sessions, founder dinners and lifestyle events throughout the year. These formats help new arrivals enter the local network, allow professionals from different companies to exchange experience and create relationships that extend beyond individual business transactions.

For an industry shaped by international relocation, this social layer is particularly important. Many of the people working in Cyprus game development arrived from other countries. A strong community helps them build both professional and personal connections, making the island not only a place to work, but a place where they can establish long-term roots.

01 GDCy — the heart of Cyprus game development



With more than 1,000 members, GDCy is the island's core game development community. It is open to developers, founders, artists, producers, marketers and other industry professionals. Its activities combine professional networking with a strong lifestyle component, reflecting that community-building in Cyprus often takes place outside traditional conference venues. GDCy organises meetups in Limassol and Paphos and operates a loyalty programme for active members, bridging large conferences and everyday industry life.

02 Cyprus iT — the community that came first



Founded in 2017, Cyprus iT is the historical predecessor of many technology communities active on the island today. The open Russian-speaking community has grown to more than 20,000 members and has supported over 450 weekly events since its launch — demonstrating how strongly informal professional networks have contributed to Cyprus as a technology hub.

03 Founders CY — a community for entrepreneurs



A closed, startup-oriented community bringing together company founders from the games industry and other technology sectors. Its events combine business discussions with social and lifestyle formats, allowing game founders to exchange experience with entrepreneurs in fintech, software, e-commerce and other parts of the Cyprus innovation economy.

THE WIDER BUSINESS NETWORK

The game development community also intersects with general business clubs, including Successful Business Club, GROW Business Club, YBC Cyprus and Cyprus Business Club. Not games-specific, they expand the network available to local founders and executives, providing access to expertise, capital and commercial relationships beyond the games industry.



SECTION 08

About CYGMA

The industry was already here. We make it visible. The Cyprus Game Makers Association represents game development companies operating in Cyprus.

Who we are

CYGMA unites the companies making games in Cyprus — and exists to make a substantial, quietly built industry visible and understood.

CYGMA unites game development companies operating in Cyprus. Six companies founded the association in December 2025, and by June 2026 the membership had grown to 36, ranging from small independent teams to studios with global audiences. Around us stand six strategic partners and three academic partners, the institutions that keep the ecosystem connected to finance, law and education.



It helps to be clear about what that industry actually is. A video game is an interactive work of entertainment — software you play rather than watch — built by teams that bring together art, storytelling, music, design and engineering to create worlds and experiences for a global audience. Making them is a creative discipline as much as a technical one, closer to film, animation and publishing than to any branch of finance or IT. That places game development squarely within the creative industries: like film or music it produces original cultural works, owns and licenses intellectual property, and reaches audiences worldwide — while also sitting at the frontier of technology, from real-time graphics and networking to AI.

We are deliberately specific about our scope. CYGMA represents game development, not iGaming and not IT in general. In Cyprus that distinction carries extra weight: the island hosts a large and well-known iGaming sector, and the two industries are routinely confused, which costs studios in practice — from policy conversations built on wrong assumptions to banking verification that treats a game studio like a betting operator. Part of our job is drawing that line clearly, so that Cyprus gamedev is understood, regulated and banked as what it actually is.

SUBSTANTIAL, AND UNSEEN

Cyprus's game industry grew quietly. Over the years studios arrived, teams formed and games shipped — but almost none of it happened within a shared structure, and so an industry that is substantial in reality stayed nearly invisible in the data that describes it. Global rankings and market reports have tended to pass Cyprus by, even as more than 400 game companies work here every day.

We think of visibility as infrastructure — something the whole ecosystem quietly depends on, much like connectivity or capital. A studio deciding where to open its next office, a graduate choosing where to build a career, a ministry drafting policy for the sector: each of them needs the same thing — a reliable account of what this industry is and where it is heading. For a long time nobody was producing it, so that is the work we have taken on.

What we do

The foundation is data — this report is our flagship output. Everything else runs through five committees, each focused on its part of the ecosystem.



International Promotion

We promote Cyprus gamedev across EU and MENA industry networks and represent the sector wherever the industry gathers — including the first collective Games from Cyprus pavilion at Gamescom 2026.



Talent & education

We build the talent pipeline together with universities and training providers, so that studios can hire and grow their teams locally.



Industry & partnerships

We connect studios with the people who help them scale — investors, publishers and platform holders.



Player protection

We keep members current on player-protection and age-rating requirements, so Cyprus games meet the standards their audiences expect.



Policy & representation

We represent game developers where policy and legislation are written, at home and at EU level.

OUR PROJECTS – GAMES FROM CYPRUS

Games from Cyprus is that banner - the brand that we created to carry the industry onto the global stage. It is the flag local studios travel under when the industry shows up somewhere together, and its first major outing is Gamescom 2026, where nine studios share the first collective Cyprus pavilion in Cologne. The campaign lives at **gamesfromcyprus.com**. Today Games from Cyprus is an identity rather than a directory: a recognisable mark for the industry's collective presence at international events. As the ecosystem and its data grow, the brand will grow with them.

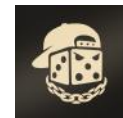


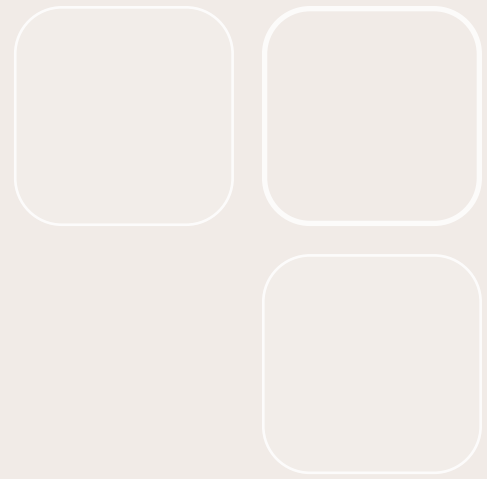
WHERE THIS GOES

This report is a first edition, and we intend it to become the standard reference for Cyprus gamedev. If you are a studio operating in Cyprus and you are not yet a member, come and find us. The industry is stronger when it speaks with one voice, and there is a seat at the table for you. Further information is available at **cygma.eu**.

CYGMA members

The companies building the Cyprus video game development industry (July 2026).





SECTION 09

Methodology

How this report was built — the data sources behind every figure, what each one covers, and how the estimates are made.

How this report was built

Figures combine first-party estimates with cross-checked third-party data, including estimated ads and D2C revenue benchmarks.

Scope — what we count

This report covers video-game development. Cyprus is also a major hub for iGaming — online gambling and betting — a large but separately-regulated industry that the game-development community deliberately distinguishes from interactive entertainment. iGaming companies are not included in these figures.

A word on the numbers.

We are direct about the limits. Attributing 2025 earnings to individual studios is estimation, not accounting. Figures are not reconciled against tax-authority records, and no independent cross-verification of company-level revenue was available at the time of writing. They should be read as informed estimates built on the best open data available, not as audited results.

This limitation is most visible in direct-to-consumer revenue: third-party trackers measure platform storefronts well, but sales through studios' own webshops leave no comparable public footprint, so industry totals are more likely understated than overstated.

A note on net turnover: the revenue we present is built from store attribution data and deliberately excludes the internal market between studios, publishers and partners that net turnover — the figure companies file with the tax authorities — captures. As 2025 filings are not yet available, net-turnover figures in this report reflect 2024 filed data, while 2025 revenue is attribution-based estimation. All monetary values in this report are in euro; dollar-denominated source data was converted at the average 2025 exchange rate of €1 = \$1.13.

We treat these gaps as a roadmap rather than a footnote. Each future edition will get closer to the ground truth as more companies share data with us directly. If your studio's numbers can make the next edition more accurate, we would like to hear from you.

DATA VERIFICATION — ALINEA ANALYTICS

Alinea Analytics is a sales-and-audience analytics platform covering Steam, PlayStation and Xbox, and one of the global leaders in video game market analysis.

Realistic beats biggest

Sound research isn't about producing the biggest number and overly optimistic growth shares (that damages the industry and decisions); it's about producing something realistic and defensible. We at Alinea Analytics worked through how this report was built from the ground up — including the sources, the definitions, the assumptions, and the conclusions drawn from them. The result is a methodology that stands up to scrutiny and a picture of the Cyprus games industry that stakeholders can plan around.



Rhys Elliott

Head of Market Analysis, Alinea Analytics



About the data sources

The market-intelligence platforms behind this report's core numbers — what each one covers, and how its data was used.

Alinea Analytics



A sales-and-audience analytics platform covering Steam, PlayStation, and Xbox, tracking real-time data across 275,000+ games and 51,000+ studios. It delivers revenue, copies-sold, and player estimates (including Game Pass/PS+ splits and country distributions).

For this report, Alinea Analytics' game-level data was used to build the Cyprus PC & Console market view: releases, copies sold, and players were matched against Cyprus-registered developers and publishers. Steam gross revenue is estimated before platform fees, taxes, and refunds; for paid titles the estimate is based on copies sold (including editions) multiplied by historical pricing, adjusted for discounts and regional pricing (approximated at 80% of listed price). DLC revenue is estimated separately from base-game revenue. For free-to-play titles, the estimate includes all in-game revenue sources. Player counts reflect users with more than zero playtime, including non-paying users (e.g., via free weekends, Game Pass, or game sharing).

AppMagic



A mobile game market intelligence platform tracking app store rankings, downloads, and revenue estimates worldwide. Used for two purposes in this report: (1) sourcing new mobile releases, downloads, and IAP revenue for Cyprus-based studios, and (2) cross-referencing company records (via CSV company exports) for the Cyprus Gaming Companies database.

CYGMA Cyprus Gaming Companies database



CYGMA maintains its own database of game companies registered or operating in Cyprus: 431 companies, of which 415 are confirmed against the Registrar of Companies. For each confirmed company the database records the registered legal entity name, registration number, registered address, entity status and date of registration, alongside company size, founding year, platform focus and specialisation.

The Registrar is the primary source and the point of truth for the company count. That bottom-up count was cross-verified against the top-down view — official CYPSTAT data filtered by NACE activity code, as compiled in the Cyprus Games Industry Footprint 2024 by C Business Advisors — and the differences between the two were worked through with them. Game companies do not register under a single code: J58 and J62 carry most of them and were used for the Footprint, but the review surfaced further codes in active use, among them 70.10 (Head office activities).

About the data sources (continued)

Ampere Analysis



A UK-based games market intelligence firm. Its Games Markets product tracks total games market performance and forecasts across device categories, monetisation models, and distribution types, covering over 100 markets worldwide. Used here to validate and break down global segment revenue (PC/Console, Mobile, Cloud).

BCG



Boston Consulting Group's gaming practice publishes an annual global gaming market report ("Video Gaming Report 2026: Next Era of Growth") sizing the industry across PC, console, and mobile, and covering key structural trends (D2C payments, market saturation, platform shifts, regulation). CYGMA uses BCG's headline market-size figures as the anchor for the global numbers in this report, cross-checked against Ampere Analysis and Sensor Tower.

Circana



A consumer and retail data company (formerly The NPD Group) that tracks physical and packaged games retail sales. Used as a cross-check source for consistency of global market figures.

Newzoo



A long-standing games market intelligence provider, publishing regular reports on the global PC, console, and mobile games market. Used as a cross-check source for global segment figures (e.g., PC/Console DLC, premium sales, subscriptions, and microtransactions splits).

Sensor Tower



A mobile market intelligence platform providing app store and Google Play download and revenue estimates. Used alongside Ampere Analysis to cross-check global mobile revenue figures.

External partners

Figures in this report were also contributed by external partners who supplied data, estimates or analysis in their field and reviewed how it is used here. Four warrant a specific note.

C Business Advisors

C | BUSINESS ADVISORS

C Business Advisors produced the Cyprus Games Industry Footprint 2024 for this report, together with Chrysostomides Advocates and Legal Consultants, one of Cyprus's leading law firms. The Footprint audits official CYSTAT data filtered by the NACE codes under which Cyprus game companies register — J58 and J62 — producing the net-turnover figures for 2019–2024 that underpin Sections 2, 3 and 5. C Business Advisors also reviewed the differences between that view and CYGMA's register-based count, and jointly identified further codes in active use.

GameDev Reports



GameDev Reports is a games industry newsletter and research digest covering market numbers, statistics and reports across PC, console and mobile since 2020. For this report, it gathered, analysed and cross-checked the data behind Sections 1, 2 and 3.

InvestGame

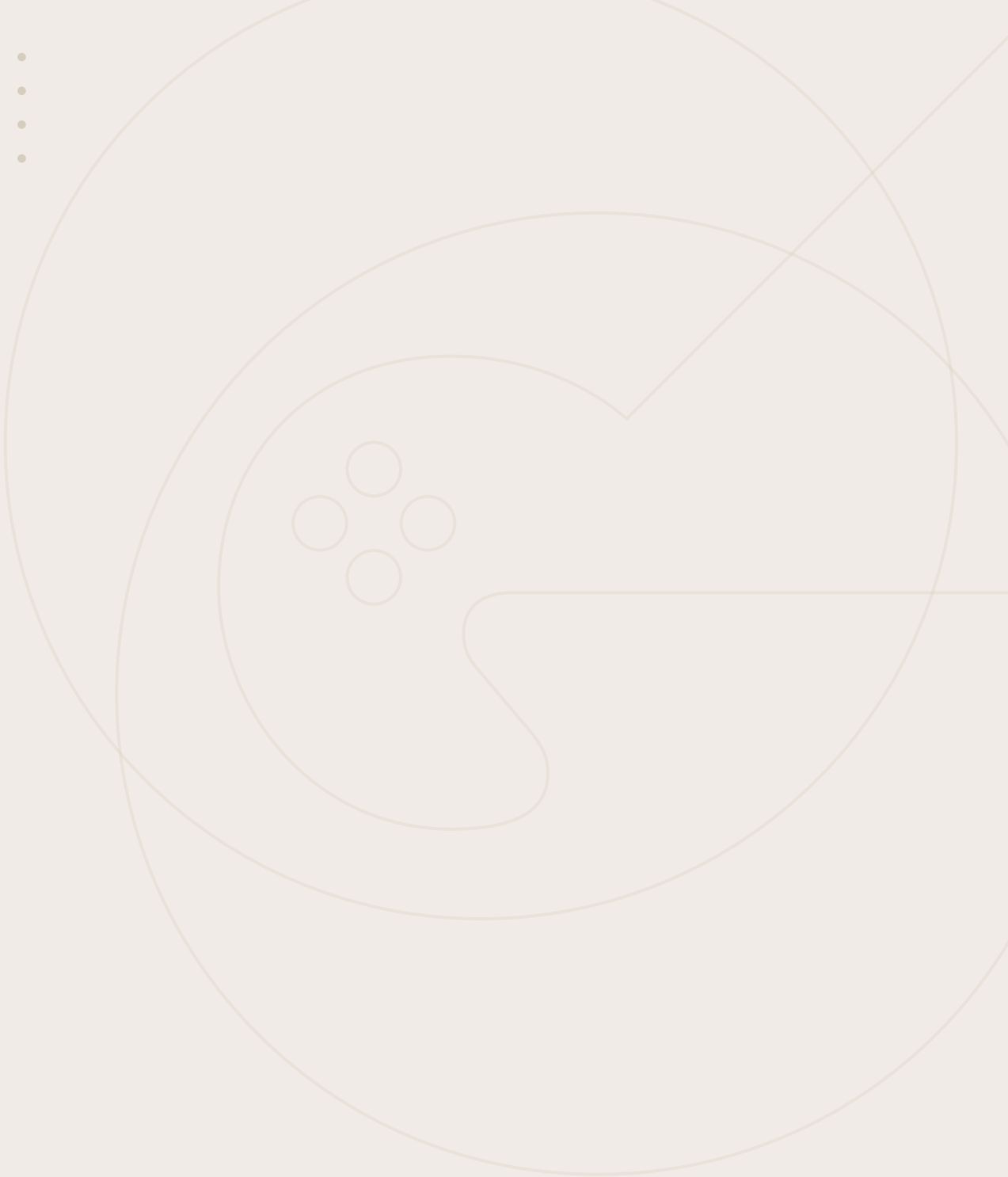


InvestGame is a market-intelligence platform dedicated to deal activity in the global games industry, tracking venture investments, M&A and public offerings since 2020 and publishing regular reports on gaming transactions. For this report, InvestGame's data and analysis of investment and M&A activity were used to build the market view in Section 4.

Xsolla



Xsolla participated in this report to quantify a shift it has spent two decades building toward: direct-to-consumer commerce moving from the margins to the mainstream of gaming. As the Merchant of Record behind thousands of studios, Xsolla sees the D2C channel not as a margin story but as the competitive foundation of the industry's next decade.



CYGMA (Cyprus Game Makers Association) Limited

info@cygma.com
cygma.eu

linkedin.com/cygma-cyprus/



info@cygma.eu

www.cygma.eu

The cover redraws a mosaic from a Roman villa in the Kato Paphos Archaeological Park, part of the UNESCO-listed Paphos World Heritage Site. Its Greek myths were set out tessera by tessera, much as a sprite is set out pixel by pixel. Scan the QR code to learn more.

