

# Interim Report

JANUARY–SEPTEMBER 2023 ↔ NITRO GAMES OYJ





## The interim period January–September 2023

- ▶ Revenues (Jan – Sep) 5,946.9 KEUR (4,935.0 KEUR in the corresponding period 2022).
- ▶ EBITDA: -2,502.8 KEUR (-2,444.4 KEUR).
- ▶ EBIT: -3,377.6 KEUR (-3,051.9 KEUR).
- ▶ Net result: -3,585.5 KEUR (-3,094.1 KEUR).
- ▶ Earnings per share (EPS) -0.24 (- 0.24).
- ▶ Cash and cash equivalents: 1,809.2 KEUR (30 September 2023) and 1,256.3 KEUR of short-term receivables (30 September 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.)

## July–September 2023

- ▶ Revenues (Jul – Sep): 2,566.4 KEUR (2,404.6 KEUR in the corresponding period 2022).
- ▶ EBITDA: -1,517.0 KEUR (-206.7 KEUR).
- ▶ EBIT: -1,881.2 KEUR (-409.2 KEUR).
- ▶ Net result: -2,138.0 KEUR (-423.4 KEUR).
- ▶ Earnings per share (EPS) -0,11 (-0,03).

(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.)

– SAYS JUSSI TÄHTINEN,  
CEO OF NITRO GAMES.

## Significant events during July–September 2023

- ▶ Completed the rights issue and received approx. EUR 3.9 million.
- ▶ Signed approx. EUR 1.3 million EUR expansion to development agreement with Digital Extremes to work on an unannounced project.
- ▶ Signed approx. EUR 1.2 million EUR development agreement with Digital Extremes to work on Warframe Mobile.
- ▶ Received approx. EUR 0.4 as the second installment of funding from Business Finland.

## Significant events after the reporting period

- ▶ Changes liquidity provider to Erik Penser Bank
- ▶ Resolutions of Nitro Games Oyj's Extraordinary General Meeting; the Board of Directors resolved to establish stock option plan 2023.

### Record Revenues and Solid Progress

The third quarter was all about focusing our efforts on the most promising opportunities at hand. We pushed forward with the ongoing launch phase of our new game Autogun Heroes by scaling up the player base with marketing, expanded our collaboration with Digital Extremes with two new orders of 2.5 million EUR combined, and strengthened our financial position by completing the rights issue of 3.9 million EUR and raising 0.4 million EUR as the second installment of funding from Business Finland. As a result, our revenues reached an all-time high of 2.6 million EUR. Our EBITDA was negative at -1.5 million EUR due to increased one-off costs related to the rights issue and the planned investments in the launch phase marketing. We continued our active cost control by reducing investments on other fronts to ensure we stayed on our step-by-step path toward profitability. Our roadmap is clear and we are determined as ever to deliver results moving forward."



## 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](mailto:info@fnca.se).  
[www.nitrogames.com](http://www.nitrogames.com)  
 Finnish Business ID: FI21348196







## Key Financials

	Jul-Sep 2023	Jul-Sep 2022	Jan-Sep 2023	Jan-Sep 2022	Full Year 2022
Revenue (EUR thousand)	2,566.4	2,404.6	5,946.9	4,935.0	7,247.9
Operating profit/loss (EBIT) (EUR thousand)	-1,881.2	-409.2	3,377.6	-3,051.9	-3,621.3
Operating profit/loss % (EBIT %)	-73.3 %	-17.0 %	56.8 %	-61.8 %	-50.0 %
EBITDA (EUR thousand)	-1,517.0	-206.7	-2,502.8	-2,444.4	-2,799.8
EBITDA %	-59.1 %	-8.6 %	-42.1 %	-49.5 %	-38.6 %
Net profit /loss (EUR thousand)	-2,138.1	-423.4	-3,585.5	-3,094.1	-3,707.6
Equity ratio (%)	14.7 %	14.0 %	14.7 %	14.0 %	8.9 %
Number of shares, average	18,913,733	12,902,325	14,899,253	12,902,325	12,900,123
Number of shares, average diluted	18,913,733	12,902,325	14,899,253	12,902,325	12,900,102
Number of shares at the end of the period	24,924,364	12,902,352	24,924,364	12,902,352	12,903,102
Number of share options	1,402,072	1,222,440	1,402,072	1,222,440	1,256,940
Number of special rights	2,000,139	1,113,586	2,000,139	1,113,586	1,113,586
Equity per share (EUR)	0.05	0.10	0.05	0.10	0.06
Earnings per share (EUR) undiluted	-0.11	-0.03	-0.24	-0.24	-0.29
Earnings per share (EUR) diluted	-0.11	-0.03	-0.24	-0.24	-0.29
Net debt (EUR thousand)	5,804.0	6,176.7	5,804.0	6,176.7	5,828.1
Number of employees, average	48	54	49	48	51

## Calculation Principles of Alternative Performance Measures

Operating profit Revenue + other business income - operating expenses - depreciations

Operating profit %  $\frac{\text{Operating profit}}{\text{Revenue}} \times 100$

EBITDA Operating profit + depreciations + impairments

EBITDA %  $\frac{\text{EBITDA}}{\text{Revenue}} \times 100$

Equity ratio %  $\frac{\text{Equity}}{\text{Assets - advances received}} \times 100$

Net debt Liabilities - cash in hand and at banks

## A WORD FROM CEO

## Record revenues and solid progress

The third quarter was all about focusing our efforts on the most promising opportunities at hand. We pushed forward with the ongoing launch phase of our new game Autogun Heroes by scaling up the player base with marketing, expanded our collaboration with Digital Extremes with two new orders of 2.5 million EUR combined, and strengthened our financial position by completing the rights issue of 3.9 million EUR and raising 0.4 million EUR as the second installment of funding from Business Finland. As a result, our revenues reached an all-time high of 2.6 million EUR. Our EBITDA was negative at -1.5 million EUR due to increased one-off costs related to the rights issue and the planned investments in the launch phase marketing. We continued our active cost control by reducing investments on other fronts to ensure we stayed on our step-by-step path toward profitability.

One of the most promising opportunities we focus on is Autogun Heroes. We are excited to see the potential of the game now materializing step-by-step as we continue forward with the ongoing launch phase. The revenue accumulation has now started to increase during this second half of the year as planned. This combined with the data that we're seeing gives us a strong signal that our investments in UA are materializing in returns as revenue. This further boosts our confidence in the game. I am also happy about how the quality of the game has raised attention so far, not just from the players but within the industry as well. Our reputation as a household name in the category of action and shooter games is growing which is reflected positively in our discussions related to talent and partnerships. We have assigned more staff to work on the project to ensure we successfully complete the remaining tasks on our launch phase roadmap before

we greenlight the game to the live-ops phase. The upcoming live-ops phase is planned to start when the project has reached maturity with all key features implemented and validated. In this phase we start the longer-term operations seeking further growth with the game over its lifetime, taking advantage of all the learnings and results from different markets and user cohorts accumulated now during the launch phase. To prepare for that, we are now busy analyzing all the data we are accumulating, and discussing with potential interested partners, to ensure we have the optimal live-ops phase strategy for the next year and beyond. We need to be mindful of the limited resources we have for spending in UA now during the remaining part of the year, as we prepare for a long and rewarding journey ahead with Autogun Heroes.

The focus point in our B2B service has been our collaboration with Digital Extremes. We expanded the co-operation with them during the quarter, with two projects with a combined order value of approx. 9 million EUR. Parallel to this, we have now completed our development project with Supermassive Games and moved the staff to work on other projects. We are happy to see our reputation growing and our accumulated experience and track record with action and shooter games resulting in increasing interest in our service as we continue forward with a strong funnel in business development.

Overall, the third quarter was full of activity for us on many fronts. We expect to continue step-by-step progress toward profitability. Our roadmap is clear and we are determined as ever to deliver results moving forward by focusing on the most promising opportunities at hand.

– JUSSI TÄHTINEN, CEO OF NITRO GAMES



## CEO's comment:

⚡⚡ One of the most promising opportunities we focus on is Autogun Heroes. We are excited to see the potential of the game now materializing step-by-step as we continue forward with the ongoing launch phase. The revenue accumulation has now started to increase during this second half of the year as planned. This combined with the data that we're seeing gives us a strong signal that our investments in UA are materializing in returns as revenue. This further boosts our confidence in the game. I am also happy about how the quality of the game has raised attention so far, not just from the players but within the industry as well. Our reputation as a household name in the category of action and shooter games is growing which is reflected positively in our discussions related to talent and partnerships. Overall, the third quarter was full of activity for us on many fronts. We expect to continue step-by-step progress toward profitability. Our roadmap is clear and we are determined as ever to deliver results moving forward by focusing on the most promising opportunities at hand."



– JUSSI TÄHTINEN  
CEO OF NITRO GAMES



## Significant events during April–June 2023

- ▶ Completed the rights issue and received approx. EUR 3.9 million.
- ▶ 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.
- ▶ Received approx. EUR 0.4 as the second installment of funding from Business Finland.

**Nitro Games completed the rights issue and received approximately EUR 3.9 million.** Nitro Games Oyj 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. The Board of Directors of Nitro Games Oyj 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.

Through the Rights issue and the Directed Issue, the Company received gross proceeds of approximately EUR 3.9 million. The number of shares increased by 13,311,572 shares, from 12,903,102 shares to 24,924,364 shares, which implies a dilution effect of approximately 53.4 percent of the shares and votes.

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 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 received approx. 430,000 EUR as the second installment of funding from Business Finland.** The project has progressed following the project plan and therefore Nitro Games has now received the second installment of funding from Business Finland. 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 is in the form of a soft loan. The first installment of the approved funding was raised at the beginning of the project. There is still approx. 640,000 EUR left of the approved funding after this second installment, to be received against reports of project progress. The estimated project duration is 1.2.2023 – 30.6.2025.



## Significant events after the reporting period

- ▶ Changes liquidity provider to Erik Penser Bank
- ▶ Resolutions of Nitro Games Oyj's Extraordinary General Meeting; the Board of Directors resolved to establish stock option plan 2023.

**Nitro Games changes liquidity provider to Erik Penser Bank.** Nitro Games Oyj will change its liquidity provider on 7 November 2023 to Erik Penser Bank AB. Nitro Games has terminated its existing liquidity provider agreement with Lago Kapital Oy. The liquidity provider service according to the existing agreement with Lago Kapital Oy ends on 6 November 2023. The liquidity provider service according to the new agreement with Erik Penser Bank AB will be effective starting 7 November 2023.

**Resolutions of Nitro Games Oyj's Extraordinary General Meeting; the Board of Directors resolved to establish stock option plan 2023.** The Extraordinary General Meeting of Nitro Games Oyj ("Nitro Games" or the "Company") was held on 11 October 2023 in Kotka, Finland. A total of 13 shareholders and 7,451,645 shares and votes were represented in the meeting. The Extraordinary 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 issuance of stock options as follows: The maximum total number of stock options issued with the authorization is 2,492,436. Each stock option entitles to subscription of one new share. The Board of Directors is authorized to decide on all other terms of the stock options. The authorization is valid until 31 December 2025. For the avoidance of doubt, the authorization does not affect the validity of the company's existing stock option plans or the Board of Directors' authorization to give stock options based on the same. The Board of Directors will annul stock options relating to stock option plans 2/2020 and 1/2022 which are in possession of the Company and not allocated yet.

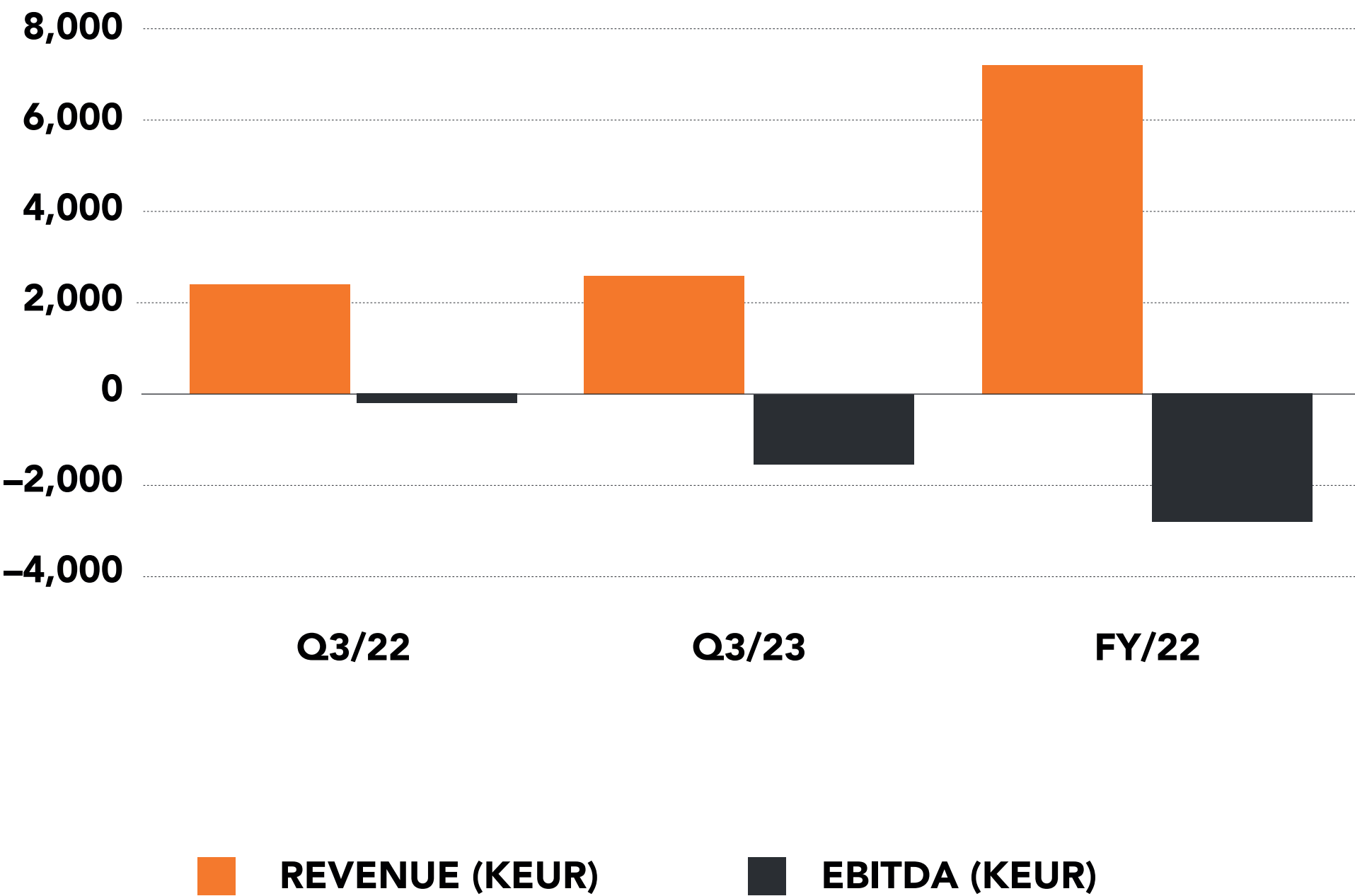
Based on the authorization granted by the Extraordinary General Meeting, the Board of Directors resolved to establish stock option plan 2023 for the key personnel of the Company for the years 2023-2025. Based on the stock option plan 2023, the maximum total number of stock options issued is 2,492,436, and they entitle their owners to subscribe for a maximum total of 2,492,436 new shares in the Company. Of the stock options, maximum of 2,243,192 are marked with the symbol 2023A and maximum of 249,244 are marked with the symbol 2023B. Share subscription period begins on a date which is 18 months from the subscription date of the stock options and ends on a date which is 36 months from the beginning of the share subscription period. The Board of Directors may extend the share subscription period. The subscription price of the shares is for the stock option 2023A SEK 6.00 per share, and for the stock option 2023B the volume weighted average price of the Company's share on First North Sweden during thirty (30) trading days before granting of stock options with an increase of 10 per cent.





## Revenues & Result

REVENUE & EBITDA



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

Revenues were 5,946.9 KEUR during January-September 2023 (4,935.0 KEUR) and grew by 20.5 % year-on-year. The revenues during the third quarter were 2,566.4 KEUR (2,404.6 KEUR) and grew by 6.7 % year-on-year.

Revenue	Q3/23	Q3/22	Jan-Sep 23	Jan-Sep 22	FY 2022
Revenue from operations	2,566,413	2,404,630	5,946,867	4,934,974	7,247,921
Self-publishing	978,575	93,852	1,523,407	273,657	515,865
Service business	1,587,838	2,310,778	4,423,460	4,661,317	6,732,057

The other operating income was 4.7 KEUR (9.9 KEUR) during January-September 2023 and to 1.4 KEUR during the third quarter (1.9 KEUR). This income includes rent income (subtenant).

EBITDA amounted to -2,502.8 KEUR (-2,444.4 KEUR) in the corresponding period 2022) during January-September 2023 and to -1,517.0 KEUR during the third quarter (-206.7 KEUR).

EBIT: Operating results before financial items amounted to -3,377.6 KEUR (-3,051.9 KEUR) during January-September 2023 and to -1,881.2 KEUR during the third quarter (-409.2 KEUR).

The net result for the period amounted to -3,585.5 KEUR (-3,094.1 KEUR) during January-September 2023 and to -2,138.1 KEUR during the third quarter (-423.4 KEUR).



**COST STRUCTURE:**

Materials and services were -3,880.1 KEUR (-3,325.2 KEUR) during January-September 2023 and -2,285.9 KEUR during the third quarter (-1,180.4 KEUR). Costs include third-party costs related to game development and maintenance (outsourced services) and game marketing costs, such as user acquisition costs (UA).

Employee benefits expense were -2,533.4 KEUR (-2,618.1 KEUR) during January-September 2023 and -757.3 KEUR during the third quarter (-896.8 KEUR). Costs include wages and salaries, social security expenses and cost for share option plans.

Other operating expenses (OPEX) were -2,040.9 KEUR (-1,446.0 KEUR) during January-September 2023 and -1,041.6 KEUR during the third quarter (-536.1 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. The operative costs and interest related to the financing round were approximately 894 KEUR, which was written as a one-time expense for the reporting period.





## Cash flow and financial position

Thousand euros	Jan-Sep 2023	Jan-Sep 2022	Full Year 2022
Net cash from operating activities	-2,799.0	-3,326.1	-2,922.7
Net cash used in investing activities	-1,883.4	-514.0	-1,307.2
Net cash from financing activities	4,894.1	1,999.2	2,090.1
<b>Change in cash and cash equivalents</b>	<b>211.7</b>	<b>-1,841.0</b>	<b>-2,139.8</b>
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	1,809.2	1,896.3	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 September by a total of 924.2 KEUR, and by a total of 310.5 KEUR during the third 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 September amounted to a total of -829.8 KEUR, and a total of -349.0 KEUR during the third quarter.





## Personnel

From January to September 2023, Nitro Games’s average number of employees was 48 (54).

	Jun–Sep 2023	Jun–Sep 2022	Change, %	Jan–Sep 2023	Jan–Sep 2022	Change, %	Full Year 2022
Employees (average for the period)	48	54	-11.1	49	48	2.1	51
Employees (end of period)	47	55	-14.5	47	55	14.5	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.

The members of the board and the management team subscribed for Nitro Games’ new shares in the Right issue of shares as follows:

**Board:**

- Johan Biehl 208,800 share
- Susana Meza Graham 250,002 shares
- Antti Villanen 14,706 shares

**Management:**

- Jussi Tähtinen 29,412 shares
- Samppa Rönkä 22,503 shares
- Jussi Immonen 21,813 shares
- Matti Nikkola 100,002 shares





## The Share and Shareholders

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

On September 30, 2023, Nitro Games' share capital amounted to 80 KEUR, and the number of shares was 24,924,364. 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:

Shareholders	Number of shares	% of shares and votes
NORDISK GAMES A/S	6,492,636	26.05
AVANZA PENSION	2,300,149	9.23
JONSSON, JIMMY	1,047,893	4.20
BNY MELLON SA/NV FOR JYSKE, W8IMY	875,001	3.51
IVARSSON, ALEXANDER	820,786	3.29
JOHANSSON, ANDREAS	772,402	3.10
NORDNET PENSIONSFORESAKRING AB	628,677	2.52
MATTSSON, EMIL	537,800	2.16
STENBERG, MAX	442,484	1.78
ERLANDDSSON DANIEL	317,696	1.27
Others	10,688,840	42.89
<b>The total number of shares</b>	<b>24,924,364</b>	<b>100.00</b>

## Calculation of Earnings per Share

	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022	Full Year 2022
Net profit /loss (EUR thousand)	-2,138.1	-423,4	-3,585.5	-3 094.1	-3 707.6
Number of shares, average	18,913,733	12,902,325	14,899,253	12 902 325	12,900,123
Number of shares, average diluted	18,913,733	12,902,325	14,899,253	12 902 325	12,900,123
Number of shares at the end of the period	24,924,364	12,902,352	24,924,364	12 902 352	12,903,102
Number of Share options	1,402,072	1,222,440	1,402,072	1,222,440	1,256,940
Number of Special Right	2,000,139	1,113,586	2,000,139	1,113,586	1,113,586

Equity per share (EUR)	0.05	0.10	0.05	0.10	0.06
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Earnings per share (EUR) undiluted	-0.11	-0.03	-0.24	-0.24	-0.29
Earnings per share (EUR) diluted	-0.11	-0.03	-0.24	-0.24	-0.29





## 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](mailto: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](http://www.nitrogames.com/investors). The company can be contacted by email at [jussi@nitrogames.com](mailto:jussi@nitrogames.com), or by phone at +358 44 388 1071.

## Financial Calendar

- ▶ Year-End Report 2023, 19 February 2024
- ▶ Annual Report 2023, 22 April 2024
- ▶ Interim Report Q1 2024, April 29 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 23 October 2023 at 09:00 (EEST).

## For Further Information, Please Contact:

**Jussi Tähtinen**  
CEO, Co-founder  
+358 44 388 1071  
[jussi@nitrogames.com](mailto:jussi@nitrogames.com)



# Board Declaration

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, 23 October 2023

**Johan Biehl**  
Chairman

# Antti Villanen

## Morgan Habedank

## Susana Meza Graham

**Jussi Tähtinen**  
CEO







## Statement of Profit or Loss

These unaudited financial statements report for 1.1.- 30.9.2023 have been prepared according to International Financial Reporting Standards (IRFS) and Nasdaq First North Growth marketplace rules and regulations.

EUR	Note	Jul–Sep 2023	Jul–Sep 2022	Jan–Sep 2023	Jan–Sep 2022	Full Year 2022
Revenue	2.4, 3	2,566,413	2,404,630	5,946,867	4,934,974	7,247,921
Other operating income		1,371	1,890	4,731	9,951	11,841
Materials and services		-2,285,855	-1,180,355	-3,880,113	-3,325,202	-4,248,953
Employee benefits expense	2.3, 4, 5	-757,344	-896,782	-2,533,379	-2,618,074	-3,814,448
Depreciation and amortization	7	-364,172	-202,486	-874,875	-607,571	-821,437
Other operating expenses		-1,041,608	-536,117	-2,040,867	-1,446,010	-1,996,195
<b>Operating profit</b>		<b>-1,881,196</b>	<b>-409,221</b>	<b>-3,377,636</b>	<b>-3,051,933</b>	<b>-3,621,271</b>
Finance income and expenses	2.5	-256,857	-14,201	-353,364	-42,138	-86,281
<b>Profit before tax</b>		<b>-2,138,053</b>	<b>-423,422</b>	<b>-3,731,000</b>	<b>-3,094,071</b>	<b>-3,707,552</b>
Income tax expense	2.7, 6			145,464		
<b>Profit/loss for the period</b>		<b>-2,138,053</b>	<b>-423,422</b>	<b>-3,585,536</b>	<b>-3,094,071</b>	<b>-3,707,552</b>
<b>Total comprehensive income for the period, net of tax</b>		<b>-2,138,053</b>	<b>-423,422</b>	<b>-3,585,536</b>	<b>-3,094,071</b>	<b>-3,707,552</b>





## Statement of Financial Position

EUR	Note	Sep 30 2023	Sep 30 2022	Dec 31 2022
<b>ASSETS</b>				
<b>Non-current assets</b>		<b>5,863,935</b>	<b>5,585,798</b>	<b>5,650,370</b>
Intangible assets	2.1, 7	5,515,537	5,400,375	5,406,738
Right-of-use assets	2.2	130,413	74,402	171,111
Non-current receivables		72,521	111,021	72,521
Deferred tax assets	2.7, 6	145,464		
<b>Current assets</b>		<b>3,065,528</b>	<b>3,800,095</b>	<b>2,498,185</b>
Trade receivables		1,017,269	1,573,025	594,840
Prepayments and accrued income		239,066	330,722	305,872
Cash and cash equivalents		1,809,193	1,896,348	1,597,472
<b>Total assets</b>		<b>8,929,463</b>	<b>9,385,893</b>	<b>8,148,555</b>

EUR	Note	Sep 30 2023	Sep 30 2022	Dec 31 2022
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Issued capital		80,000	80,000	80,000
Reserves		30,863,819	26,712,813	26,725,032
Retained earnings		-26,041,995	-22,385,933	-22,374,530
Profit (loss) for the period		-3,585,536	-3,094,071	-3,707,552
<b>Total equity</b>		<b>1,316,289</b>	<b>1,312,808</b>	<b>722,950</b>
<b>Liabilities</b>				
<b>Non-current liabilities</b>		<b>4,322,960</b>	<b>4,589,513</b>	<b>4,042,828</b>
Interest-bearing loans and borrowings	2.5	1,741,634	1,287,397	1,256,841
Contingent consideration liabilities	2.5	1,891,997	1,780,000	1,808,300
Trade and other payables		608,615	1,468,286	839,265
Lease liabilities	2.2	80,714	53,830	138,422
<b>Current liabilities</b>		<b>3,290,214</b>	<b>3,483,572</b>	<b>3,382,776</b>
Trade and other payables		1,852,147	2,552,469	2,218,253
Interest-bearing loans and borrowings	2.5	814,747	411,540	436,540
Lease liabilities	2.2	53,810	21,987	34,605
Other current financial liabilities		71,395	63,967	81,638
Accrued liabilities		498,115	433,609	611,739
<b>Total liabilities</b>		<b>7,613,174</b>	<b>8,073,084</b>	<b>7,425,605</b>
<b>Total equity and liabilities</b>		<b>8,929,463</b>	<b>9,385,893</b>	<b>8,148,555</b>





## Statement of Cash Flows

IFRS, EUR thousand	Jan–Sep 2023	Jan–Sep 2022	Full Year 2022
<b>Cash flow from operating activities:</b>			
Profit (-loss) before extraordinary items	-3,586.1	-3,094.1	-3,707.7
<b>Adjustments:</b>			
Depreciation according to plan	875.4	607.6	821.4
Financial income and expenses	234.7	16.0	21.4
Other non-cash items	-12.0	224.4	253.3
Cash flow before change in working capital	-2,488.0	-2,246.1	-2,611.6
<b>Change in working capital:</b>			
Increase (-) / decrease (+) in current non-interest-bearing receivables	-355.6	-1482.7	-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	511.9	601.4	358.8
Increase (+) / decrease (-) in non-current non-interest-bearing liabilities	-230.7	-179.1	-207.9
Cash flow from operating activities before financial items and taxes	-2,562.4	-3,306.5	-2,902.0
Income tax expense			
Interest paid and payments for other financial operating expenses	-236.6	-19.6	-20.7
<b>Net cash from operating activities (A)</b>	<b>-2,799.0</b>	<b>-3,326.1</b>	<b>-2,922.7</b>
<b>Cash flow from investing activities:</b>			
Acquisition of intangible and tangible assets	-1924.1	-503.0	-1,199.5
Acquisition of right-of-use assets	40.7	-11.0	-107.7
<b>Net cash used in investing activities (B)</b>	<b>-1,883.4</b>	<b>-514.0</b>	<b>-1,307.2</b>
<b>Cash flow from financing activities:</b>			
Share issue against payment	4071.8	13.2	13.2
Proceeds from and repayment of current loans	378.2	378.2	403.2
Proceeds from and repayment of non-current loans	484.8	1596.8	1 566.0
Additions /repayments of finance lease liabilities	-38.5	11.8	108.4
Interest paid and contributions from financial expenses	-2.2	-0.8	-0.7
<b>Net cash from financing activities (C)</b>	<b>4,894.1</b>	<b>1,999.2</b>	<b>2,090.1</b>
<b>Change in cash and cash equivalents (A + B + C) increase (+) / decrease (-)</b>	<b>211.7</b>	<b>-1,841.0</b>	<b>-2,139.8</b>
Cash and cash equivalents at the beginning of the period	1,597.5	3,737.3	3,737.3
<b>Cash and cash equivalents at the end of the period</b>	<b>1,809.2</b>	<b>1,896.3</b>	<b>1,597.5</b>



## 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 Jul 2023	80	26,764	-26,057	-1,447	-660
Option subscriptions		4,072			4,072
Equity-Conversion option					
Shares-based payments		28	15	-1	42
Profit (loss) for the financial period				-2,138	-2,138
Equity 30 Sep 2023	80	30,864	-26,042	-3,586	1,316
Equity 1 Jul 2022	80	26,479	-22,398	-2,671	1,490
Option subscriptions					
Equity-Conversion option		13			13
Shares-based payments		7			7
Profit (loss) for the financial period		214	12	-423	-197
Equity 30 Sep 2022	80	26,713	-22,386	-3,094	1,313
Equity 1 Jan 2023	80	26,725	-26,082		723
Option subscriptions		4,072			4,072
Equity-Conversion option					
Shares-based payments		67	40		107
Profit (loss) for the financial period				-3,586	-3,586
Equity 30 Sep 2023	80	30,864	-26,042	-3,586	1,316
Equity 1 Jan 2022	80	26,254	-22,422		3,912
Option subscriptions					
Equity-Conversion option		13			13
Shares-based payments		232	0		232
Profit (loss) for the financial period		214	36	-3,094	-2,844
Equity 30 Sep 2022	80	26,713	-22,386	-3,094	1,313
Equity 1 Jan 2022	80	26,713	-22,386		
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 September 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 September 2023 and the financial period that ended on 30 September 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 September 2023 and 30 September 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 130.4 thousand, (EUR 142.8 thousand in Q2 2023) and lease liabilities EUR 134.5 thousand on 30 September 2023, (EUR 146.4 thousand in Q2 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 74.4 thousand (EUR 77.5 thousand in Q2 2022) and Lease liabilities were EUR 75.8 thousand on 30 September 2022, (EUR 78.9 thousand in Q2 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 September 2023, lease payments of EUR 52.3 thousand (EUR 34.8 thousand in Q2 2023) were reversed from Other operating expenses and reclassified to interest charges of EUR 7.2 thousand (EUR 4.9 thousand in Q2 2023) and depreciation of the right-of-use assets amounted to EUR 45.0 thousand (EUR 29.9 thousand in Q2 2023).

For the comparative interim reporting period ended on 30 September 2022, lease payments of EUR 27.7 thousand (EUR 18.5 thousand in Q2 2022) were reversed from Other operating expenses and reclassified to interest charges of EUR 1.9 thousand (EUR 1.2 thousand in Q2 2022) and depreciation of the right-of-use assets amounted to EUR 25.9 thousand (EUR 17.3 thousand in Q2 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 September 2023 was an increase of EUR 67.0 thousand (EUR 38.9 thousand in Q2 2023), and in the interim reporting period ended 30 September 2022, an increase of EUR 226.0 thousand (EUR 212.5 thousand in Q2 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 IFRS. Under IFRS, the received payments have been recognized as expenses over the vesting period and counter-entry is made to

equity. During the first nine months period that ended on 30.9.2023, 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 30.9.2023 was EUR 36.3 thousand (EUR 18.2 in Q2 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 30.9.2023 is an increase in interest expense of EUR 83.8 thousand (EUR 55.8 thousand in the second 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 29.4.2024, 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. A second drawdown of EUR 430 thousand was done in Q3. The balance stands at EUR 888 thousand as of 30.9.2023. The remaining facility will be drawn down between 2023-2025 subject to project progress reports.

The combined balance of the two loans at 30.9.2023 is EUR 2,501 thousand and the total interest expense for the period ended 30.9.2023 is EUR 48.4 thousand (EUR 32.3 thousand in Q2 2023), of which EUR 42.1 thousand is computational interest subsidy (EUR 26.6 thousand in Q2 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 10.4 thousand in the period ending 30.9.2023 (EUR 5,7 thousand in Q2 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 were repaid in full in Q3 2023.

#### 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 30.9.2023.

### 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.

	Q3/23	Q3/22	Jan–Sep 23	Jan–Sep 22	FY 2022
Revenue					
Revenue from operations	2,566,413	2,404,630	5,946,867	4,934,974	7,247,921
Self-publishing	978,575	93,852	1,523,407	273,657	515,865
Service business	1,587,838	2,310,778	4,423,460	4,661,317	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.

	Q3/23	Q3/22	Jan–Sep 23	Jan–Sep 22	FY 2022
Revenue per market area	2,566,413	2,404,630	5,946,867	4,934,974	7,247,921
EU	849,013	16,872	1,212,362	28,460	689,112
North America	1,216,226	876,936	2,994,437	2,117,873	2,993,686
United Kingdom	490,578	1,273,359	1,590,578	2,245,859	3,407,775
Other	10,596	237,463	149,490	542,782	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. How about

## 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 third quarter. No adjustment was deemed necessary, so the balance remains at EUR 145,5 thousand on 30.9.2023.

**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	1.1-30.9.2022								1.1-30.9.2022
Revenue	2.4, 3	4,934,974								4 934 974
Other operating income		9,951								9 951
Manufacturing for enterprise's own use		503,029	-503,029						-503,029	
Materials and services		-3,640,614	315,412						315,412	-3,325,202
Employee benefits expense	2.3, 4, 5	-2,575,803	183,751		-226,022				-42,271	-2,618,074
Depreciation and amortization	7	-579,271		-25,891		-2,409			-28,300	-607,571
Other operating expenses		-1,477,625	3,867	27,748					31,615	-1,446,010
Operating profit		-2,825,359		1,857	-226,022	-2,409			-226,574	-3,051,933
Finance income and expenses	2.5	-16,032		-1,857		12,039		-36,289	-26,107	-42,138
Profit before tax		-2,841,391			-226,022	9,630		-36,289	-252,681	-3,094,071
Income tax expense										
Profit/loss for the period		-2,841,391			-226,022	9,630		-36,289	-252,681	-3,094,071

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	1.1-30.9.2023									1.1-30.9.2023
Revenue	2.4, 3	5,946,867									5,946,867
Other operating income		4,731									4,731
Manufacturing for enterprise's own use		924,108	-924,108							-924 108	
Materials and services		-4,458,456	578,343							578,343	-3,880,113
Employee benefits expense	2.3, 4, 5	-2,782,048	315,673		-67,004					248,669	-2,533,379
Depreciation and amortization	7	-827,738		-45,045		-2,092				-47,137	-874,875
Other operating expenses		-2,123,227	30,092	52,268						82,360	-2,040,867
Operating profit		-3,315,763		7,223	-67,004	-2,092				-61,873	-3,377,636
Finance income and expenses	2.5	-234,683		-7,223		14,329		-83,697	-42,090	-118,681	-353,364
Profit before tax		-3,550,446			-67,004	12,237		-83,697	-42,090	-180,554	-3,731,000
Income tax expense	2.7, 6						145,464			145,464	145,464
Profit/loss for the period		-3,550,446			-67,004	12,237	145,464	-83,697	-42,090	-35,090	-3,585,536



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	1.7-30.9.2022								1.7-30.9.2022
Revenue	2.4, 3	2,404,630								2,404,630
Other operating income		1,890								1,890
Manufacturing for enterprise's own use		176,729	-176,729						-176,729	
Materials and services		-1,316,265	135,910						135,910	-1,180,355
Employee benefits expense	2.3, 4, 5	-920,236	36,952		-13,498				23,454	-896,782
Depreciation and amortization	7	-193,090		-8,593		-803			-9,396	-202,486
Other operating expenses		-549,233	3,867	9,249					13,116	-536,117
Operating profit		-395,576		656	-13,498	-803			-13,645	-409,221
Finance income and expenses	2.5	-5,462		-656		4,013		-12,096	-8,739	-14,201
Profit before tax		-401,038			-13,498	3,210		-12,096	-22,384	-423,422
Income tax expense										
Profit/loss for the period		-401,038			-13,498	3,210		-12,096	-22,384	-423,422

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	1.7-30.9.2022									1.7-30.9.2022
Revenue	2.4, 3	2,566,413									2,566,413
Other operating income		1,371									1,371
Manufacturing for enterprise's own use		310,510	-310,510							-310,510	
Materials and services		-2,490,837	204,982							204,982	-2,285,855
Employee benefits expense	2.3, 4, 5	-834,883	105,629		-28,090					77,539	-757,344
Depreciation and amortization	7	-348,743		-15,171		-258				-15,429	-364,172
Other operating expenses		-1,059,040		17,432						17,432	-1,041,608
Operating profit		-1,855,210	101	2,261	-28,090	-258				-25,986	-1,881,196
Finance income and expenses	2.5	-216,324		-2,261		5,158		-27,899	-15,531	-40,533	-256,857
Profit before tax		-2,071,533	101		-28,090	4,900		-27,899	-15,531	-66,519	-2,138,053
Income tax expense	2.7, 6						145,464				
Profit/loss for the period		-2,071,533	101		-28,090	4,900	145,464	-27,899	-15,531	-66,519	-2,138,053

Statement of financial position		FAS	IFRS 16 Leasing adjustments	IFRS 2 Option adjustments	IAS 23 Borrowing costs capitalization	IFRS 9/IAS 32 Convertible bonds	Total IFRS adjustments	IFRS
EUR	Note	31.12.2021						31.12.2021
<b>ASSETS</b>								
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
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
<b>EQUITY AND LIABILITIES</b>								
<b>Equity</b>								
Issued capital		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
<b>Liabilities</b>								
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 Convertible bonds	IAS 20 Government grants	Total IFRS adjustments	IFRS
EUR	Note	31.12.2022							31.12.2022
<b>ASSETS</b>									
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			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
<b>Total assets</b>		<b>7,951,952</b>	<b>171,111</b>		<b>25,492</b>			<b>196 603</b>	<b>8 148 555</b>
<b>EQUITY AND LIABILITIES</b>									
<b>Equity</b>									
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
<b>Total equity</b>		<b>507,674</b>	<b>-1,916</b>		<b>25,492</b>	<b>191,700</b>		<b>215,276</b>	<b>722,950</b>
<b>Liabilities</b>									
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
<b>Total liabilities</b>		<b>7,444,278</b>	<b>173,027</b>			<b>-191,700</b>		<b>-18,673</b>	<b>7,425,605</b>
<b>Total equity and liabilities</b>		<b>7,951,952</b>	<b>171,111</b>		<b>25,492</b>			<b>196,603</b>	<b>8,148,555</b>

Statement of financial position		FAS	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	30.9.2022							30.9.2022
<b>ASSETS</b>			74,402		22,472			96,874	5,585,798
Non-current assets	2.1, 7	5,488,924			22,472			22,472	5,400,375
Intangible assets	2.2	5,377,903	74,402					74,402	74,402
Right-of-use assets									111,021
Non-current receivables		111,021							3,800,095
Current assets		3,800,095							1,573,025
Trade receivables		1,573,025							330,722
Prepayments and accrued income		330,722							1,896,348
Cash and short-term deposits		1,896,348	74,402		22,472			96,874	9,385,893
<b>Total assets</b>		9,289,019							
<b>EQUITY AND LIABILITIES</b>									
<b>Equity</b>									
Issued capital		80,000							80,000
Reserves		26,115,604		377,209		220,000		597,209	26,712,813
Retained earnings		-22,282,462	-1,415	-151,187	12,842		36,289	-103,471	-22,385,933
Profit for the period		-2,841,391		-226,022	9,630		-36,289	-252,681	-3,094,071
<b>Total equity</b>		1,071,751	-1,415		22,472	220,000		241,057	1,312,808
<b>Liabilities</b>									
<b>Non-current liabilities</b>		4,755,683	53,830			-220,000		-166,170	4,589,513
Interest-bearing loans and borrowings	2.5	1,287,397							1,287,397
Contingent consideration liabilities	2.5	2,000,000				-220,000		-220,000	1,780,000
Trade and other payables		1,468,286							1,468,286
Lease liabilities	2.2		53,830					53,830	53,830
Current liabilities		3,461,585	21,987					21,987	3,483,572
Trade and other payables		2,552,469							2 552,469
Interest-bearing loans and borrowings	2.5	411,540							411,540
Lease liabilities	2.2		21,987					21,987	21,987
Other current financial liabilities		63,967							63,967
Accrued liabilities		433,609							433,609
<b>Total liabilities</b>		8,217,267	75,817			-220,000		-144,183	8,073,084
<b>Total equity and liabilities</b>		9,289,019	74,402		22,472			96,874	9,385,893



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 Convertible bonds	IAS 20 Government grants	Total IFRS adjustments	IFRS
EUR	Note	30.09.2023								30.09.2023
<b>ASSETS</b>										
Non-current assets		5,550,137	130,413		37,921	145,464			313,798	5,863,935
Intangible assets	2.1, 7	5,477,616			37,921				37,921	5,515,537
Right-of-use assets	2.2		130,413						130,413	130,413
Non-current receivables		72,521								72,521
Deferred tax assets	2.7, 6					145,464			145,464	145,464
Current assets		3,065,528								3,065,528
Trade receivables		1,017,269								1,017,269
Prepayments and accrued income		239,066								239,066
Cash and short-term deposits		1,809,193								1,809,193
<b>Total assets</b>		<b>8,615,665</b>	<b>130,413</b>		<b>37,921</b>	<b>145,464</b>			<b>313,798</b>	<b>8,929,463</b>
<b>EQUITY AND LIABILITIES</b>										
<b>Equity</b>										
Issued capital		80,000								80,000
Reserves		30,187,387		456,432			220,000		676,432	30,863,819
Retained earnings		-25,687,929	-4,111	-389,428	25,684		-28,300	42,090	-354,065	-26,041,995
Profit for the period		-3,550,446		-67,004	12,237	145,464	-83,697	-42,090	-35,090	-3,585,536
<b>Total equity</b>		<b>1,029,012</b>	<b>-4,111</b>		<b>37,921</b>	<b>145,464</b>	<b>108,003</b>		<b>287,277</b>	<b>1,316,289</b>
<b>Liabilities</b>										
Non-current liabilities		4,350,249	80,714				-108,003		-27,289	4 322,960
Interest-bearing loans and borrowings	2.5	1,741,634								1 741,634
Contingent consideration liabilities	2.5	2,000,000					-108,003		-108,003	1 891,997
Trade and other payables		608,615								608,615
Lease liabilities	2.2		80,714						80,714	80,714
Current liabilities		3,236,404	53,810						53,810	3 290,214
Trade and other payables		1,852,147								1 852,147
Interest-bearing loans and borrowings	2.5	814,747								814,747
Lease liabilities	2.2		53,810						53,810	53,810
Other current financial liabilities		71,395								71,395
Accrued liabilities		498,115								498,115
<b>Total liabilities</b>		<b>7,586,653</b>	<b>134,524</b>				<b>-108,003</b>		<b>26,521</b>	<b>7,613,174</b>
<b>Total equity and liabilities</b>		<b>8,615,665</b>	<b>130,413</b>		<b>37,921</b>	<b>145,464</b>			<b>313,798</b>	<b>8,929,463</b>





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