

Half-Year

JANUARY–JUNE 2023 ↔ NITRO GAMES OYJ

Report



Reporting period January–June 2023

- ▶ Revenues (Jan–Jun): 3,380.5 KEUR (2,530.3 KEUR in the corresponding period 2022).
- ▶ EBITDA: -985.6 KEUR (-2,237.6 KEUR).
- ▶ EBIT: -1,496.1 KEUR (-2,642.7 KEUR).
- ▶ Net result: -1,447.3 KEUR (-2,670.6 KEUR).
- ▶ Earnings per share (EPS) -0.1 (-0.2).
- ▶ Cash and cash equivalents: 2,124.7 KEUR and 941.0 KEUR of short-term receivables (30 June 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.)

April–June 2023

- ▶ Revenues (Apr–Jun): 1,638.2 KEUR (1,397.1 KEUR in the corresponding period 2022).
- ▶ EBITDA: -771.4 KEUR (-1,177.3 KEUR).
- ▶ EBIT: -1,034.0 KEUR (-1,379.9 KEUR).
- ▶ Net result: -1,087.7 KEUR (-1,393.7 KEUR).
- ▶ Earnings per share (EPS) -0,1 EUR / share (-0,1 EUR / share).

Laying a foundation for the rest of the year

↔↔ The first half of the year was full of activity for us here in Nitro Games. We started the launch phase for our new game Autogun Heroes towards the end of the period. During this summer we've seen great initial results as we've started to ramp-up the game. These planned investments in the game launch resulted in increased costs during the period, as the revenue accumulation for the game is expected to increase during the second half of the year. Our B2B service business continued to provide us with a revenue baseline during the period. Our revenues grew 34% to 3,381 KEUR and our EBITDA improved 56% to -986 KEUR, compared to the first six months of last year. While we still made losses as a result of the planned investments in our games, we are as determined as ever to continue our step-by-step work towards profitability with our Games business now delivering increasing revenues."

– JUSSI TÄHTINEN
CEO OF NITRO GAMES

Significant events during April–June 2023

- ▶ Nitro Games launches Autogun Heroes.
- ▶ AGM & Election of the Board of Directors; Morgan Habedank joined as a new member.
- ▶ Announced plans to arrange a rights issue of approximately SEK 77.4 million and secured bridge financing.

Significant events after the reporting period

- ▶ EGM authorized the Board of Directors to decide on the issuance of shares, options, and other special rights.
- ▶ Published an EU growth prospectus and a supplement to that in connection with the rights issue.
- ▶ Published the outcome of rights issue – receives approximately EUR 3.9 million.
- ▶ Resolved on a directed issue of shares to underwriters in connection with the concluded rights issue.
- ▶ Signed approx. 1.3 million EUR expansion to development agreement with Digital Extremes to work on an unannounced project.
- ▶ Signed approx. 1.2 million EUR development agreement with Digital Extremes to work on Warframe Mobile.
- ▶ Nitro Games has resolved on a directed issue of shares to underwriters in connection with the concluded rights issue.
- ▶ Nitro Games announces last day for trading in BTA and first day for trading in the new shares.



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 Autogun Heroes, 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's 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	Apr-June 2023	Apr-June 2022	Jan-June 2023	Jan-June 2022	Full Year 2022
Revenue (EUR thousand)	1,638.2	1,397.1	3,380.5	2,530.3	7,247.9
Operating profit/loss (EBIT) (EUR thousand)	-1,034.0	-1,379.9	-1,496.3	-2,642.7	-3,621.3
Operating profit/loss % (EBIT %)	-63.1%	-98.8%	-44.3%	-104.4%	-50.0%
EBITDA (EUR thousand)	-771.4	-1,177.3	-985.6	-2,237.6	-2,799.8
EBITDA %	-47.1%	-84.3%	-29.2%	-88.4%	-38.6%
Net profit/loss (EUR thousand)	-1,087.7	-1,393.7	-1,447.4	-2,670.6	-3,707.6
Equity ratio (%)	-7.4%	31.2%	-7.4%	31.2%	8.9%
Number of shares, average	12,903,102	12,893,376	12,903,102	12,893,376	12,900,123
Number of shares, average diluted	12,903,102	12,893,376	12,903,102	12,893,376	12,900,123
Number of shares at the end of the period	12,903,102	12,893,956	12,903,102	12,893,956	12,903,102
Number of share options	1,192,072	1,234,190	1,192,072	1,234,190	1,256,940
Number of special rights	1,113,586	0	1,113,586	0	1,113,586
Equity per share (EUR)	-0.1	0.1	-0.1	0.1	0.1
Earnings per share (EUR) undiluted	-0.1	-0.1	-0.1	-0.2	-0.3
Earnings per share (EUR) diluted	-0.1	-0.1	-0.1	-0.2	-0.3
Net debt (EUR thousand)	7,511.1	2,227.1	7,511.1	2,227.1	5,828.1
Number of employees, average	50	42	50	42	51

A WORD FROM CEO

Laying a foundation for the rest of the year

The first half of the year was full of activity for us here in Nitro Games. We started the launch phase for our new game Autogun Heroes towards the end of the period. During this summer we've seen great initial results as we've started to ramp-up the game. These planned investments in the game launch resulted in increased costs during the period, as the revenue accumulation for the game is expected to increase during the second half of the year. Our B2B service business continued to provide us with a revenue baseline during the period. Our revenues grew 34% to 3,381 KEUR and our EBITDA improved 56 % to -986 KEUR, compared to the first six months of last year. While we still made losses as a result of the planned investments in our games, we are as determined as ever to continue our step-by-step work towards profitability with our Games business now delivering increasing revenues.

The launch phase of Autogun Heroes has progressed well in line with our plans. In June, we verified that everything works on a larger scale and were happy to see the initial results being very well in line with what we saw earlier this year during the soft launch phase. After the period, we successfully started to ramp up and increased the marketing spend, which reflects in increased revenue accumulation. We now continue to grow our player base and revenue potential as we work our way through this launch phase of approximately six months. We gain more and more data as we go, and carefully monitor our UA performance and ROAS on a growing scale to determine the best balance between growth and costs while steering Nitro towards profitability. We are very optimistic about the early results we've seen so far and excited to see the long-term potential of the game materializing step by step. We continue to operate NERF: Superblast on a limited scale with limited investments, as we steer our UA efforts to Autogun Heroes due to the faster payback window. This approach is well in line with our portfolio strategy, where we seek to first find and then focus on the winners.

We're expanding our collaboration with Digital Extremes in our B2B service business. The first project we started in 2021 has progressed well. I am proud

of how we have succeeded in delivering quality to our partner, milestone after milestone, despite this being a very ambitious, complex, and challenging production. This good collaboration has now resulted in two new agreements after the period, as we first signed an expansion to our existing project and soon after announced we've also started to work on Warframe mobile. This project is a great match to our vision of becoming a household name in action & shooter games, as the game is a very reputable and successful shooter game available on several platforms. The total order value of the ongoing agreements in our B2B service business is approx. 12.4 million EUR.

We've also continued our work in the development project with Supermassive Games. We are soon approaching the expected completion of the agreed term this year. While this solid progress in our B2B service business gives us a strong position for now, we continue to stay active in our business development exploring exciting new opportunities for Nitro in line with our strategy.

We completed the preferential rights issue after the reporting period with moderate results. We raised a total of approx. 3.9 million EUR, representing approx. 60% of the total issue size. These funds are now primarily steered toward Autogun Heroes, to ensure we can continue investing in the ongoing game launch. At the same time, we control costs on other fronts to ensure we continue improving our bottom line toward profitability. I would like to thank all shareholders who showed their support in the fundraiser.

Overall, the first half of the year laid a strong foundation for the rest of the year and beyond and we have the winners we needed. The roadmap ahead of us is clear and promising. We still have a lot of work to do and a lot to achieve this year and beyond. I am excited to keep working hard to make the most out of the current opportunities we have both in our games business and in our B2B service business.

– JUSSI TÄHTINEN, CEO OF NITRO GAMES

CEO's comment:

⚡⚡ We completed the preferential rights issue after the reporting period with moderate results. We raised a total of approx. 3.9 million EUR, representing approx. 60% of the total issue size. These funds are now primarily steered toward Autogun Heroes, to ensure we can continue investing in the ongoing game launch. At the same time, we control costs on other fronts to ensure we continue improving our bottom line toward profitability. I would like to thank all shareholders who showed their support in the fundraising. Overall, the first half of the year laid a strong foundation for the rest of the year and beyond and we have the winners we needed. The roadmap ahead of us is clear and promising. We still have a lot of work to do and a lot to achieve this year and beyond. I am excited to keep working hard to make the most out of the current opportunities we have both in our games business and in our B2B service business."



– JUSSI TÄHTINEN
CEO OF NITRO GAMES

Significant events during April–June 2023

- ▶ Nitro Games launches Autogun Heroes.
- ▶ AGM & Election of the Board of Directors; Morgan Habedank joined as a new member.
- ▶ Announced plans to arrange a rights issue of approximately SEK 77.4 million and secured bridge financing.

Nitro Games launches Autogun Heroes. Warm up your fingers, because this game will demand the best from you. Take back the control of an alien-infested world in this next-gen, non-stop 3D shooter platformer with overloaded guns, a team of heroes and blast those aliens in the butt! Bring your biggest gun and your A game, because the world needs heroes.. heroes like you! In Autogun Heroes you rampage through levels and unlock new worlds. You collect new, powerful heroes in your team and select the best hero for the occasion!

“We are thrilled to launch Autogun Heroes. The game performed exceptionally well in the soft launch earlier this year. This gives us a great starting point as we’re now expanding the game to wider audiences”, says Jussi Tähtinen, CEO of Nitro Games. The game is now available globally (excluding China and Russia) for players on both iOS and Android in selected stores. Nitro Games acts as the developer and publisher of the game. “Autogun Heroes offers a visually stunning take on the classic sidescrolling-platformer-shooter gameplay combined with modern progression systems and meta gameplay. We believe this is a combination that will keep our players entertained for a long time”, concludes Jussi Tähtinen.

AGM & Election of the Board of Directors. The Annual General Meeting approved the 2022 Financial Statements, and re-elected Mr. Antti Villanen, Mr. Johan Biehl and Ms. Susana Meza Graham of the current members of the Board of Directors as members to the Board of Directors and elected Morgan Habedank as new member to the Board of Directors.

Nitro Games announced plans to arrange a rights issue of approximately SEK 77.4 million and secured bridge financing. The Board of Directors of Nitro Games Oyj (“Nitro Games” or the “Company”) has decided to arrange a partially secured rights issue of a maximum of 19,354,653 shares (the “Rights issue”), under the condition that the Extraordinary General Meeting to be held on 5 July 2023 gives authorization to the Board to resolve on the Rights issue. The subscription price is SEK 4.00 per share or EUR 0.34 per share, which means that the Company, upon full subscription in the Rights issue, can receive proceeds of approximately SEK 77.4 million before issue costs. For each (1) existing share in the Company, one (1) subscription right is obtained. Two (2) subscription rights entitle the holder to subscribe for three (3) shares. The subscription period commences on 12 July and ends on 26 July 2023 in Sweden and 28 July 2023 in Finland. The Company has also secured a bridge loan of SEK 23.0 million (the “Bridge loan”) to be repaid in full, in cash, with proceeds from the Rights issue or offset against new shares in the Rights issue. The net proceeds from the Bridge loan and the Rights issue will primarily be used for marketing and user acquisition during the launch phase of the Company’s game title Autogun Heroes, as well as for finalizing the acquisition of the title. The Rights issue is secured to approximately SEK 46.5 million, corresponding to 60.0 per cent of the Rights issue, through subscription and underwriting commitments.

Significant events after the reporting period

- ▶ EGM authorized the Board of Directors to decide on the issuance of shares, options, and other special rights.
- ▶ Published an EU growth prospectus and a supplement to that in connection with the rights issue.
- ▶ Published the outcome of rights issue – receives approximately EUR 3.9 million.
- ▶ Resolved on a directed issue of shares to underwriters in connection with the concluded rights issue.
- ▶ Signed approx. 1.3 million EUR expansion to development agreement with Digital Extremes to work on an unannounced project.
- ▶ Signed approx. 1.2 million EUR development agreement with Digital Extremes to work on Warframe Mobile.
- ▶ Nitro Games has resolved on a directed issue of shares to underwriters in connection with the concluded rights issue.
- ▶ Nitro Games announces the last day for trading in BTA and the first day for trading in the new shares.

EGM & Authorized the Board of Directors to decide on the issuance of shares, options, and other special rights. The General Meeting resolved in accordance with the proposal of the Board of Directors to authorize the Board of Directors to decide, in one or more transactions, on the issuance of shares and the issuance of options and other special rights entitling to shares referred to in Chapter 10 Section 1 of the Companies Act as follows: The number of shares to be issued based on the authorization may, in total, amount to a maximum of 24,921,766 shares. The Board of Directors decides on all the terms and conditions of the issuances of shares and of options and other special rights entitling to shares. The issuance of shares of options and other special rights entitling to shares may be carried out in deviation from the shareholders' pre-emptive rights (directed issue) if

there is a weighty financial reason for the company. The authorization is valid until 30 June 2024.

Nitro Games published EU growth prospectus in connection with its EUR 6.6 million rights issue. Following the company announcement on 13 June 2023, the Board of Directors of Nitro Games Oyj ("Nitro Games" or the "Company") has today decided on arranging a rights issue totaling approximately EUR 6.6 million (the "Offering"). The Finnish Financial Supervisory Authority has approved Nitro Games' EU growth prospectus. The Offering consists of a maximum of 19,354,653 new shares. The subscription price in the Offering is SEK 4.00 or EUR 0.34 per share.

Nitro Games publishes a supplement to the prospectus regarding the ongoing rights issue. The Board of Directors of Nitro Games Oyj ("Nitro Games" or the "Company") has prepared a supplement to the EU growth prospectus, which was approved and registered by the Finnish Financial Supervisory Authority and published on 5 July 2023 (the "Prospectus"). The supplement to the Prospectus has been approved by the Finnish Financial Supervisory Authority and, subsequently, published on the Company's and the Finnish Financial Supervisory Authority's respective websites. The supplement to the Prospectus has been prepared due to Nitro Games' company release dated 25 July 2023, in which the Company announced that it had signed a third expansion with an order value of approximately EUR 1.3 million to the development agreement with Digital Extremes for an unannounced project.

Nitro Games published the outcome of the rights issue – receives approximately EUR 3.9 million. Nitro Games Oyj ("Nitro Games" or the "Company") has completed the rights issue of shares in which the subscription period commenced on 12 July and ended on 26 July 2023 in Sweden and 28 July 2023 in Finland (the "Rights issue"). The subscription price in the Rights issue was SEK 4.00 per share or EUR 0.34 per share. The outcome shows that 8,057,451 shares, corresponding

to approximately 41.6 per cent of the Rights issue, have been subscribed for and allocated to investors who subscribed with the support of subscription rights. 282,638 shares, corresponding to approximately 1.5 per cent of the Rights issue, have been subscribed for and allocated to investors who subscribed without the support of subscription rights. The outcome implies that underwriting commitments amounting to a total of 3,272,703 shares, corresponding to approximately 16.9 per cent of the Rights issue, will be claimed, whereby the Rights issue is subscribed to 60.0 per cent in total. Thus, the Company will receive approximately EUR 3.9 million before the deduction of issue costs, of which approximately EUR 1.2 million has been subscribed by set-off against the bridge loan secured in connection with the Rights issue (the "Bridge loan"). The net proceeds from the Bridge loan and the Rights issue will primarily be used for marketing and user acquisition during the launch phase of the Company's game title Autogun Heroes, as well as for finalizing the acquisition of the title.

Through the Rights issue, the Company will receive gross proceeds of approximately EUR 3.9 million. The number of shares will increase by 11,612,792 shares, from 12,903,102 shares to 24,515,894 shares, which implies a dilution effect of approximately 47.4 percent of the shares and votes. After the new shares have been registered at the Finnish Trade Register, indicatively during week 32, 2023, paid subscribed shares (BTA) will be combined with existing shares.

Allocation of shares subscribed without subscription rights has been carried out in accordance with the allocation principles stated in the prospectus, which has been prepared in connection with the Rights issue and was published on 5 July 2023. Notice of allocation of shares subscribed without subscription rights is expected to be sent to those allotted shares today, 1 August 2023. Shareholders with a share deposit will receive notification of allocation and payment in accordance with respective custodians' routines.

Due to the Rights issue, the Board of Directors of Nitro Games has, in accordance with the terms outlined in the convertible loan agreement with Nordisk Games A/S

and the terms and conditions of the special rights relating thereto, amended the terms and conditions of the said special rights so that the number of special rights has been increased from 1,113,586 to 2,000,139. Each special right entitles to subscription of one new share in the Company at a subscription price of EUR 1.80 per share.

Nitro Games signed approx. 1.3 million EUR expansion to the development agreement. Nitro Games has signed a third expansion to the development agreement with Digital Extremes for an unannounced project. With this agreement, Nitro Games continues to provide Digital Extremes with game development services for an unannounced game. This agreement is the third expansion to the ongoing order with the same customer, as previously communicated on 30 July 2021, 26 July 2022, and 23 December 2023. 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. The order value of this new agreement is approx. 1.3 million EUR, increasing the total order value with this customer to approx. 7.8 million EUR. The agreement follows an industry-standard structure. The project started in 2021 and is expected to be completed in 2024.

Nitro Games has resolved on a directed issue of shares to underwriters in connection with the concluded rights issue. The Board of Directors of Nitro Games Oyj ("Nitro Games" or the "Company") has resolved on a directed issue of 408,470 shares to Underwriters who have entered into underwriting commitments in the rights issue of shares which was decided on by the Board of Directors on 5 July 2023 (the "Rights issue") and which have chosen to receive their underwriting remuneration in the form of new shares in Nitro Games (the "Directed issue"). The subscription price in the Directed issue of SEK 4.13 per share corresponds to the volume-weighted average price for the Company's share on First North during the subscription period in Sweden. Payment is made by offsetting the underwriters' claim.

Nitro Games has signed a development agreement with Digital Extremes to work on Warframe mobile. With this agreement, Nitro Games provides Digital Extremes with game development services for a mobile version of the free-to-play action game, Warframe. This agreement is a new order for a new project with a returning customer. Parallel to this new order, Nitro Games continues to work on the previous project for the same customer, as communicated on 30 July 2021, 26 July 2022, 23 December 2022, and 25 July 2023.

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. The order value of this new agreement is approx. 1.2 million EUR, increasing the total order value with this customer to approx. 9.0 million EUR. The agreement follows an industry-standard structure. The project has started and is expected to be completed in 2024.

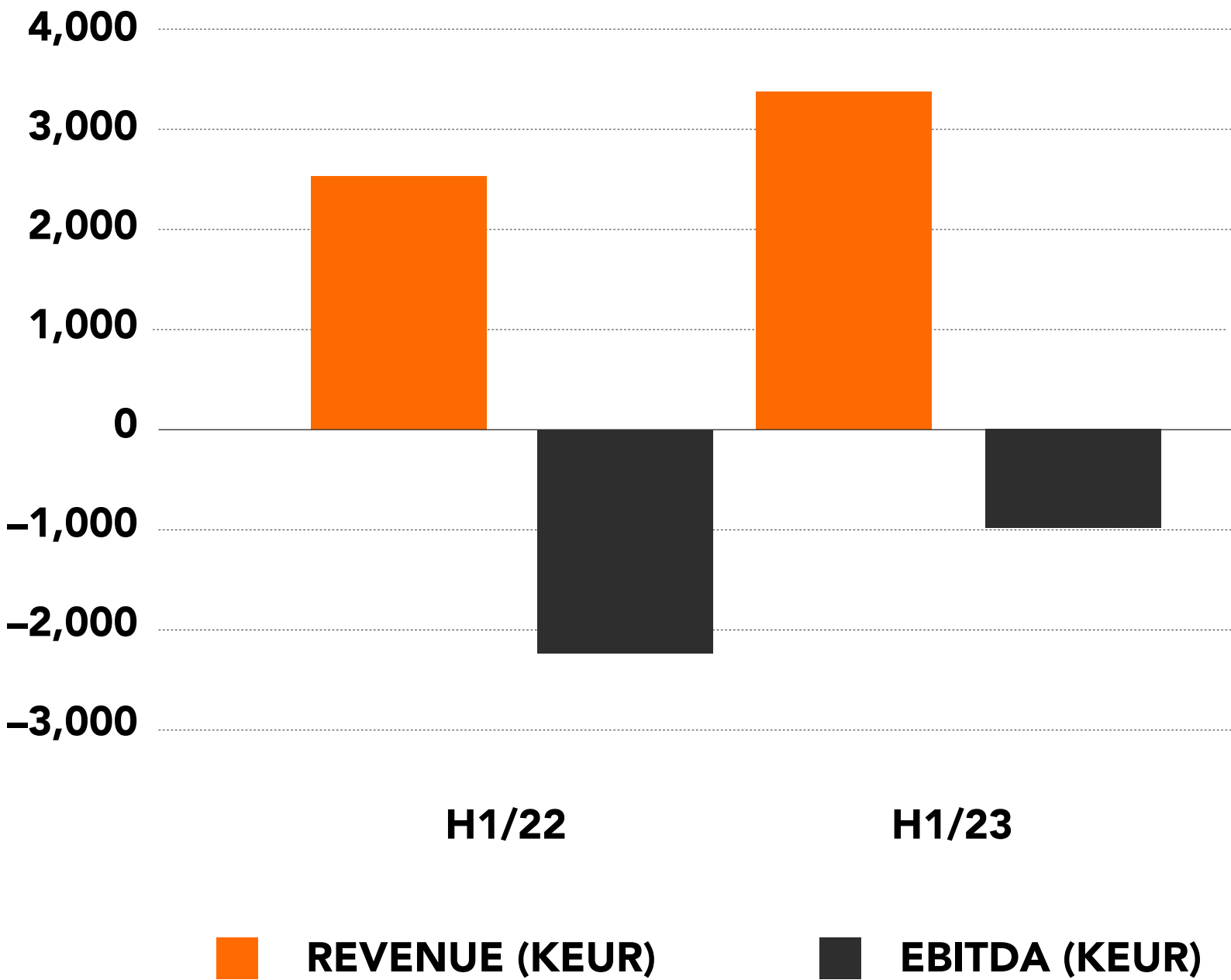
Nitro Games announces last day for trading in BTA and first day for trading in the new shares. Nitro Games' ("Nitro Games" or the "Company") rights issue of shares which was decided on by the Board of Directors on 5 July 2023 and whose outcome was announced by the Company through a press release on 1 August will be registered at the Finnish Trade Register on 16 August 2023. The last day for trading in paid subscribed shares ("BTA") is on 17 August 2023. Euroclear Sweden's record date for conversion from BTA to shares is on 21 August 2023 and the BTA will be converted into ordinary shares on 23 August 2023. The new shares are expected to be distributed to the respective shareholder's VP account or share deposit on 23 August 2023.





Revenues & Result

REVENUE & EBITDA



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

Revenues were 3,380.5 KEUR during January-June 2023 (2,530.3 KEUR) and grew by 33.6% year-on-year. The revenues during the second quarter were 1,638.2 KEUR (1,397.1 KEUR) and grew by 17.3% year-on-year.

Revenue	Apr-June 2023	Apr-June 2022	Jan-June 2023	Jan-June 2022	Full Year 2022
Revenue from operations	1,638,195	1,397,076	3,380,455	2,530,344	7,247,921
Self-publishing	289,700	98,039	544,832	179,805	515,865
Service business	1,348,495	1,299,037	2,835,623	2,350,539	6,732,057
Revenue growth %	17.3		33.6		

The other operating income was 3.4 KEUR (8.1 KEUR) during January-June 2023 and to 1.5 KEUR during the second quarter (1.9 KEUR). This income includes rent income (subtenant).

EBITDA amounted to -985.6 KEUR (-2,237.6 KEUR in the corresponding period 2022) during January-June 2023 and to -771.4 KEUR during the second quarter (-1,177.3 KEUR).

EBIT: Operating results before financial items amounted to -1,496.3 KEUR (-2,642.7 KEUR) during January-June 2023 and to -1,034.0 KEUR during the second quarter (-1,379.9 KEUR).

The net result for the period amounted to -1,447.3 KEUR (-2,670.6 KEUR) during January-June 2023 and to -1,087.7 KEUR during the second quarter (-1,393.7 KEUR).

COST STRUCTURE:

Materials and services were -1,594.3 KEUR (-2,144.8 KEUR) during January-June 2023 and -1,005.2 KEUR during the second quarter (-1,155.0 KEUR). Costs include third-party costs related to game development and maintenance (outsourced services) and game marketing costs, such as user acquisition costs (UA).

The Personnel expenses were -1,775.9 KEUR (-1,721.3 KEUR) during January-June 2023 and -909.9 KEUR during the second quarter (-896.2 KEUR). Costs include wages and salaries and social security expenses.

Other operating expenses (OPEX) were -999.3 KEUR (-909.9 KEUR) during January-June 2023 and -495.9 KEUR during the second quarter (-525.0 KEUR). Costs include third party costs related to accounting, office rents, legal, stock market expenses, computer hardware and software (incl. analytics software), travel expenses, other office costs, and other costs.





Cash flow and financial position

Thousand euros	30.6. 2023	30.6. 2022	Full Year 2022
Net cash from operating activities	-746.0	-2,348.2	-2,922.7
Net cash used in investing activities	-1,085.3	-340.4	-1,307.2
Net cash from financing activities	2,358.5	9.6	2,090.1
Change in cash and cash equivalents	527.2	-2,679.0	-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	2,124.7	1,058.3	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 on the category of shooter games and utilizes reusable 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 June by a total of 613.6 KEUR, and by a total of 360.8 KEUR during the second quarter. 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 depreciation from January to June amounted to a total of -478.9 KEUR, and a total of -246.7 KEUR during the second quarter.



Personnel

From January to June 2023, Nitro Games’s average number of employees was 49 (45).

	Apr–Jun 2023	Apr–Jun 2022	Change, %	Jan–Jun 2023	Jan–Jun 2022	Change, %	Full Year 2022
Employees (average for the period)	48	48	0.0	49	45	8.9	51
Employees (end of period)	48	51	-5.9	48	51	-5.9	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 reporting period.



The Share and Shareholders

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

On June 30, 2023, 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 following table:

Shareholders	Number of shares	% of shares and votes
Nordisk Games A/S	6,492,636	50.32
Avanza Pension försäkring AB	899,431	6.97
Turret Oy Ab	215,000	1.67
Markus Johansson	187,278	1.45
Nordnet Pensions försäkring AB	185,801	1.44
Zakaria Rtel Bennani	181,431	1.41
Feat Invest Ab ¹	179,717	1.39
Antti Villanen	135,947	1.05
Nordic Marine Norden AB	128,559	1.00
Matti Nikkola	117,137	0.91
Others	4,180,165	32.40
The total number of shares	12,903,102	100.00

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



Calculation of Earnings per Share

	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Full Year 2022
Net profit /loss (EUR thousand)	-1,087.7	-1,393.7	-1,447.4	-2,670.6	-3,707.6
Number of shares, average	12,903,102	12,893,376	12,903,102	12,893,376	12,900,123
Number of shares, average diluted	12,903,102	13,899,528	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	12,893,956	12,903,102
Number of Share options	1,192,072	1,234,190	1,192,072	1,234,190	1,256,940
Number of Special Right	1,113,586	0	1,113,586	0	1,113,586
Equity per share (EUR)	-0.1	0.1	-0.1	0.1	0.1
Earnings per share (EUR) undiluted	-0.1	-0.1	-0.1	-0.2	-0.3
Earnings per share (EUR) diluted	-0.1	-0.1	-0.1	-0.2	-0.3



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

- ▶ 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 21 August 2023 at 09:00 (EEST).

For Further Information, Please Contact:

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CEO, Co-founder
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Board Declaration

The Board of Directors and the Chief Executive Officer hereby certify that this Half-Year 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, 21 August 2023

Johan Biehl
Chairman

Antti Villanen

Morgan Habedank

Susana Meza Graham

Jussi Tähtinen
CEO





Calculation Principles of Alternative Performance Measures

Operating profit	Revenue + other business income - operating expenses - depreciations		
Operating profit %	<div>Operating profit</div> <div>Revenue</div>		x 100
EBITDA	Operating profit + depreciations + impairments		
EBITDA %	<div>EBITDA</div> <div>Revenue</div>		x 100
Equity ratio %	<div>Equity</div> <div>Assets - advances received</div>		x 100
Earnings per share, undiluted	<div>Net profit</div> <div>Average Number of Shares, undiluted</div>		
Earnings per share, diluted	<div>Net profit</div> <div>Average Number of Shares, diluted</div>		
Net debt	Liabilities - cash in hand and at banks		





Statement of Profit or Loss

These unaudited financial statements report for 1.1.–30.6.2023 have been prepared according to International Financial Reporting Standards (IRFS) and Nasdaq First North Growth marketplace rules and regulations.

EUR	Note	Apr–Jun 2023	Apr–Jun 2022	Jan–Jun 2023	Jan–Jun 2022	Full Year 2022
Revenue	2.4, 3	1,638,195	1,397,076	3,380,454	2,530,344	7,247,921
Other operating income		1,490	1,890	3,361	8,061	11,841
Materials and services		-1,005,187	-1,155,059	-1,594,258	-2,144,847	-4,248,953
Employee benefits expense	2.3, 4, 5	-909,985	-896,148	-1,775,935	-1,721,292	-3,814,448
Depreciation and amortization	7	-262,561	-202,597	-510,702	-405,084	-821,437
Other operating expenses		-495,947	-525,045	-999,259	-909,894	-1,996,195
Operating profit		-1,033,995	-1,379,883	-1,496,339	-2,642,711	-3,621,271
Finance income and expenses	2.5	-53,753	-13,861	-96,508	-27,937	-86,281
Profit before tax		-1,087,748	-1,393,744	-1,592,847	-2,670,648	-3,707,552
Income tax expense	2.7, 6			145,464		
Profit/loss for the period		-1,087,748	-1,393,744	-1,447,383	-2,670,648	-3,707,552



Statement of Financial Position

EUR	Note	30 Jun 2023	30 Jun 2022	31 Dec 2022
ASSETS				
Non-current assets		5,909,677	2,902,083	5,650,370
Intangible assets	2.1, 7	5,548,870	2,713,527	5,406,738
Right-of-use assets	2.2	142,822	77,535	171,111
Non-current receivables		72,521	111,021	72,521
Deferred tax assets	2.7, 6	145,464		
Current assets		3,065,670	1,872,927	2,498,185
Trade receivables		766,275	488,322	594,840
Prepayments and accrued income		174,730	326,331	305,872
Cash and cash equivalents		2,124,664	1,058,275	1,597,472
Total assets		8,975,347	4,775,010	8,148,555

EUR	Note	30 Jun 2023	30 Jun 2022	31 Dec 2022
EQUITY AND LIABILITIES				
Equity				
Issued capital		80,000	80,000	80,000
Reserves		26,763,946	26,478,256	26,725,032
Retained earnings		-26,056,947	-22,397,988	-22,374,530
Profit (loss) for the period		-1,447,383	-2,670,649	-3,707,552
Total equity		-660,383	1,489,619	722,950
Liabilities				
Non-current liabilities		3,869,884	1,585,290	4,042,828
Interest-bearing loans and borrowings	2.5	1,311,634	1,287,397	1,256,841
Contingent consideration liabilities	2.5	1,864,098		1,808,300
Trade and other payables		604,876	246,603	839,265
Lease liabilities	2.2	89,276	51,290	138,422
Current liabilities		5,765,846	1,700,101	3,382,776
Trade and other payables		2,099,811	646,811	2,218,253
Interest-bearing loans and borrowings	2.5	2,768,547	419,874	436,540
Lease liabilities	2.2	57,078	27,618	34,605
Other current financial liabilities		82,344	60,644	81,638
Accrued liabilities		758,065	545,154	611,739
Total liabilities		9,635,730	3,285,391	7,425,605
Total equity and liabilities		8,975,347	4,775,010	8,148,555



Statement of Cash Flows

IFRS, EUR thousand	Jan–Jun 2023	Jan–Jun 2022	Full Year 2022
Cash flow from operating activities:			
Profit (-loss) before extraordinary items	-1,448.3	-2,670.6	-3,707.7
Adjustments:			
Depreciation according to plan	510.5	405.1	821.4
Financial income and expenses	18.4	10.6	21.4
Other non-cash items	-62.2	211.3	253.3
Cash flow before change in working capital	-981.6	-2,043.6	-2,611.6
Change in working capital:			
Increase (-) / decrease (+) in current non-interest-bearing receivables	-40.3	-393.6	-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	681.2	308.0	358.8
Increase (+) / decrease (-) in non-current non-interest-bearing liabilities	-234.4	-200.8	-207.9
Cash flow from operating activities before financial items and taxes	-575.1	-2,330.0	-2,902.0
Income tax expense	-145.5		
Interest paid and payments for other financial operating expenses	-25.4	-18.2	-20.7
Net cash from operating activities (A)	-746.0	-2,348.2	-2,922.7
Cash flow from investing activities:			
Acquisition of intangible and tangible assets	-1113.6	-326.3	-1,199.5
Acquisition of right-of-use assets	28.3	-14.1	-107.7
Net cash used in investing activities (B)	-1,085.3	-340.4	-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	2332.0	386.5	403.2
Proceeds from and repayment of non-current loans	54.8	-403.2	1,566.0
Additions /repayments of finance lease liabilities	-26.7	14.3	108.4
Interest paid and contributions from financial expenses	-1.6	-0.2	-0.7
Net cash from financing activities (C)	2,358.5	9.6	2,090.1
Change in cash and cash equivalents (A + B + C) increase (+) / decrease (-)	527.2	-2,679.0	-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	2,124.7	1,058.3	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 Apr 2023	80	26,725	-26,083	-360	362
Option subscriptions					
Equity-Conversion option					
Shares-based payments		39	26		65
Profit (loss) for the financial period				-1,088	-1,088
Equity 31 Jun 2023	80	26,764	-26,057	-1,448	-661
Equity 1 Apr 2022	80	26,254	-22,422	-1,277	2,635
Option subscriptions					
Equity-Conversion option		12			12
Shares-based payments		0	25		25
Profit (loss) for the financial period		212		-1,394	-1,182
Equity 31 Jun 2022	80	26,478	-22,397	-2,671	1,490
Equity 1 Jan 2023	80	26,725	-26,082		723
Option subscriptions					
Equity-Conversion option					
Shares-based payments		39	25		64
Profit (loss) for the financial period				-1,448	-1,448
Equity 31 Jun 2023	80	26,764	-26,057	-1,448	-661
Equity 1 Jan 2022	80	26,254	-22,422		3,912
Option subscriptions					
Equity-Conversion option		13			13
Shares-based payments		0	24		24
Profit (loss) for the financial period		212		-2,671	-2,459
Equity 31 Jun 2022	80	26,479	-22,398	-2,671	1,490
Equity 1 Jan 2022	80	26,254	-22,422		3,912
Option subscriptions		13	20		33
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	-22,374	-3,708	723



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 on 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 to 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 judgments, 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. Investment in convertible loan 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 thousands of 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 30 June 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

Judgments 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 based on 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 based on 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 based on 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 published 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 statements 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 30 June 2023 and the financial period that ended on 30 June 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 30 June 2023 and 30 June 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.

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 142.8 thousand, (EUR 158.6 thousand in Q1 2023) and Lease liabilities EUR 146.4 thousand on 30 June 2023, (EUR 161.4 thousand in Q1 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 77.5 thousand (EUR 59.7 thousand in Q1 2022) and Lease liabilities were EUR 78.9 thousand on 30 June 2022, (EUR 60.9 thousand in Q1 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 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 of EUR 45.9 thousand and interest charges of EUR 4.3 thousand.
- ▶ For the interim reporting period ended on 30 June 2023, lease payments of EUR 34.8 thousand (EUR 17.4 thousand in Q1 2023) were reversed from Other operating expenses and reclassified to interest charges of EUR 4.9 thousand (EUR 2.6 thousand in Q1 2023) and depreciation of the right-of-use assets amounted to EUR 29.9 thousand (EUR 14.8 thousand in Q1 2023).

For the comparative interim reporting period ended on 30 June 2022, lease payments of EUR 18.5 thousand (EUR 9.2 thousand in Q1 2022) were reversed from Other operating expenses and reclassified to interest charges of EUR 1.2 thousand (EUR 0.6 thousand in Q1 2022) and depreciation of the right-of-use assets amounted to EUR 17.3 thousand (EUR 8.6 thousand in Q1 2022).

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 unaffected. The resulting change in the Employee benefit expenses in the interim reporting period ended 30 June 2023 was an increase of EUR 38.9 thousand (EUR 10.7 thousand in Q1 2023), and in the interim reporting period ended 30 June 2022, an increase of EUR 212.5 thousand (EUR 123.6 thousand in Q1 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 income statement under FAS. Under IFRS, the received payments have been recognized as expenses over the vesting period and counter-entry is made to equity. During the first six months period that ended on 30.6.2023, the company had not authorized any new options plans. There were 222,000 share options distributed within the scope of already approved option plans during this period. The expense recognized related to those options in the period ending 30.6.2023 was EUR 18.2 thousand (EUR 0 in Q1 2023).

2.4 Revenue recognition

IFRS includes the 5-step model for revenue recognition. Revenue is recognized over time or at a 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 decreased the original loan value with the amount of the transaction costs. The amortization of the transaction costs to finance costs increased the finance cost. There were no material transaction 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 period ending 30.6.2023 is an increase in interest expense of EUR 55.8 thousand (EUR 27.9 thousand in the first quarter of 2023). 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 28.3 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 EUR 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 (computational interest rate subsidy). 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 1,528,000. 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.

The combined balance of the two loans at 30.6.2023 is EUR 2,084 thousand and the total interest expense for the period ended 30.6.2023 is EUR 32.3 thousand (EUR 16.1 thousand in Q1 2023), of which EUR 26.6 thousand is computational interest subsidy (EUR 12.1 thousand in Q1 2023) which does not give rise to a cash outflow. Corresponding figures for fiscal year 2022 were EUR 64.5 thousand total interest and EUR 48.4 thousand in interest subsidy. The computational interest subsidy does not give rise to a cash outflow in the present or in the future. Hence the interest paid for servicing the loans is EUR 5.7 thousand in the period ending 30.6.2023 (EUR 4.0 thousand in Q1 2023) and EUR 16.1 thousand in 2022.

2.5.4 Bridge loan

The Company has also secured a bridge loan of SEK 23.0 million (the "Bridge loan") to be repaid in full, in cash with proceeds from the Rights issue or offset against new shares in the Rights issue, as explained in the "Significant Events during April–June 2023 section".

The loan was drawn down in April 2023 and the book value is EURO 1,948,244 as at 30.6.2023. The loan has been booked in the company's functional currency EURO and retranslated using the closing rate at the reporting date 30.6.2023. The interest is 10% which is considered the market rate. The principal and interest will be repaid 24.8.2023 and is classified as a short-term loan among current liabilities.

2.6 Capitalized development costs

The capitalized game development costs (IAS 38), which have been recorded to Manufacturing for the enterprise's own use under FAS, are now being reclassified as a 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. The deferred tax asset was assessed again at the end of the second quarter. No adjustment was deemed necessary, so the balance remains at EUR 145.5 thousand on 30.6.2023.

3 Revenue and segment information

Disaggregation of revenue

Nitro Games' 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 the selling of expertise as a service to international gaming companies.

	Q1/23	Q1/22	Q2/23	Q2/22	H1 23	H1 22	FY 2022
Revenue							
Revenue from operations	1,742,260	1,133,268	1,638,195	1,397,076	3,380,455	2,530,344	7,247,921
Self-publishing	255,132	81,766	289,700	98,039	544,832	179,805	515,865
Service business	1,487,128	1,051,502	1,348,495	1,299,037	2,835,623	2,350,539	6,732,057

Revenue by geographical market

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

	Q1/23	Q1/22	Q2/23	Q2/22	H1 23	H1 22	FY 2022
Revenue per market area	1,742,260	1,133,268	1,638,195	1,397,076	3,380,455	2,530,344	7,247,921
EU	165,681	1,050	197,668	10,538	363,349	11,588	689,112
North America	860,593	586,240	917,618	654,697	1,778,211	1,240,937	2,993,686
United Kingdom	650,000	510,000	450,000	462,500	1,100,000	972,500	3,407,775
Other	65,986	35,978	72,909	269,341	138,895	305,319	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. 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 and its Company companies' 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 expense cost 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 30 June 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 21,806 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. The deferred tax asset was assessed again at the end of the second quarter. No adjustment was deemed necessary, so the balance remains at EUR 145.5 thousand on 30.6.2023.

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. 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
EUR	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	
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		4,290	-238,241	-3,210			-237,161	-3,621,271
Finance income and expenses	2.5	-21,358		-4,290		16,052	-28,300	-48,385	-64,923	-86,281
Profit before tax		-3,405,468			-238,241	12,842	-28,300	-48,385	-302,084	-3,707,552
Income tax expense										
Profit/loss for the period		-3,405,468			-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 Convertible bonds	IAS 20 Government grants	Total IFRS adjustments	IFRS
EUR	Note	1.1-30.6.2022								1.1-30.6.2022
Revenue	2.4, 3	2,530,344								2,530,344
Other operating income		8,061								8,061
Manufacturing for enterprise's own use		326,301	-326,301						-326,301	
Materials and services		-2,324,349	179,502						179,502	-2,144,847
Employee benefits expense	2.3, 4, 5	-1,655,568	146,799		-212,524				-65,725	-1,721,292
Depreciation and amortization	7	-386,180		-17,297		-1,606			-18,903	-405,084
Other operating expenses		-928,392		18,498					18,498	-909,894
Operating profit		-2,429,783		1,201	-212,524	-1,606			-212,928	-2,642,711
Finance income and expenses	2.5	-10,570		-1,201		8,026		-24,192	-17,367	-27,937
Profit before tax		-2,440,353			-212,524	6,420		-24,192	-230,295	-2,670,648
Income tax expense										
Profit/loss for the period		-2,440,353			-212,524	6,420		-24,192	-230,295	-2,670,648

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	IAS 12 Income tax	IFRS 9/IAS 32 Convertible bonds	IAS 20 Government grants	Total IFRS adjustments	IFRS
EUR	Note	1.1-30.6.2023									1.1-30.6.2023
Revenue	2.4, 3	3,380,454									3,380,454
Other operating income		3,361									3,361
Manufacturing for enterprise's own use		613,597	-613,597							-613,597	
Materials and services		-1,967,619	373,361							373,361	-1,594,258
Employee benefits expense	2.3, 4, 5	-1,947,165	210,144		-38,914					171,230	-1,775,935
Depreciation and amortization	7	-478,994		-29,874		-1,834				-31,708	-510,702
Other operating expenses		-1,064,187	30,092	34,836						64,928	-999,259
Operating profit		-1,460,553		4,963	-38,914	-1,834				-35,786	-1,496,339
Finance income and expenses	2.5	-18,359		-4,963		9,171		-55,798	-26,559	-78,149	-96,508
Profit before tax		-1,478,912			-38,914	7,337		-55,798	-26,559	-113,935	-1,592,847
Income tax expense	2.7, 6						145,464			145,464	145,464
Profit/loss for the period		-1,478,912			-38,914	7,337	145,464	-55,798	-26,559	31,529	-1,447,383

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
EUR	Note	1.4-30.6.2022								1.4-30.6.2022
Revenue	2.4, 3	1,397,076								1,397,076
Other operating income		1,890								1,890
Manufacturing for enterprice's own use		158,224	-158,224						-158,224	
Materials and services		-1,250,343	95,284						95,284	-1,155,059
Employee benefits expense	2.3, 4, 5	-870,150	62,940		-88,937				-25,997	-896,148
Depreciation and amortization	7	-193,090		-8,704		-803			-9,507	-202,597
Other operating expenses		-534,294		9,249					9,249	-525,045
Operating profit		-1,290,688		545	-88,937	-803			-89,195	-1,379,883
Finance income and expenses	2.5	-5,233		-545		4,013		-12,096	-8,628	-13,861
Profit before tax		-1,295,921			-88,937	3,210		-12,096	-97,823	-1,393,744
Income tax expense										
Profit/loss for the period		-1,295,921			-88,937	3,210		-12,096	-97,823	-1,393,744

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	IAS 12 Income tax	IFRS 9/IAS 32 Convertibel bonds	IAS 20 Government grants	Total IFRS adjustments	IFRS
EUR	Note	1.4-30.6.2023									1.4-30.6.2023
Revenue	2.4, 3	1,638,195									1,638,195
Other operating income		1,490									1,490
Manufacturing for enterprice's own use		360,774	-360,774							-360,774	
Materials and services		-1,215,220	210,033							210,033	-1,005,187
Employee benefits expense	2.3, 4, 5	-1,002,466	120,649		-28,168					92,481	-909,985
Depreciation and amortization	7	-246,717		-15,041		-803				-15,844	-262,561
Other operating expenses		-543,457	30,092	17,418						47,510	-495,947
Operating profit		-1,007,401		2,378	-28,168	-803				-26,593	-1,033,995
Finance income and expenses	2.5	-13,026		-2,378		4,013		-27,899	-13,481	-40,727	-53,753
Profit before tax		-1,020,427			-28,168	3,210		-27,899	-13,481	-67,320	-1,087,748
Income tax expense	2.7, 6						145,464				
Profit/loss for the period		-1,020,427			-28,168	3,210	145,464	-27,899	-13,481	-67,320	-1,087,748

Statement of financial position		FAS	IFRS 16 Leasing adjustments	IFRS 2 Option adjustments	IAS 23 Borrowing costs capitalization	IFRS 9/IAS 32 Convertibel bonds	Total IFRS adjustments	IFRS
EUR	Note	31.12.2021						31.12.2021
ASSETS								
Non-current assets		2,865,165	63,390		12,842		76,232	2,941,397
Intangible assets	2.1, 7	2,754,144			12,842		12,842	2,766,986
Right-of-use assets	2.2		63,390				63,390	63,390
Non-current receivables		111,021						111,021
Current assets		4,158,296						4,158,296
Trade receivables		217,951						217,951
Prepayments and accrued income		203,056						203,056
Cash and cash equivalents		3,737,288						3,737,288
Total assets		7,023,461	63,390		12,842		76,232	7,099,693
EQUITY AND LIABILITIES								
Equity								
Issued capital		80,000						80,000
Reserves		26,102,389	3	151,187			151,190	26,253,579
Retained earnings		-19,392,930	-1,248				-1,248	-19,394,178
Profit for the period		-2,889,532		-151,187	12,842		-138,345	-3,027,877
Total equity		3,899,927	-1,245		12,842		11,597	3,911,524
Liabilities								
Non-current liabilities		2,137,983	46,535				46,535	2,184,518
Interest-bearing loans and borrowings	2.5	1,690,604						1,690,604
Trade and other payables		447,380						447,380
Lease liabilities	2.2		46,535				46,535	46,535
Current liabilities		985,551	18,100				18,100	1,003,651
Trade and other payables		474,539						474,539
Interest-bearing loans and borrowings	2.5	33,333						33,333
Lease liabilities	2.2		18,100				18,100	18,100
Other current financial liabilities		56,926						56,926
Accrued liabilities		420,752						420,752
Total liabilities		3,123,534	64,635				64,635	3,188,169
Total equity and liabilities		7,023,461	63,390		12,842		76,232	7,099,693

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

Statement of financial position		FAS	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
EUR	Note	30.6.2022							30.6.2022
ASSETS									
Non-current assets		2,805,286	77,535		19,262			96,797	2,902,083
Intangible assets	2.1, 7	2,694,265			19,262			19,262	2,713,527
Right-of-use assets	2.2		77,535					77,535	77,535
Non-current receivables		111,021							111,021
Current assets		1,872,927							1,872,927
Trade receivables		488,322							488,322
Prepayments and accrued income		326,331							326,331
Cash and short-term deposits		1,058,275							1,058,275
Total assets		4,678,213	77,535		19,262			96,797	4,775,010
EQUITY AND LIABILITIES									
Equity									
Issued capital		80,000							80,000
Reserves		26,114,545		363,711				363,711	26,478,256
Retained earnings		-22,282,462	-1,373	-151,187	12,842		24,192	-115,526	-22,397,988
Profit for the period		-2,440,353		-212,524	6,420		-24,192	-230,296	-2,670,649
Total equity		1,471,730	-1,373		19,262			17,889	1,489,619
Liabilities									
Non-current liabilities		1,534,000	51,290					51,290	1,585,290
Interest-bearing loans and borrowings	2.5	1,287,397							1,287,397
Trade and other payables		246,603							246,603
Lease liabilities	2.2		51,290					51,290	51,290
Current liabilities		1,672,483	27,618					27,618	1,700,101
Trade and other payables		646,811							646,811
Interest-bearing loans and borrowings	2.5	419,874							419,874
Lease liabilities	2.2		27,618					27,618	27,618
Other current financial liabilities		60,644							60,644
Accrued liabilities		545,154							545,154
Total liabilities		3,206,483	78,908					78,908	3,285,391
Total equity and liabilities		4,678,213	77,535		19,262			96,797	4,775,010

Statement of financial position		FAS	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
EUR	Note	30.6.2023								30.6.2023
ASSETS										
Non-current assets		5,588,370	142,822		33,021	145,464			321,307	5,909,677
Intangible assets	2.1, 7	5,515,849			33,021				33,021	5,548,870
Right-of-use assets	2.2		142,822						142,822	142,822
Non-current receivables		72,521								72,521
Deferred tax assets	2.7, 6					145,464			145,464	145,464
Current assets		3,065,670								3,065,670
Trade receivables		766,275								766,275
Prepayments and accrued income		174,730								174,730
Cash and short-term deposits		2,124,664								2,124,664
Total assets		8,654,040	142,822		33,021	145,464			321,307	8,975,347
EQUITY AND LIABILITIES										
Equity										
Issued capital		80,000								80,000
Reserves		26,115,604		428,343			220,000		648,343	26,763,946
Retained earnings		-25,687,929	-3,532	-389,428	25,684		-28,300	26,559	-369,017	-26,056,947
Profit for the period		-1,478,912		-38,914	7,337	145,464	-55,798	-26,559	31,530	-1,447,383
Total equity		-971,238	-3,532		33,021	145,464	135,902		310,855 1,282,093	-660,383
Liabilities										
Non-current liabilities		3,916,510	89,276				-135,902		-46,626	3,869,884
Interest-bearing loans and borrowings	2.5	1,311,634								1,311,634
Contingent consideration liabilities	2.5	2,000,000					-135,902		-135,902	1,864,098
Trade and other payables		604,876								604,876
Lease liabilities	2.2		89,276						89,276	89,276
Current liabilities		5,708,768	57,078						57,078	5,765,846
Trade and other payables		2,099,811								2,099,811
Interest-bearing loans and borrowings	2.5	2,768,547								2,768,547
Lease liabilities	2.2		57,078						57,078	57,078
Other current financial liabilities		82,344								82,344
Accrued liabilities		758,065								758,065
Total liabilities		9,625,278	146,354				-135,902		10,452	9,635,730
Total equity and liabilities		8,654,040	142,822		33,021	145,464			321,307	8,975,347



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