



Interim Report

JANUARY-MARCH 2023 ↗ NITRO GAMES OYJ



The Interim period January–March 2023

- ▶ Revenues (Jan–Mar): 1 742,3 KEUR (1 133,3 KEUR).
- ▶ EBITDA: -214,2 KEUR (-1 060,3 KEUR).
- ▶ EBIT: -462,1 KEUR (-1 262,8 KEUR).
- ▶ Net result: -360,5 KEUR (-1 276,9 KEUR).
- ▶ Earnings per share (EPS) 0,0 (-0,1).
- ▶ Cash and cash equivalents: 1 683,4 KEUR, and 787,6 KEUR of short-term receivables (31 March 2023).

(All figures are presented in accordance with IFRS and, unless otherwise stated, the comparison figures in brackets refer to the corresponding period in the previous year.)

Significant Events during January–March 2023

- ▶ Announced Autogun Heroes and started the soft launch.
- ▶ NERF: Superblast progressed to live operations phase with several industry award nominations.
- ▶ Signed approx. 0,6 million EUR expansion to development agreement with Supermassive Games.
- ▶ Received positive decision about funding of approx. 1,5 million EUR from Business Finland.

Significant Events after period

- ▶ Autogun Heroes performed above expectations during the soft launch phase and is currently being prepared for hard launch.

Exceeding expectations

↔↔ We've started our year well and have exceeded our expectations with the soft launch for our new game Autogun Heroes. Our revenues grew 53,7 % to 1 742,3 KEUR and our EBITDA improved 79,8 % to -214,2 KEUR, compared to the first quarter previous year. Our B2B service business has continued as planned with existing revenue streams and a strong sales funnel. We are progressing well on our step-by-step approach towards profitability. I am excited about the growth opportunities ahead of us with both our games business and our B2B service business."

– JUSSI TÄHTINEN
CEO OF NITRO GAMES

About Nitro Games

Nitro Games is a mobile game developer and publisher. Nitro Games team is a multinational group of mobile gaming professionals that has the expertise from development to publishing to live-operations. The Company focuses on producing high quality mobile games mostly for the mid-core audience. Nitro Games is specialized in the category of shooter games. With Nitro Games' powerful NG Platform and the NG MVP process, the Company is able to carry out market validation with its games during development. Nitro Games has developed several games such as NERF: Superblast, Lootland, Heroes of Warland, Medals of War, Raids of Glory. The company offers its services also to selected customers and has developed several successful projects to leading mobile gaming companies.

Nitro Games' shares are listed on Nasdaq First North Growth Market with the ticker NITRO. The Certified Adviser is FNCA Sweden AB, info@fnca.se.
www.nitrogames.com
Finnish Business ID: FI21348196





Key Financials

IFRS	Jan–Mar 2023	Jan–Mar 2022	Full Year 2022
Revenue (EUR thousand)	1 742,3	1 133,3	7 247,9
Operating profit/loss (EUR thousand)	-462,1	-1 262,8	-3 621,3
Operating profit/loss % (EBIT %)	-26,5 %	-111,4 %	-50,0 %
EBITDA (EUR thousand)	-214,2	-1 060,3	-2 799,8
EBITDA %	-12,3 %	-93,6 %	-38,6 %
Net profit /loss (EUR thousand)	-360,5	-1 276,9	-3 707,6
Cashflow generated from operations (EUR thousand)	-78,8	-1 124,1	-2 922,7
Equity ratio (%)	4,2 %	46,9 %	8,9 %
Weighted average number of shares during the period, basic	12 903 102	12 893 376	12 900 123
Weighted average number of shares during the period, diluted	12 903 102	13 899 528	12 900 123
Number of shares at the end of the period	12 903 102	12 893 956	12 903 102
Number of Share options	1 192 072	1 234 190	1 256 940
Number of Special Rights	1 113 586	0	1 113 586
Equity per share (EUR)	0,0	0,2	0,1
Earnings per share (EUR) undiluted	0,0	-0,1	-0,3
Earnings per share (EUR) diluted	0,0	-0,1	-0,2
Net debt (EUR thousand)	6 250,7	702,2	5 821,0
Number of employees (averages for the period)	50	42	51

A WORD FROM CEO

Exceeding expectations

We've started our year well and have exceeded our expectations with the soft launch for our new game Autogun Heroes. Our revenues grew 53,7 % to 1 742,3 KEUR and our EBITDA improved 79,8 % to -214,2 KEUR, compared to the first quarter previous year. Our B2B service business has continued as planned with existing revenue streams and a strong sales funnel. We are progressing well on our step-by-step approach towards profitability.

Autogun Heroes entered soft launch during the first quarter and the performance has exceeded our expectations. The results we've seen so far are significantly better than what we've seen with any other games previously. Based on the monetization testing we are seeing a payback window in 60-90 days from the user acquisition. This combined with the strong monetization and retention are great indications for the upcoming hard launch. We are currently busy preparing the game for the hard launch.

NERF: Superblast has now progressed to the live operations phase during the first quarter. We are proud of the quality of the game, the positive player feedback and the several industry award nominations the game has received. The team continues their persistent work with continuous updates towards hitting the performance targets for the game.

Our B2B Service business continues forward with our two key development service projects. The project with Digital Extremes has progressed well in line with the plan and we remain optimistic about the future collaboration with the customer. The project with Supermassive Games has also progressed as

planned and was expanded during the first quarter with a follow up order. Moving forward, we are determined to continue delivering quality in our two ongoing B2B projects. Parallel to that, we have a strong sales funnel in business development.

During the quarter we received a positive decision from Business Finland to receive approximately 1,5 million EUR of funding. This funding is raised in steps during 2023–2025 and it supports the further development of our game portfolio as we're seeking new ways of bringing mobile games to the market with reduced time-to-market.

Overall, we're off to a strong start for the year. We are progressing well and determined to continue towards profitability step by step. I am excited about the growth opportunities ahead of us with both our games business and our B2B service business.

– JUSSI TÄHTINEN
CEO OF NITRO GAMES

CEO's Comment:

↗↗ We've started our year well and have exceeded our expectations with the soft launch for our new game Autogun Heroes. Our revenues grew 53,7 % to 1 742,3 KEUR and our EBITDA improved 79,8 % to -214,2 KEUR, compared to the first quarter previous year. Our B2B service business has continued as planned with existing revenue streams and a strong sales funnel. We are progressing well on our step-by-step approach towards profitability. I am excited about the growth opportunities ahead of us with both our games business and our B2B service business."



– JUSSI TÄHTINEN
CEO OF NITRO GAMES

Significant Events during January–March 2023

- ▶ Announced Autogun Heroes and started the soft launch.
- ▶ NERF: Superblast progressed to live operations phase with several industry award nominations.
- ▶ Signed approx. 0,6 million EUR expansion to development agreement with Supermassive Games.
- ▶ Received positive decision about funding of approx. 1,5 million EUR from Business Finland.

Announced Autogun Heroes and started the soft launch.

Nitro Games announced on January 30 a new mobile game: Autogun Heroes. Take back the control of an alien-infested world in this next-gen, non-stop 3D action platformer with overloaded guns, a team of heroes and blast those aliens into another dimension! Visually stunning, immersive gameplay makes you feel like you are inside the game fighting against the nasty villains. Rampage through levels and unlock new worlds. Collect new, powerful heroes in your team and select the best hero for the occasion! Discover new, more powerful weapons and gear. Get faster, nastier, and dodgier with different perks!

The game is currently in soft launch in selected countries in the Google Play store. The purpose of the soft launch is to measure and optimize the game experience with a limited scale audience. During this period, the team prepares the game to be introduced to larger audiences. The game is also available in closed beta testing for users who sign up in pre-registration on the game website: www.autogunheroes.net.

Nitro Games acts as the developer and publisher of the game. Nitro Games originally acquired the game from Danish developer Doomsday ApS as communicated earlier on 6 September 2022. The game team consist of members from both Nitro Games and Doomsday.

NERF: Superblast progressed to live operations phase with several industry award nominations. During the first quarter, Nitro Games has continued to work on NERF: Superblast. The game has progressed to the live operations phase as planned. The team has continued to work on the game towards hitting the performance targets. NERF: Superblast is a finalist for People's Choice Award, and also nominated in the Game of the Year category in Pocket Gamer mobile games awards.

Signed approx. 0,6 million EUR expansion to development agreement with Supermassive Games. Nitro Games has signed an expansion to the development agreement with Supermassive Games for an unannounced mobile game. With this agreement, Nitro Games provides UK-based PC and console games developer Supermassive Games ("Developer") with game development services, using intellectual property by the Developer. This agreement follows Nitro Games' strategy, where in addition to developing games based on its own IP, the company also offers its services to selected customers. Historically, Nitro Games has developed several successful projects for leading mobile gaming companies. This agreement is an extension to the previous development agreement between the parties communicated on 18 January 2022. The order value of this new expansion is approx. 0,6 million EUR, increasing the total order value of the agreement to approx. 3,4 million EUR. The parties have agreed on a revenue share to Nitro Games should the game proceed to commercial launch. The agreement follows an industry-standard structure. The project started in 2022 and the production phase is expected to be completed in 2023.

Significant Events during January–March 2023

Received positive decision about funding of approx. 1,5 million EUR from Business Finland. Nitro Games has received a positive decision from Business Finland to receive approximately 1,5M EUR of funding for a business development project. Business Finland has approved the total cost estimate of 3 056 278 EUR for a Business development project. This positive decision on funding from Business Finland is a maximum of 1 528 139 EUR (50% of approved total costs for the project). The estimated project duration is 1.2.2023–30.6.2025. The project is closely tied to Nitro Games' strategy and the development of the game portfolio. The project supports further development of the game portfolio as Nitro Games is seeking new ways of bringing mobile games to the market with reduced time-to-market.

The funding will be in the form of a soft loan. 30% of the approved funding was raised at the beginning of the project (estimated 458 442 EUR). The rest of the approved funding is to be received against reports of project progress. The terms are favorable for Nitro Games; interest rate is 3% below the base rate determined by the Ministry of Finance (but always at least 1%) and the term is 7 years, out of which the first 3 years are an instalment-free period. The base rate as of 1 March 2023 was 3.414%. Should the project fail, Business Finland can decide not to demand the whole loan to be paid back. In such case the maximum amount of loan not to be recovered is 853 000 EUR. Business Finland is a government agency and an accelerator of global growth. Business Finland creates new growth by helping businesses go global and by supporting and funding innovations. Business Finland was created on 1st January 2018 by the merger of two organizations: Finnpro, which offered services for internationalization, investments and tourism promotion, and Tekes, which offered funding for innovation activities. Business Finland aims to develop Finland to be the most attractive and competitive innovation environment in which companies can grow, change, and succeed.

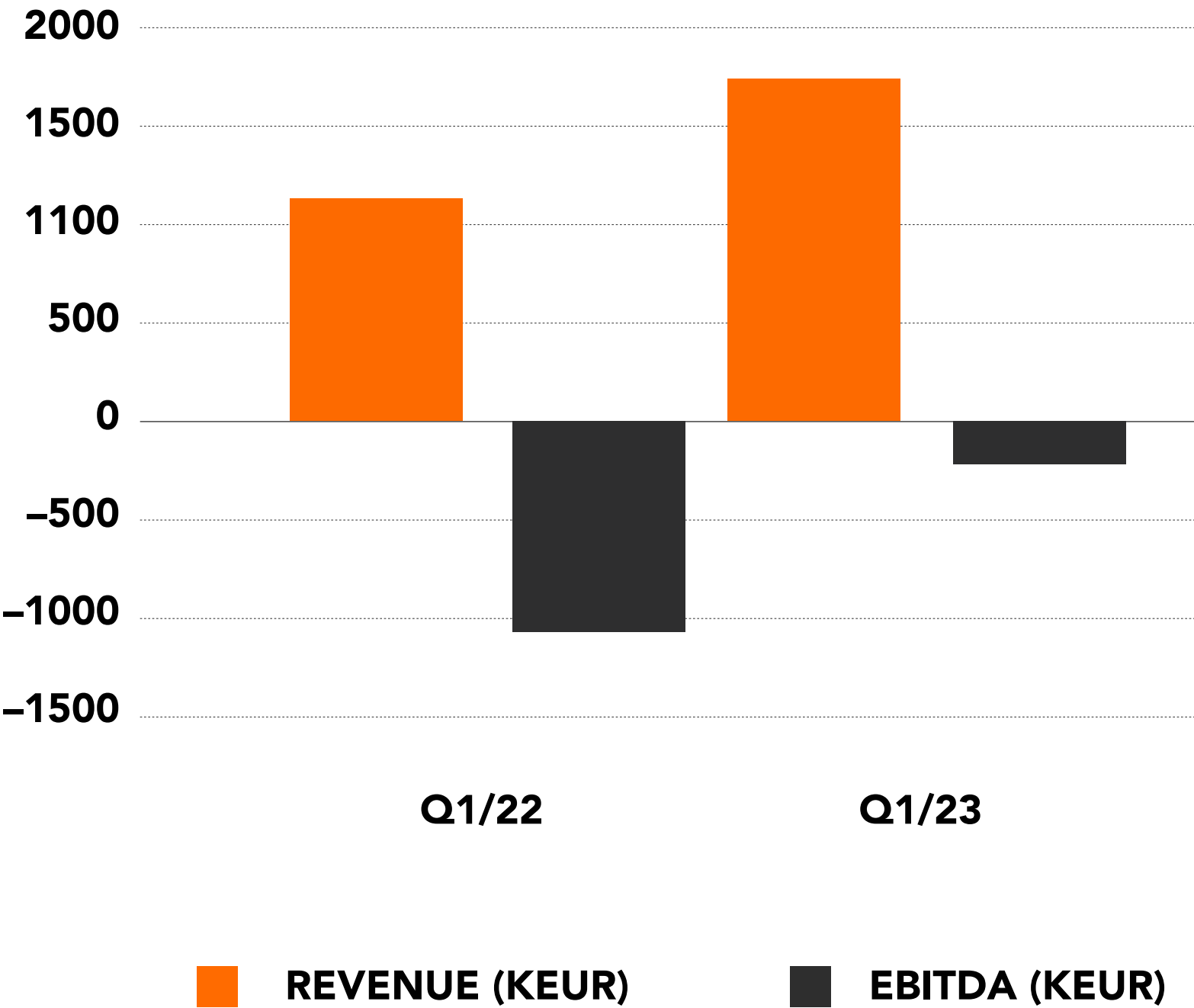
Significant Events after the interim period

Autogun Heroes performed above expectations during the soft launch phase and is currently being prepared for hard launch.

Nitro Games announced on April 5 that Autogun Heroes has performed above expectations during the soft launch phase and is currently being prepared for hard launch. Nitro Games announced a new game Autogun Heroes in January. Since then, the game has been in soft launch in selected markets, including the United States. During the public soft launch, the team has further developed the game while measuring the performance with live players and paying customers. Autogun Heroes is a single player free-to-play mobile game with in-app purchases and ad monetization. It is more straight-forward to evaluate the performance of a single player game compared to more complex real-time multiplayer games. The results seen so far are significantly better than what the company has seen with any other games previously. Based on the monetization testing the company is seeing a payback window in 60–90 days from the user acquisition. This combined with the strong monetization and retention are great indications for the upcoming hard launch. Moving forward, Nitro Games continues by preparing Autogun Heroes towards an upcoming hard launch to be announced separately.



Revenues & EBITDA



Revenues & Profit / Loss

Revenues were 1 742,3 KEUR during the period January–March 2023 (1 133,3 KEUR).

EBITDA amounted to -214,2 KEUR (-1 060,3 KEUR) during January–March 2023.

EBIT: Operating result before financial items amounted to -462,1 KEUR (-1 262,8 KEUR) during January–March 2023.

The net result for the period amounted to -360,5 KEUR (-1 276,9 KEUR) during January–March 2023.

The other operating income was 1,9 KEUR (6,2KEUR) during January–March 2023. This income includes non-recurring development grants as well as rent income.

Materials and services were -589,1 KEUR (-989,8 KEUR) during January–March 2023. This includes third party costs related to game development and maintenance (outsourced services) and game marketing costs, such as user acquisition costs.

The Personnel expenses were -866,0 KEUR (-825,1 KEUR) during January–March 2023. This cost includes wages and salaries and social security expenses.

Other operating expenses were -503,3 KEUR (-384,8 KEUR) during January–March 2023. This includes third party costs related to accounting, legal, stock market expenses, hardware and software, travel expenses, office costs, and other costs.

(Numbers in brackets refer to the corresponding year-on-year period)



Cash Flow and Financial Position

Thousand euros	Jan–Mar Q1 2023	Jan–Mar Q1 2022	Full Year 2022
Net cash from operating activities	-78,8	-1 124,1	-2 922,7
Net cash used in investing activities	-265,3	-171,8	-1 307,2
Net cash from financing activities	430,0	-5,1	2 090,1
Change in cash and cash equivalents	85,9	-1 301,1	-2 139,8
Cash and cash equivalents at the beginning of the period	1 597,5	3 737,3	3 737,3
Cash and cash equivalents at the end of the period	1 683,4	2 436,2	1 597,5



Investments and Depreciation

Part of the expenses from games in production were expensed as costs. Part of the costs from the development of the shooter game projects, and related technology was capitalized during the period against expected future profits. The company has a tight focus in the category of shooter games and utilizes re-usable technology and game features. This allows Nitro Games to take advantage of development activities done in previous projects, when working on a new game.

New development costs were capitalized from January to March 2023 by a total of 252,8 KEUR. This includes third party costs related to game development and maintenance (outsourced services), personnel costs, and other costs, which are directly related to the game projects. These capitalized development costs are amortized over a five (5) year period on a straight-line basis.

Depreciations were done according to the depreciation plan, consisting mostly of capitalized development costs from previous years. The depreciations amounted to a total of -247,9 KEUR January to March 2023.



Personnel

From January to March 2023, Nitro Games’s average number of employees was 50 (42).

	Jan–Mar 2023	Jan–Mar 2022	Change	Full Year 2022
Employees (average for the period)	50	42	19,0 %	51
Employees (end of period)	48	42	14,3 %	58

Market

Nitro Games is a company that develops and publishes mobile games in the global gaming market. Previously, the company has operated in several market segments, including PC, console, and mobile games. Today, Nitro Games focuses mostly on the mobile games market.

In 2022, the global mobile games market was estimated to be worth around USD 92.2 billion, which is approximately 6.4 percent lower compared to the previous year. It represents roughly 50 percent of the global games market, which was in turn, estimated to be worth USD 184.4 billion in 2022.

Source: Newzoo.

Related Party Transactions

Nitro Games’ related parties include its potential subsidiaries, associates, key management personnel and their close family members and entities under their control, as well as entities with significant influence over Nitro Games.

There were no related party transactions during the interim period.



The Share and Shareholders

Nitro Games’ shares are traded on Nasdaq First North Stockholm since June 16, 2017.

On March 31, 2022, Nitro Games share capital amounted to 80 KEUR and the number of shares was 12 903 102. Each share entitles its shareholder to one vote in the general meeting. The shares have no nominal value. Nitro Games does not own its own shares.

The shareholdings of the 10 largest shareholders are presented in the table:

REG. DATE 31.3.2023 Shareholders	Number of shares	% of shares and votes
Nordisk Games A/S	6 492 636	50,32
Avanza Pension försäkring AB	838 577	6,50
Nordnet Pensions försäkring AB	262 392	2,03
Turret Oy Ab	215 000	1,67
Markus Johansson	187 278	1,45
Feat Invest Ab ¹	179 717	1,39
Coeli Wealth Managements AB	149 600	1,16
Antti Villanen	135 947	1,05
Nordic Marine Norden AB	135 930	1,05
Zakaria Rtel Bennani	120 240	0,93
Others	4 185 785	32,44
The total number of shares	12 903 102	100,00

¹ Feat Invest Ab is controlled by Johan Biehl (Chairman of Board)



Calculation of Earning per Share

	Jan-Mar 2023	Jan-Mar 2022	Full Year 2022
Net profit /loss (EUR thousand)	-360,5	-1 276,9	-3 707,6
Weighted average number of shares during the period, basic	12 903 102	12 893 376	12 900 123
Weighted average number of shares during the period, diluted	12 903 102	13 899 528	12 900 123
Number of shares at the end of the period	12 903 102	12 893 956	12 903 102
Number of Share options	1 192 072	1 234 190	1 256 940
Number of Special Right	1 113 586	0	1 113 586
Equity per share (EUR)	0,0	0,2	0,1
Earnings per share (EUR) undiluted	0,0	-0,1	-0,3
Earnings per share (EUR) diluted	0,0	-0,1	-0,2



Review

This report has not been reviewed by the company's auditors.

Certified Adviser

Nitro Games' Certified Adviser is FNCA Sweden AB, info@fnca.se, +468 528 00399.

Investor Contact

The latest information on the company is published on the company's website www.nitrogames.com/investors. The company can be contacted by email jussi@nitrogames.com, or by phone +358 44 388 1071

Financial Calendar

Annual General Meeting 2023, 15 May 2023
 Half-Year Report 2023, 21 August 2023
 Interim Report Jan–Sep 2023, 23 October 2023
 Year-End Report 2023, 19 February 2024
 Annual Report 2023 22 April 2024
 Annual General Meeting 2024, 20 May 2024

Note

This company announcement contains information that Nitro Games Oyj is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication by contact person mentioned below on 24 April 2023 at 09:00 (EEST).

For Further Information, Please Contact:

Jussi Tähtinen
 CEO, Co-founder
 +358 44 388 1071
jussi@nitrogames.com

Board Declartion

The Board of Directors and the Chief Executive Officer hereby certify that this Interim Report gives a true and fair view of the company's and the group's operations, financial position, and results of operations, and describes significant risks and uncertainties faced by the company.

Kotka, Finland, 24 April 2023

Johan Biehl
Chairman

Antti Villanen

Mikkel Weider

Susana Meza Graham

Jussi Tähtinen
CEO





Key Financials

IFRS	Jan–Mar 2023	Jan–Mar 2022	Full Year 2022
Revenue (EUR thousand)	1 742,3	1 133,3	7 247,9
Operating profit/loss (EUR thousand)	-462,1	-1 262,8	-3 621,3
Operating profit/loss % (EBIT %)	-26,5 %	-111,4 %	-50,0 %
EBITDA (EUR thousand)	-214,2	-1 060,3	-2 799,8
EBITDA %	-12,3 %	-93,6 %	-38,6 %
Net profit /loss (EUR thousand)	-360,5	-1 276,9	-3 707,6
Cashflow generated from operations (EUR thousand)	-78,8	-1 124,1	-2 922,7
Equity ratio (%)	4,2 %	46,9 %	8,9 %
Weighted average number of shares during the period, basic	12 903 102	12 893 376	12 900 123
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Equity per share (EUR)	0,0	0,2	0,1
Earnings per share (EUR) undiluted	0,0	-0,1	-0,3
Earnings per share (EUR) diluted	0,0	-0,1	-0,2
Net debt (EUR thousand)	6 250,7	702,2	5 821,0
Number of employees (averages for the period)	50	42	51



Statement of Profit or Loss

These unaudited financial statements report for the period 1.1.–31.3.2023 have been prepared according to International Financial Reporting Standards (IRFS) and Nasdaq First North Growth marketplace rules and regulations.

EUR	Note	Jan–Mar 2023	Jan–Mar 2022	Full Year 2022
Revenue	2.4, 3	1 742 260	1 133 268	7 247 921
Other operating income		1 871	6 171	11 841
Materials and services		-589 071	-989 788	-4 248 953
Employee benefits expense	2.3, 4, 5	-865 951	-825 144	-3 814 448
Depreciation and amortization	7	-247 913	-202 486	-821 437
Other operating expenses		-503 312	-384 849	-1 996 195
Operating profit		-462 116	-1 262 828	-3 621 271
Finance income and expenses	2.5	-43 881	-14 076	-86 281
Profit before tax		-505 997	-1 276 903	-3 707 552
Income tax expense	2.7, 6	145 464	0	0
Profit/loss for the period		-360 533	-1 276 903	-3 707 552
Total comprehensive income for the period, net of tax		-360 533	-1 276 903	-3 707 552



Statement of Financial Position

EUR	Note	31 Mar 2023	31 Mar 2022	31 Dec 2022
ASSETS				
Non-current assets		5 781 653	2 903 039	5 650 370
Intangible assets	2.1, 7	5 405 022	2 732 342	5 406 738
Right-of-use assets	2.2	158 647	59 677	171 111
Non-current receivables		72 521	111 021	72 521
Deferred tax assets	2.7, 6	145 464	0	0
Current assets		2 471 021	3 004 990	2 498 185
Trade receivables		539 689	347 688	594 840
Prepayments and accrued income		247 915	221 059	305 872
Cash and cash equivalents		1 683 417	2 436 243	1 597 472
Total assets		8 252 674	5 908 028	8 148 555

EUR	Note	31 Mar 2023	31 Mar 2022	31 Dec 2022
EQUITY AND LIABILITIES				
Equity				
Issued capital		80 000	80 000	80 000
Reserves		26 735 779	26 389 318	26 725 032
Retained earnings		-26 096 360	-22 422 825	-22 374 530
Profit (loss) for the period		-360 534	-1 276 903	-3 707 552
Total equity		358 885	2 769 590	722 950
Liabilities				
Non-current liabilities		4 260 856	1 970 486	4 042 828
Interest-bearing loans and borrowings	2.5	1 714 841	1 690 604	1 256 841
Contingent consideration liabilities	2.5	1 836 199	0	1 808 300
Trade and other payables		604 876	231 122	839 265
Lease liabilities	2.2	104 940	48 760	138 422
Current liabilities		3 632 934	1 167 953	3 382 776
Trade and other payables		2 471 312	592 061	2 218 253
Interest-bearing loans and borrowings	2.5	425 429	25 000	436 540
Lease liabilities	2.2	56 506	12 190	34 605
Other current financial liabilities		61 625	49 025	81 638
Accrued liabilities		618 061	489 676	611 739
Total liabilities		7 893 789	3 138 439	7 425 605
Total equity and liabilities		8 252 674	5 908 028	8 148 555



Statement of Cash Flows

Thousand euros	Jan–Mar 2023	Jan–Mar 2022	Full Year 2022
Cash flow from operating activities:			
Profit (-loss) before extraordinary items	-360,5	-1 276,9	-3 707,7
Adjustments:			
Depreciation according to plan	247,9	202,5	821,4
Financial income and expenses	5,3	5,3	21,4
Other non-cash items	-43,7	130,5	253,3
Cash flow before change in working capital	-151,0	-938,6	-2 611,6
Change in working capital:			
Increase (-) / decrease (+) in current non-interest-bearing receivables	113,1	-147,7	-479,7
Increase (-) / decrease (+) in non-current non-interest-bearing receivables	0,0	0,0	38,4
Increase (+) / decrease (-) in current non-interest-bearing liabilities	235,5	178,5	358,8
Increase (+) / decrease (-) in non-current non-interest-bearing liabilities	-274,9	-216,3	-207,9
Cash flow from operating activities before financial items and taxes	-77,3	-1 124,1	-2 902,0
Interest paid and payments for other financial operating expenses	-1,5	0,0	-20,7
Net cash from operating activities (A)	-78,8	-1 124,1	-2 922,7
Cash flow from investing activities:			
Acquisition of intangible and tangible assets	-252,8	-168,1	-1 199,5
Acquisition of right-of-use assets	-12,5	-3,7	-107,7
Net cash used in investing activities (B)	-265,3	-171,8	-1 307,2
Cash flow from financing activities:			
Share issue against payment	0,0	12,2	13,2
Proceeds from and repayment of current loans	-11,1	-8,3	403,2
Proceeds from and repayment of non-current loans	458,0	0,0	1 566,0
Additions /repayments of finance lease liabilities	-11,6	-3,7	108,4
Interest paid and contributions from financial expenses	-5,3	-5,3	-0,7
Net cash from financing activities (C)	430,0	-5,1	2 090,1
Change in cash and cash equivalents (A + B + C) increase (+) / decrease (-)	85,9	-1 301,1	-2 139,8
Cash and cash equivalents at the beginning of the period	1 597,5	3 737,3	3 737,3
Cash and cash equivalents at the end of the period	1 683,4	2 436,2	1 597,5



Statement of Changes in Equity

A summary report showing changes in equity during the financial quarterly period, including comparative figures for the same period during the previous financial year.

EUR thousand	Share capital	Invested unrestricted equity reserve	Retained earnings (loss)	Profit (loss) for the financial year	Total equity
Equity 1 Jan 2023	80	26 725	-26 083		722
Shares issued					
Option subscriptions					
Equity-Conversion option					0
Shares-based payments		11	-14		-3
Profit (loss) for the financial period				-360	-360
Equity 31 Mar 2023	80	26 736	-26 097	-360	359
Equity 1 Jan 2022	80	26 254	-22 422		3 912
Shares issued					
Option subscriptions					
Equity-Conversion option		12			12
Shares-based payments		123			123
Profit (loss) for the financial period				-1 277	-1 277
Equity 31 Mar 2022	80	26 389	-22 423	-1 277	2 770
Equity 1 Jan 2022	80	26 254	-22 422		3 912
Shares issued					
Option subscriptions		13	19		32
Equity-Conversion option		220	28		248
Shares-based payments		238			238
Profit (loss) for the financial period				-3 708	-3 708
Equity 31 Dec 2022	80	26 725	-22 375	-3 708	722



Notes to the financial statements

1 Company information and basis of accounting

1.1 Company information

Nitro Games Oyj (hereafter 'Nitro Games' or the 'Company'), is a Finnish mobile games developer and publisher. The company is experienced in developing games for the global gaming market. The company's headquarters are located in Kotka, Finland, and it also has an office in Helsinki, the capital of Finland. The company was the first Finnish mobile gaming company listed at the Swedish Nasdaq First North Growth Market in Stockholm on June 16, 2017.

1.2 Basis of accounting

The Company's date of transition to IFRS was 1 January 2022 and the first interim financial statements in accordance with IFRSs are prepared for the first quarter ended on 31 March 2023, with comparative information for the period ended on 31 March 2022 as well as the full year ending 31 December 2022 and the opening statement of financial position on 1 January 2022. Until 31 December 2022, the Company's financial statements were prepared in accordance with Finnish Accounting Standards (FAS). The FAS-based accounting policies were presented in the financial statements as of 31 December 2022. The impacts resulting from the adoption of IFRS are discussed in Note 2 Transition to IFRS.

In its meeting on 16 March 2023 the Board of Directors of Nitro Games Plc approved the publishing of these financial statements prepared in accordance with IFRS.

Nitro Games is a growth company. Since its listing on Nasdaq Stockholm's First North Growth Market Sweden marketplace in June 2017, Nitro Games has had adequate financial resources to remain in operation and expects the resources be

adequate for the foreseeable future. The financial statements have been prepared applying the assumption of continuing as a going concern.

The general policies applied that relate to the financial statements as a whole are addressed in this section Basis of accounting and those that are specific to a component of the financial statements, have been incorporated into the relevant note, together with descriptions of management judgements, related estimates and assumptions.

The financial statements are prepared on the historical cost basis of accounting, except for the following that are measured at fair value: investments measured at fair value through profit or loss and presented on the line item. Convertible loans taken in the statement of financial position, share-based payments as well as assets acquired, and liabilities assumed. Further information about the assumptions made in measuring fair values is included in the following notes:

2.3 Share-based payments, 2.5 Financial assets and financial liabilities.

The figures in the financial statements are presented in euros, except when otherwise indicated. All figures presented have been rounded, and consequently the sum of individual figures may deviate from the presented aggregate figure.

1.3 Critical management judgments and key sources of estimation uncertainty

The preparation of IFRS financial statements requires management to make judgments, estimates and assumptions. These affect the reported amounts of assets and liabilities, and disclosure of contingent assets and liabilities at the period-end as well as the reported amounts of income and expenses during the reporting period. Estimates and judgments are based upon historical experience and on various other assumptions believed to be accurate and reasonable under the circumstances at the end of the reporting period and the time when they were made. Actual results may differ from these estimates due to different assumptions or conditions. Nitro Games regularly evaluates its estimates and judgments. Changes in accounting estimates may be necessary as a result of new information

or more experience, or if the underlying circumstances evolve. Consequently, the estimates made for the interim financial statements as at 31 March 2023 may have to be revised subsequently. The Company recognizes such changes in the period in which the estimate or the assumption is revised. The descriptions of use of judgments as well as estimates and assumptions are incorporated into the relevant note and highlighted with beige color.

1.4 Use of judgments

Judgements that the Company management has made in the process of applying accounting policies and that have the most significant effect on the amounts recognized in the financial statements, relate to the following areas:

1.5 Estimates and assumptions

In Nitro Games, the assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year comprise the following:

1.6 Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. Fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair values are categorized into hierarchy levels that are representative of the inputs used in the valuation techniques as follows:

- ▶ Level 1: Fair value is calculated on the basis of quoted prices (unadjusted) in active markets for identical assets or liabilities that Nitro Games can access at the measurement date.
- ▶ Level 2: Fair value is calculated on the basis of inputs other than quoted prices included in Level 1 that are observable for the asset or liability; either directly (i.e., as prices) or indirectly (i.e., derived from prices).

- ▶ Level 3: Fair value is calculated on the basis of inputs for the asset or liability that are not based on observable market data (unobservable inputs).

1.7 Statement of cash flows

Interest payments related to capitalized borrowing costs are presented in investing activities in the corresponding item where the costs have been capitalized.

Payments related to lease liabilities are presented in financing activities. Interests related to lease liabilities are presented in operating activities under interest paid.

2 Transition to IFRS

Nitro Games Oyj is publishing its first condensed unaudited interim financial statements prepared in accordance with the IFRS standards for the financial period ended 31 March 2023. The financial statements include comparative financial statements for the financial period ended 31 March 2022 as well as financial statement for the full year 2022. The company's IFRS transition date is 1 January 2022. Previously, the Nitro Games followed the Finnish Accounting Standards (FAS).

The Nitro Games will apply IFRS 1 First-time Adoption of International Financial Reporting Standards in preparing these Interim financial statements. The interim financial statements have been prepared in accordance with IAS 34. The impacts of the transition are described in the note below "Adoption of IFRS".

The company has prepared the following condensed unaudited IFRS financial information to provide its investors with comparison information about its statement of profit and loss, statement of financial position and key performance indicators for the financial period that ended on 31 March 2023 and the financial period that ended on 31 March 2022.

In addition, the statement of financial position is presented for the IFRS transition date, which is 1 January 2022. The key differences arising from the transition to IFRS reporting, compared with the Finnish Accounting Standards, are described below.

IFRS adjustments on 1 January 2022, 31 December 2022 and for the interim financial reports ended 31 March 2023 and 31 March 2022.

2.1 Intangible assets

- (i) Reclassification of capitalized development costs: The capitalized game development costs (IAS 38) which have been recorded to Manufacturing for

enterprise's own use under FAS are now being reclassified as reduction to Materials and services and increase in Employee benefit expenses and Other operating expenses in the statement of profit and loss.

- (ii) Borrowing costs: In its FAS financial statements Nitro Games expensed all borrowing costs. Under IFRS borrowing costs are required to be capitalized for the cost of the asset requiring a substantial period of time to complete when they meet the criteria for the capitalization. In the transition to IFRS Nitro Games capitalized borrowing costs for development projects if the development phase exceeded 12 months.
- (iii) The calculated interest expense of the convertible debenture in accordance with IAS 32 and IFRS 9 is recorded as interest expense. The impact in the first quarter 2023 is an increase in interest expense of EUR 27,9 thousand. The debenture was granted in the third quarter of 2022 and will therefore appear in the full year comparative statement of 2022. The impact in 2022 was an increase in interest expense of EUR 28,3 thousand.

2.2 Leases

In its FAS financial statements Nitro Games recognized lease payments as expenses in the period to which they related. Nitro Games adopted IFRS 16 Leases using the full retrospective approach with right-of-use assets and lease liabilities determined starting from lease commencement date. Nitro Games's leases mainly relate to IT equipment like servers and computers.

- ▶ As result of the change in accounting of leases Nitro Games recognized right-of-use assets amounting to EUR 158,6 thousand and Lease liabilities EUR 161,4 thousand on 31 March 2023. An adjustment amounting to EUR 1,2 thousand was recognized to Accumulated losses 1.1.2022 reflecting the differences in the adjustments due to the changes in lease accounting.

- ▶ Right-of-use assets amounted to EUR 59,7 thousand and Lease liabilities EUR 60,9 thousand on 31 March 2022.
- ▶ Right-of-use assets amounted to EUR 171,1 thousand and Lease liabilities EUR 173,0 thousand on 31 December 2022.
- ▶ In the statement of profit and loss, the lease expenses previously presented under Other operating expenses were reversed, and depreciation and interest costs recognized. The adjustments did not have any effect on profit and loss as the leases are depreciated over the same period as the lease term.
 - ▶ or the financial year ended 31 December 2022, lease payments were reversed from Other operating expenses of EUR 50,2 thousand and reclassified to depreciation of the right-of-use assets EUR 45,9 thousand and interest charges of EUR 4,3 thousand.
 - ▶ For the interim reporting period ended on 31 March 2023, lease payments of EUR 17,4 thousand were reversed from Other operating expenses and reclassified to interest charges of EUR 2,6 thousand and depreciation of the right-of-use assets amounted to EUR 14,8 thousand.

For the comparative interim reporting period ended on 31 March 2022, lease payments of EUR 9,2 thousand were reversed from Other operating expenses and reclassified to interest charges of EUR 0,6 thousand and depreciation of the right-of-use assets amounted to EUR 8,6 thousand.

Nitro Games did not recognize in statement of financial position short-term leases (a lease that, at the commencement date, has a lease term of 12 months or less) and leases for which the underlying asset is of low value (each asset with a value of approximately EUR 5 thousand or less when new). Nitro Games recognizes the lease payments associated with these leases as an expense on a straight-line basis over the lease term in Other operating expenses. The treatment is in line with the FAS principle.

2.3 Share-based payments

Nitro Games has share option plans for its employees and other key personnel and the related payments are made with equity instruments. In FAS financial statements the option plans had not been recognized in profit or loss. IFRS 2 Share-based Payments requires share options to be measured at the grant-date fair value and recognized as expenses over the vesting period. A contra-entry is made to equity, so the equity balance is not affected. The resulting change was an increase of EUR 10,7 thousand in the Employee benefit expenses in the interim reporting period ended 31 March 2023 and an increase of EUR 123,6 thousand in the Employee benefit expenses in the interim reporting period ended 31 March 2022. The corresponding figure in the financial year ended 31.12.2022 was EUR 238,2 thousand. Under FAS, the subscription price of the share has been recorded in the company's reserve for invested unrestricted equity. The benefit received by employees and other key personnel from the discount granted in share issues has been recorded as an expense in the statement of income under FAS. Under IFRS, the received payments have been recognized as expenses over the vesting period and counter-entry is made to equity.

2.4 Revenue recognition

IFRS includes the 5-step model for revenue recognition. Revenue is recognized over time or at the point in time on a performance obligation level. First, it is analyzed whether the over-time revenue recognition criteria are met and if not, revenue is recognized at a point in time. All Nitro Games revenue is currently recognized at a point in time. The revenue recognition method was the same as according to FAS. Thus, there were no adjustments to the revenue recognized in transitioning from FAS to IFRS. Nitro Games had no customer contracts, that were not completed, at the date of transition to IFRS on 1 January 2022, thus no adjustment was recognized on 1 January 2022.

2.5 Financial instruments

2.5.1 Effective interest rate method: Previously Nitro Games measured its financial liabilities at their nominal values. In the transition to IFRS Nitro Games adopted the effective interest rate method (EIR), which decreases the original loan value with the amount of the transaction costs. The amortization of the transaction costs to finance costs increases the finance cost. There were no material transactions costs to be capitalized during the transition period and the interim reporting periods.

2.5.2 Convertible loan: Nitro Games drew a convertible, 2-year interest free loan of EUR 2 million in September 2022 from Nordisk Games A/S. The convertible loan was presented at nominal value under FAS. In IFRS the convertible loan was recognized at fair value through profit or loss. The instrument has been classified as a compound financial instrument in the statement of financial position. The instrument has been divided into a loan element and an equity element. The loan is carried at amortized cost and the option element is booked to equity. This effect to the equity at date of recording was an increase of equity of EUR 220 thousand in the year ended 31.12.2022. The equity element is amortized through profit and loss over the duration of the loan period.

The calculated interest expense of the convertible debenture in accordance with IAS 32 and IFRS 9 is recorded as interest expense. The impact in the first quarter 2023 is an increase in interest expense of EUR 27,9 thousand. The loan was granted in the third quarter of 2022 and will therefore appear in the full year comparative statement of 2022. The impact in 2022 was an increase in interest expense of EUR 48,4 thousand.

2.5.3 Government loans with lower than market interest rate. Nitro Games was awarded a non-collateral government loan facility. The facility, maximum amount EURO 1,635 thousand, was for a seven-year period and the interest rate was below market rate. The loan was awarded for a specific research and development project. The loan granted can be a maximum of 50% of the project's total cost. Repayments of the loan are done in annual tranches, with the first three years amortization-free.

There is a clause about possible non-repayment of the loan, up to 100% of the loan amount, in the event of the project failing. Due to the uncertainty of the cash-flows relating to drawdowns and eventual repayment of the loan, the loan is measured at historical costs based on drawdowns and amortizations. The loan is now fully drawn down and the fair value of the loan balance as at 31.03.2023 is EUR 1,613 thousand. First amortization of EUR 403 thousand is on 29.4.2023, followed by annual repayments until the loan is fully repaid on 29.4.2026. The company has treated the below-market interest component as a government grant. The amount has been calculated as the difference between nominal interest (1%) on the loan and the company's alternative financing cost (4%). Based on this the interest subsidy is 3%. This interest subsidy is calculated on the outstanding loan balance and recorded as an interest expense through profit and loss, with the other entry being recorded to retained earnings in equity, thus giving an equal annual interest cost of 4% on the loan balance outstanding.

A second loan with similar terms has been underwritten in March 2023 for maximum value of EUR 1,528. The first drawdown of EUR 458 thousand was done 31.3.2023. The remaining facility will be drawn down between 2023–2025 subject to project progress reports.

2.6 Capitalized development costs

The capitalized game development costs (IAS 38) which have been recorded to Manufacturing for enterprise’s own use under FAS are now being reclassified as reduction to Materials and services and Employee benefit expenses and other operating expenses. The amounts are shown in the bridge calculations between FAS and IFRS.

2.7 Deferred taxes

Deferred taxes: Deferred tax adjustments were recognized on IFRS adjustments where applicable. Deferred tax assets were recognized for deductible temporary differences only to the extent that it is probable that future taxable profits will be available. Deferred tax assets and deferred tax liabilities were offset to the extent they relate to the same taxation authority and Nitro Games has a legally enforceable right to set off current tax assets against current tax liabilities. The company recorded a deferred tax asset of EUR 145,5 thousand through profit and loss in the first quarter ending 31 March 2023.

3 Revenue and segment information

Disaggregation of revenue

Nitro Games’s main source of revenue comes from publishing gaming products. The operation is divided into two business areas: the development and publishing of mobile games for international distribution and selling of expertise as a service to international gaming companies.

	Q1/23	Q1/22	FY2022
Revenue			
Revenue from operations	1 742 260	1 133 268	7 247 921
Self-publishing	255 132	81 766	515 865
Service business	1 487 128	1 051 502	6 732 057

Revenue by geographical market

The geographical breakdown of revenue is presented based on the location of the customers. All of the revenue shown above has been recognized at a point in time.

	Q1/23	Q1/22	FY2022
Revenue per market area	1 742 260	1 133 268	7 247 921
EU	165 681	1 050	689 112
North America	860 593	586 240	2 993 686
United Kingdom	650 000	510 000	3 407 775
Other	65 986	35 978	157 348

4 Employee benefits

Accounting policy

The Company's employee benefits comprise short-term employee benefits, post-employment benefits, and share-based payments. Nitro Games provided no other long-term employee benefits, nor any material termination benefits in the financial years presented.

Short-term employee benefits comprise wages, salaries, fringe benefits, annual leave and bonuses. Nitro Games recognizes these benefits in the period in which employees perform the work.

Post-employment benefits are payable to employees after the completion of employment. In Nitro Games these benefits relate to pensions. The pensions are arranged in external pension institutions. Pension plans are classified as either defined benefit plans or defined contribution plans. A defined contribution plan is a pension plan under which Nitro Games pays fixed contributions into a separate entity and has no legal or constructive obligations to pay further contributions if the separate entity does not hold sufficient assets to pay all employees the related benefits. All other plans are classified as defined benefit plans. The Company only has defined contribution plans. The Company's most significant defined contribution plan is the TyEL plan in Finland. Contributions made to the plans are expensed in the period during which the services are provided. Nitro Games records prepaid contributions as an asset to the extent that a cash refund or a reduction in future payments is available.

Termination benefits are not based on an employees' service but arise from the termination of an employee's employment. Termination benefits are benefits provided in exchange for termination of an employee's employment as a result of the Company's decision or an employee's decision to accept an offer of benefits in exchange for termination. Termination benefits are recognized at the earlier of the

following: when the Company can no longer withdraw the offer of those benefits or when the Company recognizes costs for a restructuring that includes the payment of termination benefits.

5 Share-based payments

Accounting policy

Nitro Games has several option programs. The programs include conditions requiring the option holder to be employed in the company for a certain period (service condition).

Non-market vesting conditions are not considered when measuring the fair value of an option on the grant date. Service conditions are considered on each reporting date to estimate the quantity of awards that will vest, and expense will be adjusted accordingly. Expense will ultimately reflect those awards that do ultimately vest.

Options are measured at fair value on their grant date and expense is recognized as an expense to Employee benefits and to Accumulated losses in equal tranches for the vesting period.

The fair value on grant date is determined using Black-Scholes pricing model. The various assumptions used as input are spot price of the company's share on grant date, option strike price, vesting period, risk-free interest rate and the volatility of the company's share.

When the options are exercised, the proceeds received from the share subscriptions are recognized in accordance with the terms of the plan under the reserve for invested unrestricted equity, adjusted for any transaction costs.

Option programs

Nitro Games has established option programs as incentive programs for the company's personnel, including the company's employees and other key personnel. The purpose of issuing the option rights is to bind the option holders to the economic growth of the company and to the development of the company's value as well as create a long-term relationship between the company and the option holders, which benefits the company both economically and operationally.

According to the Key personnel option programs the subscription right may be used only if the option holder has an employment or service relationship with the company at the time of the subscription. The option programs also include a condition related to the continuance of the work or service relationship, according to which the option holders lose their right to the options if they terminate their employment or service relationship. If the option holder's relationship is terminated by the company, the option holder is entitled to retain the vested options and the options that will vest during the following vesting event.

Significant estimate – assumptions used in measuring fair value

The fair value of stock options is determined on their grant date. The fair value is determined using the Black-Scholes option pricing model. The expected volatility is based on the Company's available historical volatility. The company's uses as its alternative borrowing cost the 12-month Euribor +3,5% margin, (is used) as a proxy for the risk-free rate.

On each reporting date, the company estimates the amount of awards that will vest, and the accrued expense will be adjusted accordingly.

6 Income taxes

Accounting policy

The income tax expense in profit or loss comprises both current tax and change in deferred taxes. Income taxes are recognized in profit or loss.

Where tax positions are uncertain, accruals are recorded within income tax liabilities for management's best estimate of the ultimate liability expected to arise based on the specific circumstances, Company's interpretation of the tax laws and historical experience.

Current tax

The current income tax charge is calculated on the taxable income on the basis of the tax rate and tax laws enacted (or substantively enacted) by the period-end date in the countries where the Company operates and generates taxable income. Current taxes are adjusted for the taxes of previous financial periods, if applicable.

Taxable profit may differ from the profit reported in financial statements, since some income or expense items may be taxable or deductible in other years, and/or certain income items are not taxable or certain expense items are non-deductible for taxation purposes.

Deferred taxes

Deferred taxes are calculated on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the interim financial statements. As at 31 December 2022, the Company had not recorded any deferred taxes or tax losses carried forward. During first quarter ending 31 March, 2023, the company recorded a deferred tax asset. Deferred taxes are determined using the statutory tax rates (and tax laws) or the tax rates substantively enacted by the period-end.

Deferred tax liabilities

A deferred tax liability is recognized for taxable temporary differences between the carrying amount of the item and the tax base.

Deferred tax assets

A deferred tax asset is recognized for deductible temporary differences, the carry forward of unused tax losses and unused tax credits, only to the extent that it is probable that future taxable profits will be available, against which Nitro Games can utilize the abovementioned items.

- ▶ Recognized deferred tax assets: the Company reviews the amount and the probability of the utilization of such assets at each period-end. If the utilization of the related tax benefit is not considered probable anymore, Nitro Games recognizes a write-down against the deferred tax asset.
- ▶ Unrecognized deferred tax assets: Nitro Games reassesses these items at each period-end and recognizes those to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered. This applies, for example, to deferred tax assets to be recognized on tax losses carried forward. In making this determination, the Company considers all available positive and negative evidence including projected future taxable income, future reversals of existing temporary differences, changes in tax laws and/or rates and recent financial arrangements.

Tax losses for which no deferred tax asset is recognized.

Of the tax losses carried forward for which no deferred tax asset is recognized, EUR 24 255 thousand have arisen in Nitro Games Oyj (EUR 24 982 thousand on 31 March 2023 and EUR 25 557 thousand on 1 January 2022). No deferred tax asset has been recognized for the losses, at the date of preparation of the financial statements for the year ending 31 December 2022, as it was not considered that there was convincing evidence that the losses would be recoverable in the near future. EUR 3 750 thousand of the losses expire between 2023 and 2027 and EUR 21 807 thousand between 2028 and 2032. In the interim financial statements for

the first quarter ending 31 March 2023, the company recorded, based on the company's assessment of the outlook of the company's available taxable profits in the near future, a deferred tax asset of EUR 145,5 thousand.

7 Intangible assets**Intangible assets**

An intangible asset is recognized if the item is identifiable, Nitro Games controls the asset, there are future economic benefits associated with the intangible asset and it is probable that the future economic benefits that are attributable to the asset will flow to the Company, and the cost of the asset can be measured reliably. Intangible assets are initially measured at cost, except for those assets acquired as part of a business combination. Subsequently, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Amortization is provided on a straight-line basis over the useful lives of the assets.

Research and development expenditures

The Company capitalizes technology and development costs relating to the development of the game platform, when all the following criteria are met:

- ▶ Nitro Games can demonstrate the technical feasibility of completing the intangible asset so that it will be available for use or sale.
- ▶ The Company intends to complete the intangible asset and use or sell it.
- ▶ Nitro Games is able to use or sell the intangible asset.
- ▶ The Company is able to demonstrate how the intangible asset will generate probable future economic benefits.
- ▶ Nitro Games has adequate technical, financial and other resources available to complete the development and to use or sell the intangible asset.
- ▶ Nitro Games is able to measure reliably the expenditure attributable to the intangible asset during its development.

Capitalization of development expenditures begins when all the criteria described above are met and ceases when the intangible asset is available for use as intended by management. Capitalized development costs comprise all directly attributable costs of preparing the asset for its intended use. Those costs at Nitro Games mainly include employee benefit costs and purchases from third parties. The Company has also:

- ▶ capitalized borrowing costs incurred by Nitro Games, from the government loans drawn for development activities, or from the generally borrowed funds, where a capitalization rate is applied to the expenditures on that asset.

Amortization periods

The intangible assets are amortized over 3 to 10 years. The amortization period for development costs is 5 years and for Immaterial rights 3–10 years.

Nitro Games reviews the amortization periods and methods applied at least at each financial year-end. If the expected useful life of an asset is different from previous estimates, the amortization period is adjusted prospectively. The changes in useful lives may arise from technical developments, or changes in demand or competition, for example.

Impairment testing

The management of Nitro Games assesses at each reporting date whether there is any indication that an intangible asset may be impaired. As of 31 March 2023 the management has not observed any indication of impairment in the company's assets or liabilities.

Reconciliation between FAS and IFRS

FINANCIAL STATEMENTS Statement of profit or loss		FAS	IAS 38 Capitalized game development	IFRS 16 leasing adjustments	IFRS 2 option adjustments	IAS 23 Borrowing costs capitalization	IFRS 9/IAS 32 Convertibel bonds	IAS 20 Government grants	Total IFRS adjustments	IFRS
Euro	Note	FY 2022								FY 2022
Revenue	2.4, 3	7 247 921								7 247 921
Other operating income		11 841								11 841
Manufacturing for enterprice's own use		699 462	-699 462						-699 462	0
Materials and services		-4 760 797	511 844						511 844	-4 248 953
Employee benefits expense	2.3, 4, 5	-3 759 959	183 751		-238 241				-54 490	-3 814 448
Depreciation and amortization	7	-772 361		-45 865		-3 210			-49 076	-821 437
Other operating expenses		-2 050 218	3 867	50 155					54 022	-1 996 195
Operating profit		-3 384 109	0	4 290	-238 241	-3 210		0	-237 161	-3 621 271
Finance income and expenses	2	-21 358		-4 290		16 052	-28 300	-48 385	-64 923	-86 281
Profit before tax		-3 405 468	0	0	-238 241	12 842	-28 300	-48 385	-302 084	-3 707 552
Income tax expense	2.6.2, 6	0							0	0
Profit/loss for the period		-3 405 468	0	0	-238 241	12 842	-28 300	-48 385	-302 084	-3 707 552

FINANCIAL STATEMENTS Statement of profit or loss		FAS	IAS 38 Capitalized game development	IFRS 16 leasing adjustments	IFRS 2 option adjustments	IAS 23 Borrowing costs capitalization	IFRS 9/IAS 32 Convertibel bonds	IAS 20 Government grants	Total IFRS adjustments	IFRS
Euro	Note	1.1.–31.3.2022								1.1.–31.3.2022
Revenue	2.4, 3	1 133 268								1 133 268
Other operating income		6 171								6 171
Manufacturing for enterprice's own use		168 077	-168 077						-168 077	0
Materials and services		-1 074 005	84 218						84 218	-989 788
Employee benefits expense	2.3, 4, 5	-785 417	83 859		-123 586				-39 727	-825 144
Depreciation and amortization	7	-193 090		-8 593		-803			-9 396	-202 486
Other operating expenses		-394 098		9 249					9 249	-384 849
Operating profit		-1 139 095	0	656	-123 586	-803		0	-123 732	-1 262 828
Finance income and expenses	2	-5 337		-656		4 013		-12 096	-8 739	-14 076
Profit before tax		-1 144 432	0	0	-123 586	3 211	0	-12 096	-132 471	-1 276 903
Income tax expense	2.6.2, 6	0							0	0
Profit/loss for the period		-1 144 432	0	0	-123 586	3 211	0	-12 096	-132 471	-1 276 903

FINANCIAL STATEMENTS			IAS 38	IFRS 16	IFRS 2	IAS 23	IAS 12	IFRS 9/IAS 32	IAS 20	Total IFRS	IFRS
Statement of profit or loss		FAS	Capitalized game development	leasing adjustments	option adjustments	Borrowing costs capitalization	Income tax	Convertibel bonds	Government grants	adjustments	
Euro	Note	1.1.–31.3.2023									1.1.–31.3.2023
Revenue	2.4, 3	1 742 260									1 742 260
Other operating income		1 871									1 871
Manufacturing for enterprice's own use		252 823	-252 823							-252 823	0
Materials and services		-752 400	163 328							163 328	-589 071
Employee benefits expense	2.3, 4, 5	-944 699	89 495		-10 747					78 748	-865 951
Depreciation and amortization	7	-232 277		-14 833		-803				-15 636	-247 913
Other operating expenses		-520 730		17 418						17 418	-503 312
Operating profit		-453 152	0	2 585	-10 747	-803	0	0	0	-8 964	-462 117
Finance income and expenses	2	-5 333		-2 585		4 032		-27 899	-12 096	-38 548	-43 881
Profit before tax		-458 485	0	0	-10 747	3 230	0	-27 899	-12 096	-47 512	-505 997
Income tax expense	2.6.2, 6	0					145 464			145 464	145 464
Profit/loss for the period		-458 485	0	0	-10 747	3 230	145 464	-27 899	-12 096	97 952	-360 533

Statement of financial position		FAS	IAS 38 Capitalized game development	IFRS 16 leasing adjustments	IFRS 2 option adjustments	IAS 23 Borrowing costs capitalization	IAS 12 Income tax	Total IFRS adjustments	IFRS
Euro	Note	31.12.2021							31.12.2021
ASSETS									
Non-current assets		2 865 165	0	63 390	0	12 842	0	76 232	2 941 397
Intangible assets	2.1, 7	2 754 144	0	0	0	12 842	0	12 842	2 766 986
Right-of-use assets	2.2	0	0	63 390	0	0	0	63 390	63 390
Non-current receivables		111 021	0	0	0	0	0	0	111 021
Current assets		4 158 296	0	0	0	0	0	0	4 158 296
Trade receivables		217 951	0	0	0	0	0	0	217 951
Prepayments and accrued income		203 056	0	0	0	0	0	0	203 056
Cash and cash equivalents		3 737 288	0	0	0	0	0	0	3 737 288
Total assets		7 023 461	0	63 390	0	12 842	0	76 232	7 099 693
EQUITY AND LIABILITIES									
Equity									
Issued capital		80 000	0	0	0	0	0	0	80 000
Reserves		26 102 389	0	3	151 187	0	0	151 190	26 253 579
Retained earnings		-19 392 930	0	-1 248		0	0	-1 248	-19 394 178
Profit for the period		-2 889 532	0	0	-151 187	12 842	0	-138 345	-3 027 877
Total equity		3 899 927	0	-1 245	0	12 842	0	11 597	3 911 524
Liabilities									
Non-current liabilities		2 137 983	0	46 535	0	0	0	46 535	2 184 518
Interest-bearing loans and borrowings	2.5	1 690 604	0	0	0	0	0	0	1 690 604
Trade and other payables		447 380							447 380
Lease liabilities	2.2	0	0	46 535	0	0	0	46 535	46 535
Current liabilities		985 551	0	18 100	0	0	0	18 100	1 003 651
Trade and other payables		474 539	0	0	0	0	0	0	474 539
Interest-bearing loans and borrowings	2.5	33 333	0	0	0	0	0	0	33 333
Lease liabilities	2.2	0	0	18 100	0	0	0	18 100	18 100
Other current financial liabilities	2.2	56 926	0	0	0	0	0	0	56 926
Accrued liabilities		420 752	0	0	0	0	0	0	420 752
Total liabilities		3 123 534	0	64 635	0	0	0	64 635	3 188 169
Total equity and liabilities		7 023 461	0	63 390	0	12 842	0	76 232	7 099 693

Statement of financial position		FAS	IAS 38 Capitalized game development	IFRS 16 leasing adjustments	IFRS 2 option adjustments	IAS 23 Borrowing costs capitalization	IFRS 9/IAS 32 Convertible bonds	IAS 20 Gov- ernment grants	Total IFRS adjustments	IFRS
Euro	Note	31.12.2022								31.12.2022
ASSETS										
Non-current assets		5 453 767	0	171 111	0	25 492	0	0	196 603	5 650 370
Intangible assets	2.1, 7	5 381 246	0	0	0	25 492	0	0	25 492	5 406 738
Right-of-use assets	2.2	0	0	171 111	0	0	0	0	171 111	171 111
Non-current receivables		72 521	0	0	0	0	0	0	0	72 521
Current assets		2 498 185	0	0	0	0	0	0	0	2 498 185
Trade receivables		594 840	0	0	0	0	0	0	0	594 840
Prepayments and accrued income		305 872	0	0	0	0	0	0	0	305 872
Cash and cash equivalents		1 597 472	0	0	0	0	0	0	0	1 597 472
Total assets		7 951 952	0	171 111	0	25 492	0	0	196 603	8 148 555
EQUITY AND LIABILITIES										
Equity										
Issued capital		80 000	0	0	0	0		0	0	80 000
Reserves		26 115 604	0		389 428	0	220 000	0	609 428	26 725 032
Retained earnings		-22 282 462	0	-1 916	-151 187	12 650		48 385	-92 068	-22 374 530
Profit for the period		-3 405 468	0		-238 241	12 842	-28 300	-48 385	-302 084	-3 707 552
Total equity		507 674	0	-1 916	0	25 492	191 700	0	215 276	722 950
Liabilities										
Non-current liabilities		4 096 106	0	138 422	0	0	-191 700	0	-53 278	4 042 828
Interest-bearing loans and borrowings	2.5	1 256 841	0	0	0	0	0	0	0	1 256 841
Contingent consideration liabilities	2.5	2 000 000	0	0	0	0	-191 700	0	-191 700	1 808 300
Trade and other payables		839 265							0	839 265
Lease liabilities	2.2	0	0	138 422	0	0	0	0	138 422	138 422
Current liabilities		3 348 171	0	34 605	0	0	0	0	34 605	3 382 776
Trade and other payables		2 218 253	0	0	0	0	0	0	0	2 218 253
Interest-bearing loans and borrowings	2.5	436 540	0	0	0	0	0	0	0	436 540
Lease liabilities	2.2	0	0	34 605	0	0	0	0	34 605	34 605
Other current financial liabilities	2.2	81 638	0	0	0	0	0	0	0	81 638
Accrued liabilities		611 739	0	0	0	0	0	0	0	611 739
Total liabilities		7 444 278	0	173 027	0	0	-191 700	0	-18 673	7 425 605
Total equity and liabilities		7 951 952	0	171 111	0	25 492	0	0	196 603	8 148 555

Statement of financial position		FAS	IAS 38 Capitalized game development	IFRS 16 leasing adjustments	IFRS 2 option adjustments	IAS 23 Borrowing costs capitalization	IFRS 9/IAS 32 Convertible bonds	IAS 20 Gov- ernment grants	Total IFRS adjustments	IFRS
Euro	Note	31.03.2022								31.03.2022
ASSETS										
Non-current assets		2 840 152	0	59 677	0	3 211	0	0	62 887	2 903 039
Intangible assets	2.1, 7	2 729 131	0	0	0	3 211	0	0	3 211	2 732 342
Right-of-use assets	2.2	0	0	59 677	0	0	0	0	59 677	59 677
Non-current receivables		111 021	0	0	0	0	0	0	0	111 021
Current assets		3 004 990	0	0	0	0	0	0	0	3 004 990
Trade receivables		347 688	0	0	0	0	0	0	0	347 688
Prepayments and accrued income		221 059	0	0	0	0	0	0	0	221 059
Cash and short-term deposits		2 436 243	0	0	0	0	0	0	0	2 436 243
Total assets		5 845 142	0	59 677	0	3 211	0	0	62 887	5 908 029
EQUITY AND LIABILITIES										
Equity										
Issued capital		80 000	0	0	0	0	0	0	0	80 000
Reserves		26 114 545	0	0	274 773	0	0	0	274 773	26 389 318
Retained earnings		-22 282 462	0	-1 273	-151 187	0	0	12 096	-140 363	-22 422 825
Profit for the period		-1 144 432	0	0	-123 586	3 211	0	-12 096	-132 472	-1 276 903
Total equity		2 767 651	0	-1 273	0	3 211	0	0	1 938	2 769 590
Liabilities										
Non-current liabilities		1 921 726	0	48 760	0	0	0	0	48 760	1 970 486
Interest-bearing loans and borrowings	2.5	1 690 604	0	0	0	0	0	0	0	1 690 604
Trade and other payables		231 122							0	231 122
Lease liabilities	2.2	0	0	48 760	0	0	0	0	48 760	48 760
Current liabilities		1 155 765	0	12 189	0	0	0	0	12 189	1 167 953
Trade and other payables		592 061	0	0	0	0	0	0	0	592 061
Interest-bearing loans and borrowings	2.5	25 000	0	0	0	0	0	0	0	25 000
Lease liabilities	2.2	0	0	12 190	0	0	0	0	12 190	12 190
Other current financial liabilities	2.2	49 025	0	0	0	0	0	0	0	49 025
Accrued liabilities		489 678	0	-1	0	0	0	0	-2	489 676
Total liabilities		3 077 491	0	60 949	0	0	0	0	60 949	3 138 439
Total equity and liabilities		5 845 142	0	59 676	0	3 211	0	0	62 887	5 908 028

Statement of financial position		FAS	IAS 38 Capitalized game development	IFRS 16 leasing adjustments	IFRS 2 option adjustments	IAS 23 Borrowing costs capitalization	IAS 12 Income tax	IFRS 9/IAS 32 Convertibel bonds	IAS 20 Government grants	Total IFRS adjustments	IFRS
Euro	Note	31.03.2023									31.03.2023
ASSETS											
Non-current assets		5 474 313	0	158 647	0	3 230	145 464	0	0	307 341	5 781 653
Intangible assets	2.1, 7	5 401 792	0	0	0	3 230	0	0	0	3 230	5 405 022
Right-of-use assets	2.2	0	0	158 647	0	0	0	0	0	158 647	158 647
Non-current receivables		72 521	0	0	0	0	0	0	0	0	72 521
Deferred tax assets	2.7, 6	0	0	0	0	0	145 464	0	0	145 464	145 464
Current assets		2 471 021	0	0	0	0	0	0	0	0	2 471 021
Trade receivables		539 689	0	0	0	0	0	0	0	0	539 689
Prepayments and accrued income		247 915	0	0	0	0	0	0	0	0	247 915
Cash and short-term deposits		1 683 417	0	0	0	0	0	0	0	0	1 683 417
Total assets		7 945 334	0	158 647	0	3 230	145 464	0	0	307 341	8 252 674
EQUITY AND LIABILITIES											
Equity											
Issued capital		80 000	0	0	0	0	0	0	0	0	80 000
Reserves		26 115 604	0	0	400 175	0	0	220 000	0	620 175	26 735 779
Retained earnings		-25 687 929	0	-2 799	-389 428	0	0	-28 300	12 096	-408 431	-26 096 360
Profit for the period		-458 485	0	0	-10 747	3 230	145 464	-27 899	-12 096	97 951	-360 534
Total equity		49 189	0	-2 799	0	3 230	145 464	163 801	0	309 695	358 885
										260 506	
Liabilities											
Non-current liabilities		4 319 717	0	104 940	0	0	0	-163 801	0	-58 861	4 260 856
Interest-bearing loans and borrowings	2.5	1 714 841	0	0	0	0	0	0		0	1 714 841
Contingent consideration liabilities	2.5	2 000 000	0	0	0	0	0	-163 801	0	-163 801	1 836 199
Trade and other payables		604 876								0	604 876
Lease liabilities	2.2	0	0	104 940	0	0	0	0	0	104 940	104 940
Current liabilities		3 576 428	0	56 506	0	0	0	0	0	56 506	3 632 934
Trade and other payables		2 471 312	0	0	0	0	0	0	0	0	2 471 312
Interest-bearing loans and borrowings	2.5	425 429	0	0	0	0	0	0		0	425 429
Lease liabilities	2.2	0	0	56 506	0	0	0	0	0	56 506	56 506
Other current financial liabilities	2.2	61 625	0	0	0	0	0	0	0	0	61 625
Accrued liabilities		618 061	0	0	0	0	0	0	0	0	618 061
Total liabilities		7 896 144	0	161 446	0	0	0	-163 801	0	-2 355	7 893 789
Total equity and liabilities		7 945 334	0	158 647	0	3 230	145 464	0	0	307 340	8 252 674



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