

2024 Annual report

NITRO GAMES OYJ



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Highlights

- Profitable growth with record revenues
- Strong focus on the category of action and shooter games
- Expansion of the game portfolio to new platforms:
 - Autogun Heroes publishing agreement with Supersonic from Unity & expansion to web with CrazyGames
 - Autogun Heroes: Supercharged announced on PC in Steam
 - NERF: Superblast in live phase on mobile
 - Cross-platform game Warframe launched on iOS with Digital Extremes
 - Multiplatform development project with Netflix

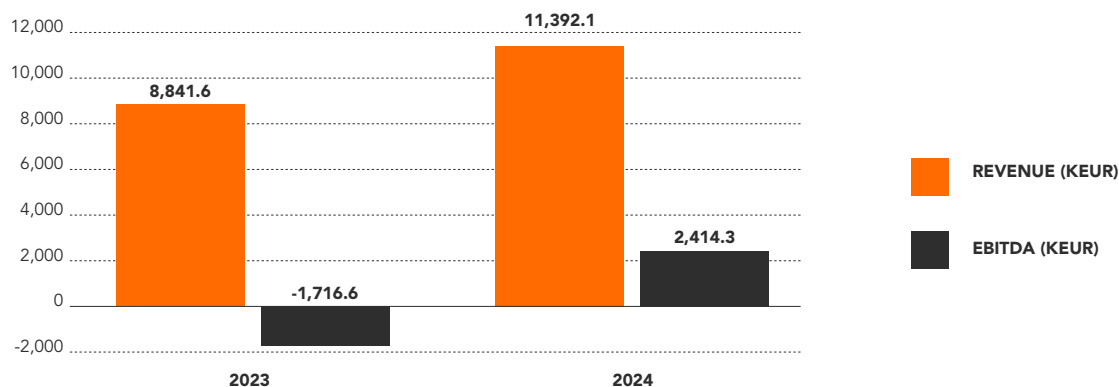




Facts and Key Financial performance

	Full year 2024	Full year 2023
Revenue (EUR thousand)	11,392.1	8,841.6
Operating profit/loss (EBIT) (EUR thousand)	654.2	-3,024.8
Operating profit/loss % (EBIT %)	5.7 %	-34.2 %
EBITDA (EUR thousand)	2,414.3	-1,716.6
EBITDA %	21.2 %	-19.4 %
Net profit /loss (EUR thousand)	475.3	-3,283.1
Equity ratio (%)	32.5%	18.9%
Number of shares, average	24,924,364	17,440,052
Number of shares, average diluted	24,924,364	17,440,052
Number of shares at the end of the period	24,924,364	24,924,364
Number of share options	2,528,618	3,648,264
Number of special rights	693,663	2,000,139
Equity per share (EUR)	0.10	-0.07
Earnings per share (EUR) undiluted	0.02	-0.19
Earnings per share (EUR) diluted	0.02	-0.19
Net debt (EUR thousand)	3,139.4	5,152.9
Number of employees, average	47	48

Revenue & Profit / Loss



The above graph illustrates the development of Revenue and EBITDA generation 2023-2024.

Platform expansion of Game portfolio

5 key projects and customers at the end of 2024.



AUTOGUN HEROES



AUTOGUN HEROES:
SUPER CHARGED



NERF: SUPERBLAST



DIGITAL EXTREMES



NETFLIX



Record year across the board

2024 was a record year for us in many ways. We succeeded in delivering quality and growth in our game portfolio, resulting in systematic improvements in our financial performance. Our revenues grew 29%, surpassing the 10 million EUR milestone, landing at 11.4 million EUR. Our EBITDA improved 241% year-on-year, with a margin of 21%, totaling 2.4 million EUR. At the same time, our balance sheet improved as we amortized 1.8 million EUR in previously capitalized development costs, repaid 1.4 million EUR in loans, and raised 0.3 million EUR in new funding from Business Finland. This improved our financial stability and our ability to continue improving profitability moving forward. These strong figures result from our persistent efforts in expanding our game portfolio while also controlling costs to navigate uncertain times. I'm excited to see what we'll achieve moving forward as the industry continues to improve and new opportunities emerge.

A WORD FROM THE CEO

– JUSSI TÄHTINEN, CEO



A word from the CEO

Record Year Across the Board



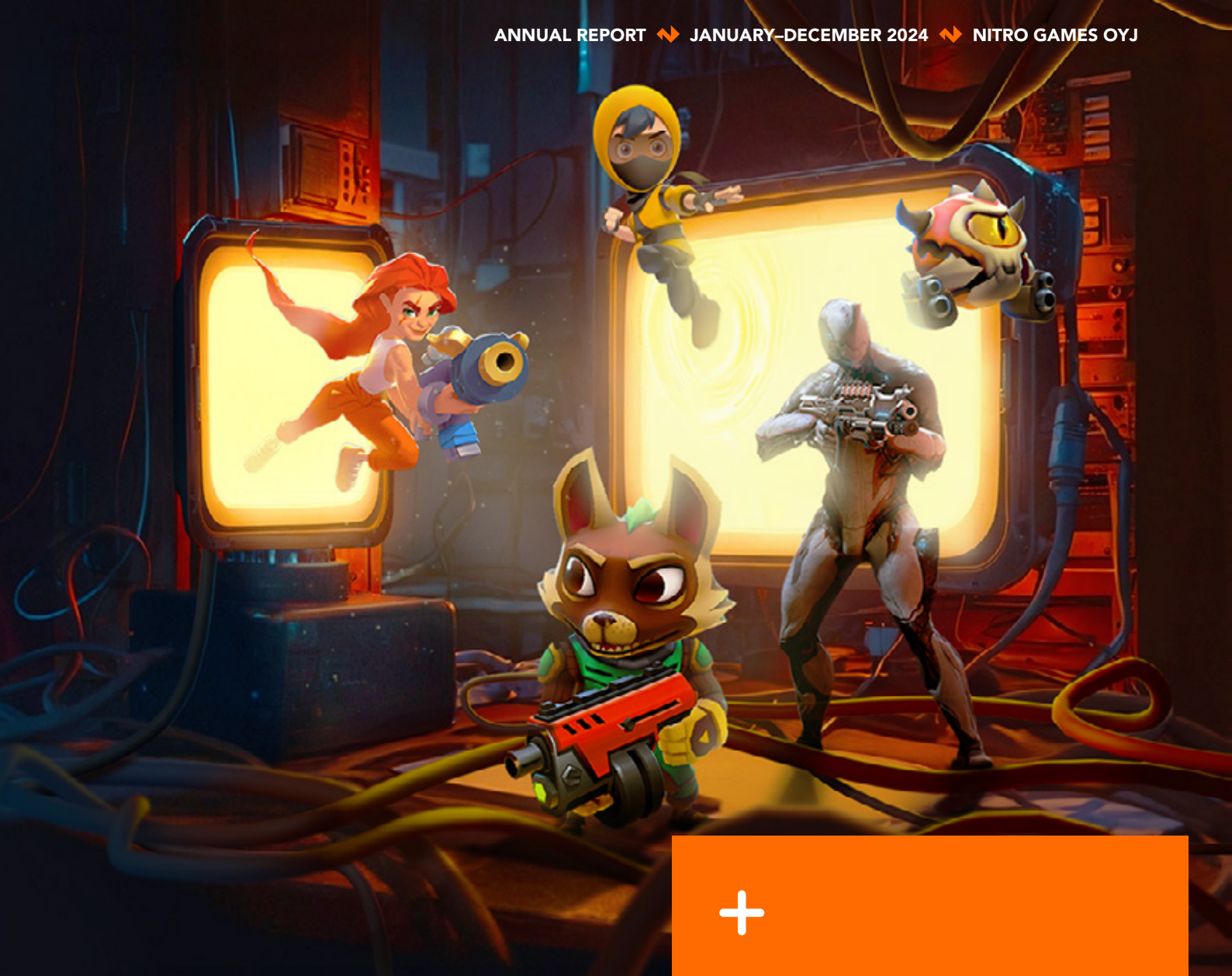
2024 was a record year for us in many ways. We succeeded in delivering quality and growth in our game portfolio, resulting in systematic improvements in our financial performance. Our revenues grew 29%, surpassing the 10 million EUR milestone, landing at 11.4 million EUR. Our EBITDA improved 241% year-on-year, with a margin of 21%, totaling 2.4 million EUR. At the same time, our balance sheet improved as we amortized 1.8 million EUR in previously capitalized development costs, repaid 1.4 million EUR in loans, and raised 0.3 million EUR in new funding from Business Finland. This improved our financial stability and our ability to continue improving profitability moving forward. These strong figures result from our persistent efforts in expanding our game portfolio while also controlling costs to navigate uncertain times. I'm excited to see what we'll achieve moving forward as the industry continues to improve and new opportunities emerge.

2024 marked several key developments in our game portfolio. We collaborated with leading brands such as Warframe by Digital Extremes (part of Tencent), NERF by Hasbro, and Netflix. We also built value in our own brands, Autogun Heroes and Superblast, while working on yet-to-be-announced projects. Additionally, we expanded our business to new platforms, announcing Autogun Heroes for web and PC. Of course, we also experienced the thrill of game launches, with Warframe launching on iOS in February. Overall, we're seeing increasing demand in our category for cross-platform games having a mobile version in the platform mix. Our ongoing platform expansion is a good match to that demand. This also supports our long-term strategy allowing us to explore new business opportunities with our game portfolio as we move forward.

Quality is one of our core values at Nitro. We take pride in the quality of our work, and our relentless pursuit of excellence shines through in everything we do. For me, the most important factor in achieving

quality is our people. I believe that high-quality games are a direct result of having the best people working on them. Customer satisfaction is a great indicator of the quality we deliver. Looking at 2024, we see this reflected throughout our business: consumer ratings for our games consistently hover around 4.5/5 or higher. We received notable follow-up orders from our B2B customers and secured new partnerships with a total order value of 9.4 million EUR despite a really challenging market. Platform owners continued to support our games with prominent featuring placements as a result of our persistent work on active updates and live service to our players. We added more industry awards to our collection and received even more nominations for Autogun Heroes and Warframe iOS. Alongside all of this, our business continued to grow while we improved profitability. We performed better than ever in 2024, and we did so by learning and improving instead of increasing our number of employees. Our scalable approach to staffing, combining our in-house team and external partner network, enabled us to achieve significant profitability improvements, leading to a record EBIT in 2024. This all makes me incredibly proud, as it is a direct result of the great people we have.

It's clear that we're currently at an all-time high in many ways. Looking at our history and the long-term development of our revenue and profitability, it's evident that this is not a one-off event but a logical next step in our journey. We turned profitable at the end of 2023 and stayed profitable throughout 2024 despite investing in the future growth of our game portfolio through platform expansion and new game exploration. Our focus on action and shooter brands across platforms has allowed us to capitalize on opportunities more effectively, continuously improving and strengthening our reputation. In 2024, we stayed true to our vision—collaborating with leading brands while expanding into new platforms. This resulted in a record financial year. More importantly, it positioned us well for the future, allowing us to continue steady forward movement toward new milestones and achievements.



The year ahead looks exciting and promising. We have an increasing number of new opportunities as we expand our game portfolio. We have the financial stability to take these opportunities, knowing that success in this hit-driven industry is never guaranteed. Our focus remains tight on action and shooter brands. We seek growth in our business with new unannounced games, new platforms and distribution channels for our existing titles, and new partnerships and business ventures on the horizon. At the same time, our reputation and added value continue to grow, resulting in even more opportunities for the long term. Overall, we are well-positioned to reach new heights in 2025, with many exciting milestones ahead.



Jussi Tähtinen, toimitusjohtaja



Nitro Games in short

Nitro Games is a game developer and publisher, backed by a multinational team of gaming professionals with expertise spanning game development, publishing, and live operations. Specializing in action and shooter games, Nitro Games is dedicated to creating high-quality experiences for a global audience. With recent titles like Autogun Heroes and NERF: Superblast, the company has built a strong portfolio of engaging and innovative games. Nitro Games also has a proven history of collaborating with leading brands and companies, offering tailored development and publishing services to select partners. Nitro Games' shares are listed on Nasdaq First North Growth Market with the ticker NITRO.



Strategy and business model

Market

Nitro Games is a company that develops and publishes games in the global gaming market. The company also offers development services for industry-leading companies and brands as part of its service business.

In 2024, the global games market was estimated to be worth around USD 187.7 billion, which is approximately 2.1 percent higher compared to the previous year. Mobile games represent 49 percent of the global games market with USD 92.6 billion, Console games represent 28 percent with USD 51.9 billion and PC games represent 23 percent with USD 43.2 billion. The total games market is expected to grow with a CAGR (2022-2027) of +3.1% and is expected to reach USD 213.3 billion in 2027.

Source: Newzoo 2024

Strategy and Goals

The Company operates as a fast-moving developer and publisher in the gaming market. The goal is to build up a portfolio of games for the global market. By continuously prototyping and developing new games and experiences simultaneously, the Company will ensure that it continuously has a pipeline of games being developed for launch in the global market. This portfolio strategy also helps minimize the risks that characterize the industry while maximizing the potential. The Company recognizes that the true value, in the long run, is in its own game projects. Sustainable profitable growth can be achieved via self-publishing. Hence the Company is focusing on self-publishing its own game projects but may occasionally use game publishing partners where it makes sense.

The Company intends to pursue the following strategy, in brief:

- Develop and publish a portfolio of high-quality games with selected business models and master game marketing and live operations practices.
- Regularly update its best-performing games to keep the users engaged and keep monetising in the long-term.
- Protect, use, and develop its portfolio of IPs from earlier games.
- Be on the frontline of upcoming genres to benefit from momentum in the market and therefore always have a good time-to-market.
- Utilise its proprietary technology, the Nitro Platform, combined with Nitro Games' MVP process, to gain a competitive edge over competitors.
- Undertake high-status, commercially viable, game development projects from other industry companies as a risk mitigation tool.

The Company believes that with its current strategy it can carve out a persisting market share in the mobile games market. The goal of the Company is to become a household name in the category of action and shooter games with a portfolio of games.

Future opportunities with the successful execution of the current strategy include acquisitions of companies and IP, 3rd-party publishing, leveraging own IP and brands in other entertainment sectors and leveraging the NG Platform technology and the Company's MVP process.

Market position and customers

Nitro Games creates games for the global audience with a heavy focus on mobile games in the previous years and currently expanding more to other platforms. This audience typically consists of users who play games as a hobby. Customers in this segment are often used to spending money on the games they play. The typical Nitro Games customer is a 30+-year-old male in the United States or in Europe.

In the B2B service business, the Company offers its development services to third parties in the form of contracting work. The Company has over 15 years of experience working with multiple partners on different types of games and projects. Long history and persistent focus on delivering high quality have resulted in several follow-up orders from existing customers, as well as in several new customers. The Company believes that it is the quality and reliability, combined with data-driven F2P and live-operations expertise, that give it a unique position in the B2B service business market against competition from cheaper-labour countries. The Company does not compete with pricing, but with quality and reliability, that is expected to result in better value for the money to the customer.

Business model

The Company has two business models to support its strategy:

- 1) Building a portfolio of games ("Games business") and
- 2) Offering development services to other companies in the industry ("Service business").

In Games business, Nitro Games seeks higher profit margins by publishing its games through key distribution channels. This means the company acts both as the developer and the publisher of its games and distributes its games digitally to consumers globally via different storefronts. The Company generates its revenue from game purchases and/or in-game purchases as well as in-game advertising. To support self-publishing, the company may also co-operate with other game publishers in certain territories or globally to ensure effective local market entry.

In the service business, the Company offers its development services to third parties in the form of contracting work. This helps the Company minimize its risk in its self-publishing activities by providing additional revenue streams. Working with high commercial value projects with the largest companies in the industry also helps increase recognition of the Nitro Games brand.



Technology and processes

The NG Platform is designed to minimize the amount of time and money required for a successful large-scale mobile game project. The approach, in a nutshell, is to maximize the reusability of the codebase and technology between projects, and to build a set of tools that support the products throughout their lifecycle.

The Company uses the NG Platform in connection with the Nitro Games' MVP process. As the development and marketing costs for mobile games are increasing, the early identification of winners is becoming more important than before. Typically, working with a free-to-play business model means that the games have a continuous online connection, and the games are highly data-driven. The purpose of the MVP process is to ensure data-driven development and publishing by going to a test market as early as possible.

In the MVP process, the focus is on first validating the core gameplay of a new game concept and the marketability of the game brand.

After the MVP process has provided the satisfactory results, the selected titles go into actual production and a larger team starts working on them towards a launch. This means that the MVP process is a way of rapidly iterating to come up with a market-proven game concept as early as possible. The goal of this is to ensure that only games that have been validated by the market are produced. Not only does this help with reducing costs, but also reduces time to market, which is critical to the Company.

As the execution of the strategy progresses forward, each game project further develops both NG Platform – technology and the MVP-process. These combined with the cumulating knowhow in the team form a constantly developing and improving game development and publishing pipeline. This opens new business opportunities and ensures that investments to game projects are not lost, even if a single game project should fail commercially, because the technology and key assets can be reused either in own projects or when selling expertise to other companies in the service business.

Games and Portfolio

Autogun Heroes

Autogun Heroes is a single player action game, available on mobile & web. The game was launched on mobile in 2023. The game is a fast-paced next-gen run & gun platform game. The game proceeded to live phase in 2024, and the company selected Supersonic from Unity as the publishing partner for the mobile game. The web version was launched by CrazyGames on their web portal at the end of 2024.

Autogun Heroes: Supercharged

Autogun Heroes: Supercharged is a new PC game that hasn't been released yet. The company announced at the end of 2024 that it will bring the Autogun Heroes brand to PC in the Steam store with a new game experience.

NERF: Superblast

NERF: Superblast is a mobile action game with the popular NERF brand by Hasbro. The game was launched in 2022 and is currently in live-operations mode.



Service business projects

The company had two key accounts in Service business at the end of 2024:

Digital Extremes is the biggest B2B customer. Nitro Games provides Digital Extremes with game development services for a mobile version of the free-to-play action game, Warframe. Warframe mobile was launched on iOS in February 2024 and the Android launch in 2025.

Nitro Games worked on an unannounced game project with Netflix throughout year 2024.

Nitro Games provided Netflix with multiplatform game development services for an unannounced game project based on an undisclosed IP. The project was cancelled by Netflix in February 2025.

Team

At Nitro Games, the teams consist of high-level professionals covering different aspects of game development. At the same time, the company aims to train and grow new professionals within its own team and to develop the skills of its entire staff. Nitro Games' own internship program quickly develops professionals in various areas of game creation. The company guarantees all employees time dedicated to their own professional development – in the form of courses, mentoring, and training programs. All staff are encouraged to regularly spend time on areas that align with their professional interests. Nitro actively supports and invests in individual development both in terms of time and money. At Nitro, it's believed that everyone's professional growth should be supported.

In addition to its internal teams, Nitro Games also utilizes external experts, such as service providers, consultants, and freelancers. The use of external resources allows not only cost efficiency but also flexibility in scaling the workforce for game development projects. It also enables access to top experts in the field for specific needs. In 2024, the company focused on finding new external partner studios and strengthening its network. When choosing partners, Nitro Games also emphasizes compatibility with its own operating methods, culture, and teams.

Nitro Games invests in the development of its organization, leadership, and teams. It supports those in leadership roles with coaching and training. At Nitro, it is believed that everyone deserves good leadership and a good team with supportive colleagues. The company strives for bold yet responsible development and transformation of the organization to improve operations and leadership. The goal is to develop the organization to better fulfill its mission – to deliver shared value for the company, its shareholders, employees, and stakeholders.

The company has two offices in Finland, in Kotka and Helsinki, but also operates globally and remotely. As a global company with employees from various nationalities, Nitro values diversity and treats all employees equally. Fair and equal treatment regardless of ethnic origin, nationality, political views, gender, sexual orientation, disability, family situation, or age is a fundamental principle throughout the company. Nitro follows the principle of equal opportunities. Fair and equal treatment is expected from all Nitro employees toward one another, as well as toward subcontractors, service providers, and other partners.

Culturally, the company has a low-hierarchy, relaxed, and openness-oriented environment. Nitro also values employees' free time and their ability to recover from work. Staff are seen as individuals rather than resources. Employees are encouraged to engage in open and transparent, yet respectful, dialogue. As is typical in the industry, the staff is multicultural, and people come from diverse backgrounds. A relatively high percentage of employees have moved to Finland from abroad. Additionally, compared to the industry average, Nitro has a relatively high percentage of women and young employees.



Corporate governance



General Information on the Administration of the Company

The company complies with the Company's Articles of Association, Finnish law, the Finnish Companies Act, the Accounting Act, IFRS standards and First North's rules in organizing the administration. The Company does not adhere direct to the Finnish or the Swedish Corporate Governance Code, as it is not justified with respect to the Company's size and extent of its business.

The administration of the Company is, in accordance with the Finnish Companies Act, divided between the Shareholder General Meeting, the Board of Directors and the Managing Director. The shareholders exercise their rights mainly in the Shareholder General Meeting, which is normally convened by the Board of Directors of the Company. The Shareholder General Meeting shall, in addition, be held if the auditor or Company shareholders, whose shares represent at least one tenth of all issued shares, which are not in the Company's possession, demand in writing that a Shareholder General Meeting be held.



Annual General meeting

The Annual General Meeting is the supreme decision-making body of the Company. The Annual General Meeting is held once a year. The Shareholders use their voting power at the Annual General Meeting to decide on the Company's affairs. The Annual General Meeting addresses the issues stipulated by the Companies Act and the Articles of Association, such as the confirmation of the financial statements, the dividend release, and amendments to the Articles of Association. The Annual General Meeting elects, and decides on the remuneration of, the Board of Directors and the Auditors. The invitation to the Annual General Meeting must be published on the Company's website, subject to the provisions of the Limited Liability Companies Act. The Board of Directors may also decide to publish the invitation by another means.

The Board of Directors summons the Annual General Meeting. Each shareholder registered in the Company shareholders' register held by Euroclear Finland Oy, on the record date of the General Meeting, has the right to participate in the Annual General Meeting. The record date is eight business days prior to the Annual General Meeting. According to the Articles of Association, a shareholder who wants to participate in the Annual General Meeting shall register for the meeting according to the instructions and no later than the date specified in the invitation, which shall be, at the earliest, nine days before the Annual General Meeting.

The Board of Directors

The Board of Directors shall see to the administration of the Company and the appropriate organization of its operations. The Board of Directors shall be responsible for the appropriate arrangement for the control of the Company's accounts and finances.

The Shareholder General Meeting elects the members of the Board of Directors. The chairman of the Board shall be elected by the Board of Directors. The Annual General Meeting on May 20, 2024 elected the Board: Antti Villanen, Johan Biehl, Susana Meza Graham and Morgan Habedank². The Board elected Johan Biehl as Chair among its members.

The term of office of each member of the Board of Directors ends at the adjournment of the first Shareholder Annual General Meeting following the election.

The Board of Directors convened 15 times in 2024.

As of the date of this Annual Report, the Board of Directors comprises the persons set out in the below table:

Name	Position	Born	Elected	Independency ¹ from the Company and larger shareholders
Johan Biehl	Chairman of the Board	1983	2019	Yes
Antti Villanen	Member of the Board	1973	2008	No, active in the Company
Susana Meza Graham	Member of the Board	1975	2020	Yes
Morgan Habedank ²	Member of the Board	1978	2023	No, represents large shareholder

¹ Defined as not representing an owner with over 10 per cent shareholding in the Company or not working for the Company.

² Morgan left NG's board for personal reasons, 19.9.2024.



Presentation of the members of the Board of Directors

Johan Biehl, born 1983

Chairman of board since 2020 and member of the Board since March 2019

Johan Biehl is an investor and has devoted the last ten years to managing his personal investments. Johan is focused on small and micro caps and today has some ten investments in listed and unlisted companies in a variety of industries with a predominance in tech companies. He served on the board of several different First North and Euronext companies during the last five years. Johan has a background as an equity analyst and before going into the financial industry he held several positions in B2B sales and sales management. He has studied economics and business and holds a degree in finance from Stockholm University.

Antti Villanen, born 1973

Member of the board since 2008 and CSO of Nitro Games

Antti Villanen is a digital media and game industry executive with 20 years of board and C-level experience from a more than 20 digital and gaming companies. Before founding Nitro Games, Antti co-founded the digital media studio Nitro FX Oy, where he worked as CEO, Executive Vice President, and board member during during 2000-2009. Before co-founding Nitro FX Oy, Antti worked as Digital Media Director at Sarajärvi & Hellén DDB Oy during 1999-2000 and in various Marketing and Sales-roles at Profectus Finland Oy during 1994-1999. Antti has been a member of the Management Board of the company since 2019.

Susana Meza Graham, born 1976

Member of the board since 2022

Susana Meza Graham has spent 18 years in the games industry. Previous roles include CMO and COO at Paradox Interactive (2004-2018), where she helped build the company from the ground up for 14 years. As part of the management team, she led the company through several phases, including a successful IPO and listing. She is the co-founder & Chairwoman of independent investment companies Aldeon (2020-) and MGVC Financing (2024-). Previous board assignments have included Supervisory Board member of international games company Funcom (2018-2020) and board member at the Association of Swedish Game Developers (2014-2017). Current board assignments include Chairwoman of independent games label Cult Games (2024-) as well as a board seat at games/tech enthusiast e-commerce company Inet/Inet Group AB. She holds a variety of advisory board positions in games & tech. Susana Meza Graham holds a Bachelor's degree from Stockholm University focused on international management and marketing.

Morgan Habedank, born 1978

member of the board since 2023 – 19.9.2024

Morgan Habedank is the CFO for Nordisk Games and has 18 years of experience in the media & entertainment industry. Previous roles include CFO of Nordisk Film Distribution and COO of Vertigo Releasing. Due to his time in the US, the UK, and Denmark, Morgan is experienced in working with global technology and media & entertainment companies at various stages of growth. Additionally, he has experience working with listed and unlisted companies. Morgan holds a Master of Accountancy degree from Brigham Young University and is a Certified Public Accountant in the United States.



Management Board

The Management Board members of the Company are all under the direct supervision of the CEO, and the CEO acts as the chairman of the Management Board. The Management Board in 2024 consisted of five persons, elected by the CEO. The following table sets forth the members of the Management Board of the Company as of the date of 2024:

Name	Position	Born	Nominated
Jussi Tähtinen	CEO	1981	2008
Matti Nikkola	CFO	1971	2009
Antti Villanen	CSO	1973	2019
Samppa Rönkä	CTO	1982	2014
Jussi Immonen	COO	1976	2018

CEO Jussi Tähtinen, born 1981, B.A. in Media Communication

Jussi is a games industry veteran who has been developing games for +20 years. He's the loud and proud CEO & Co-founder of Nitro Games, a versatile leader with experience from development and publishing to company management and funding.

CFO Matti Nikkola, born 1971, M.Sc. in Industrial Engineering and Management

Matti has been Nitro Games' CFO since 2017 and was Nitro's acting CFO since 2009, and he is also one of Nitro's first investors. Matti is a seasoned leader with 30 years of executive-level experience in trade, logistics, marketing, finance, video and mobile games, and ICT (listed and unlisted Companies). He has many years of experience in board work and organization activities.

CTO Samppa Rönkä, born 1982, B.Eng. in Software Engineering

Samppa joined Nitro Games in 2007 and has served as the Chief Technology Officer (CTO) since 2014. With robust technical expertise in client and server-side development, Samppa has held diverse roles encompassing programming, technical architecture, leadership, and operative management. Throughout his career, Samppa has worked with various platforms (PC, mobile, consoles) and game engines (Unity, Unreal Engine, proprietary engines), contributing to the release of more than 20 games.

COO Jussi Immonen, born 1976, M.Sc. in Telecommunication Management

Jussi joined Nitro Games as the COO in 2018. He has over 20 years of experience in the mobile gaming industry in different Executive positions from companies like Rovio, Nokia, RealNetworks, Mr. Goodliving and Chat-Republic Games. During five years at Rovio, Jussi has been publishing and operating several massively successful F2P games. Key strengths with mobile F2P Publishing, Marketing and Live Operations.

CSO Antti Villanen, born 1973, B.Sc. in Business

Antti Villanen is a digital media and game industry executive with over 15 years of board and C-level experience from a wide range of digital companies. Before founding NitroGames, Antti co-founded the digital media studio Nitro FX Oy, where he worked as Executive Vice President and board member during 2000-2002 and CEO during 2000-2009. Before co-founding Nitro FX Oy, Antti worked as Digital Media Director at Sarajärvi& Hellén DDB Oy during 1999-2000 and in various Sales roles at Profectus Finland Oy during 1994–1999. Antti has been a member of the Management Board of the company since 2019.



Auditor

Based on the Articles of Association, the Company shall have one ordinary auditor and one deputy auditor. In the case that an auditing firm certified by the Finland Chamber of Commerce or chamber of commerce is elected as auditor, a deputy auditor does not need to be elected. The term of office of the auditors ends at the adjournment of the first Shareholder Annual General Meeting following the election.

The Shareholder Annual General Meeting held on May 20, 2024, elected auditing firm MOORE Idman Oy, as the Company's ordinary auditor with KHT auditor Antti Niemistö, Authorized Public Accountant, as the auditor in charge.

Related party transactions

Nitro Games related parties include members of the Company's Board of Directors, and the Managing Director, as well as members of the Company's management board and shareholders that have significant influence over the Company. The Company's related parties also include close family members of those persons and entities where such persons have a controlling interest. Related party transactions are described in more detail in the Notes on the Financial Statements.

Insiders

In matters relating to insiders, Nitro Games complies with the applicable legislation and FFSA standards, Nasdaq's insider guidelines and the Company's own insider guidelines, in each case as required for companies listed on the Nasdaq First North Sweden marketplace.

Persons discharging managerial responsibilities at Nitro Games are subject to a so-called "closed period", which begins 30 calendar days before the announcement of an interim report, business report or financial statement bulletin or preliminary information thereon, and during which time such persons may not conduct any transactions relating to the shares or other financial instruments of Nitro Games. The closed period also applies to the Company's annual financial report. The closed period includes the day on which Nitro Games discloses the above-mentioned information.

The scope of the persons subject to the closed period also includes Nitro Games employees who are involved in the preparation of Nitro Games' annual financial reports, interim year reports, business reports, or financial statement bulletins or otherwise regularly receive information regarding the contents of annual financial reports, interim reports, business reports or financial statement bulletins before they are made public.

According to the MAR regulation, Nitro's executives and their close associates must notify the company and the Financial Supervisory Authority of all transactions they make with the company's financial instruments. Nitro's management personnel are the company's board members, CEO, members of the management team and their close associates. According to the MAR regulation, Nitro must publish information about the business activities of the executives and their close friends using financial instruments without delay and at the latest within three working days of receiving the announcement made by the executive to the company.

Administration and control

Nitro's CEO acts as the company's insider officer, who oversees compliance with the company's insider policy. The insider manager is also responsible for maintaining the insider lists, and the CFO serves as his deputy. In addition, the person in charge of insiders ensures that the insider lists are checked annually.



Remuneration reports

Compensation of the board

The Annual General Meeting decides on the remuneration of the members of the Board of Directors annually. For the term starting May 20, 2024, and ending at the end of the next Annual General Meeting of the company, the Annual General Meeting resolved that the members of the Board of Directors be paid remuneration for the term of office as follows: EUR 2,200 per month for the Chairman and EUR 1,100 per month for the other members of the Board.

In addition, the members of the Board of Directors receive reasonable travel expenses accumulated from the meetings in accordance with the company travel policy.

Annual general meeting 2025

The Annual General Meeting of Nitro Games Corporation will be held on May 19, 2025, at 10:00 (Finnish time) at Nitro Games Oyj Kotka Office, at Juha Vainion katu 2 48100 KOTKA FINLAND. The reception of persons who have registered for the meeting and the distribution of voting tickets will commence at 09.30.

Registration to the Annual General Meeting will begin on 28 April 2025 and end on 14 May 2025 at 10:00. More detailed instructions can be found on the Company's website.

Financial Statement &

1.1.2024–31.12.2024  NITRO GAMES OYJ

Report by the Board of Directors

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Report by the Board of Directors for 2024

Nitro Games Oyj is a Finnish mobile game developer and publisher. The company has extensive experience in developing games for the global gaming market. The company's headquarters are in Kotka, Finland, and it also has an office in Helsinki. The company was the first Finnish mobile gaming company to be listed on the Nasdaq First North Growth Market in Stockholm on June 16, 2017.

The company's strategy is to achieve growth and profitability through the development and publication of gaming products. The company's operations are divided into two business segments; the company develops and publishes games for international distribution and sells its expertise as a service to international gaming players as part of its services business.

In line with its strategy, the company continued to develop its game portfolio in 2024. The focus in 2024 was to launch a publishing partnership for Autogun Heroes with game publisher Supersonic from Unity, expand the game concept to the web gaming market, finalizing and releasing the Warframe game in collaboration with Digital Extremes, and providing game production services to Netflix. The company signed new commercial agreements with both new and existing clients for a significant order value in 2024. In addition, the company announced its plans to expand the Autogun Heroes brand to the PC Steam platform in 2025.

At the end of 2024, the company had three games based on its own IP in its active game portfolio, Autogun Heroes, Autogun Heroes: Supercharged, Superblast, and the previously released NERF: Superblast. In the service business, the most important customer relationships were collaborative projects with Digital Extremes and Netflix.

Operating environment

Nitro Games is a game developer and publisher operating in the international gaming market. The company specializes in action and shooter games and provides high-quality gaming experiences to a global audience. Nitro Games also has a solid track record of working with leading brands and companies, providing customized development and publishing services to select partners.

The total estimated value of the gaming market in 2024 was approximately USD 187.7 billion, an increase of approximately 2.1% from the previous year. Mobile games account for 49% of the market, valued at USD 92.6 billion. Console games account for 28%, or USD 51.9 billion, and PC games account for 23%, or USD 43.2 billion. The gaming market is expected to grow at a compound annual growth rate (CAGR) of 3.1% from 2022 to 2027, with the market value forecast to reach USD 213.3 billion by 2027.

Source: Newzoo 2024

Business Development, Performance, and the Financial Status

Revenues in 2024 were EUR 11.4 million (2023: EUR 8.8 million). The company's EBIT for the accounting period was EUR 0.7 million, compared to EUR -3.0 million in the previous year. The EBITDA for the accounting period was EUR 2.4 million, compared to EUR -1.7 million in the previous accounting period. The company made EUR 0.5 million in profit, compared to EUR -3.3 in the previous accounting period.

At the end of the accounting period, the company's cash and bank balances amounted to EUR 2.0 million (EUR 3.8 million on December 31, 2023). At the balance sheet date, its equity ratio was 32.5 percent (2023: 18.9%).

Key financial performance indicators

	Full year 2024	Full year 2023
Revenue (EUR thousand)	11,392.1	8,841.6
Operating profit/loss (EBIT) (EUR thousand)	654.2	-3,024.8
Operating profit/loss % (EBIT %)	5.7 %	-34.2 %
EBITDA (EUR thousand)	2,414.3	-1,716.6
EBITDA %	21.2 %	-19.4 %
Net profit /loss (EUR thousand)	475.3	-3,283.1
Equity ratio (%)	32.5%	18.9%
Number of shares, average	24,924,364	17,440,052
Number of shares, average diluted	24,924,364	17,440,052
Number of shares at the end of the period	24,924,364	24,924,364
Number of share options	2,528,618	3,648,264
Number of special rights	693,663	2,000,139
Equity per share (EUR)	0.10	-0.07
Earnings per share (EUR) undiluted	0.02	-0.19
Earnings per share (EUR) diluted	0.02	-0.19
Net debt (EUR thousand)	3,139.4	5,152.9
Number of employees, average	47	48

Research and development (R&D)

Depending on the nature and stage of the development activities, the development costs are either recorded as costs or capitalized on the balance sheet as investments, after which they are depreciated in accordance with the depreciation schedule.

The company leveraged the results of development work from previous years and invested in general business and personnel development activities in 2024. The resulting costs incurred from these activities were not capitalized.

In the 2024 financial year, total amortization of intangible assets amounted to EUR -1,760 thousand (2023: EUR -1,308 thousand), including amortization of capitalized development costs of previous years of EUR -948 thousand (2023: EUR -812 thousand).

Significant risks and uncertainties

The company's key strategic risk factors are risks related to the company's position, financing the development of services and games, personnel, and the reorganization of production infrastructure. The most significant operating risks are related to maintaining financial performance and continuous development and sustaining the activity of the flagship game in the company's market. Economic and political uncertainty in Europe and worldwide can have a bearing on the company's business operations. In user acquisition investments, the risks are related to the forecast accuracy of revenue models and their impact on the company's results. New games launched by competitors and changes in the competitive landscape may affect the success of the company's games, revenue, the size of user acquisition investments, and the results.

The ability to develop and improve its current games and to create new games for mobile markets is important to the company's business. Changes in game development and publishing may negatively affect the company's operations and cash flow. Each development project carries the risk that the end results will not produce the desired commercial success, and thus the investment made in the project would not pay off. The company strives to minimize any risks associated with development by organizing its activities accordingly.

The company's operations may also involve risks that may be material to the company and its share value. The company's Board of Directors and management assess risks as part of the strategy and business planning process. The company has insured its business with customary business interruption and property insurances to safeguard its business activities. Risks and uncertainties other than those described above may also affect the company's business.

Significant events after the end of the financial year

Matters affecting the financial statements are considered from the period between the balance sheet date and the date of the publication of the financial statements. The date of publication refers to the date on which the financial statements are published. Matters occurring during this period are assessed based on whether or not they require adjustment of the financial statement information. The information in the financial statements must be rectified if the event in question provides additional evidence of the current situation at the end of the financial period.

Netflix has cancelled the unannounced game project with Nitro Games. Netflix has cancelled the project with Nitro Games, originally communicated on 8 November 2023. The project is now expected to be concluded in early 2025, approximately 9 months earlier than anticipated, resulting in approximately 70% of the order value projected materializing.

Future outlook

Nitro's Board of Directors and management note that significant changes have been observed in the gaming industry in 2024, which may impact the company's operations and outlook. Globally, the gaming market has experienced both growth and challenges. For example, the revenue of the European gaming industry is expected to more than double by 2030, requiring continuous innovation and competitiveness. At the same time, the industry has faced challenges such as job cuts and restructuring. In 2023, approximately 10,500 gaming industry employees lost their jobs, and by early 2024, around 3,000 new layoffs had already been reported.

The Board of Directors believes that our operations will develop in line with the general positive trend of the global market.

Our revenue growth depends significantly on the launch of new gaming products and their commercial success. We continuously invest in developing innovative and high-quality games to meet the changing needs of the market and ensure our competitiveness in the future.

The Company's shares and shareholders

The company shares have been registered in the book-entry system maintained by Euroclear since May 2, 2017, and admitted to multilateral trading on the Swedish First North Growth Market exchange maintained by Nasdaq Stockholm AB on June 16, 2017, under the ticker symbol NITRO.

The company currently has one share class. On December 31, 2024, the total number of shares was 24,924,364 (December 31, 2023: 24,924,364 shares). All the shares belong to the same class. Each share carries one vote at the Annual General Meeting. The company does not own any of its own shares. During 2024, the number of individual shareholders varied between 3,608 and 4,053.

The company's ten largest shareholders on 31 December 2024

Shareholders		Number of shares	% of shares and votes
1	Försäkringsaktiebolaget Avanza Pension	3,380,404	13.56
2	Jonsson Jimmy	1,429,668	5.74
3	Dino Patti Holding ApS	1,253,569	5.03
4	Ivarsson Alexander	1,197,375	4.80
5	Nikkola Matti	1,091,378	4.38
6	Nordnet Pensionsförsäkring AB	916,988	3.68
7	Biehl Johan	848,004	3.40
8	Johansson Andreas	763,551	3.06
9	Mattsson Emil	700,000	2.81
10	Advenimus AB	639,335	2.57
Others		12,704,092	50.97
The total number of shares		24,924,364	100.00

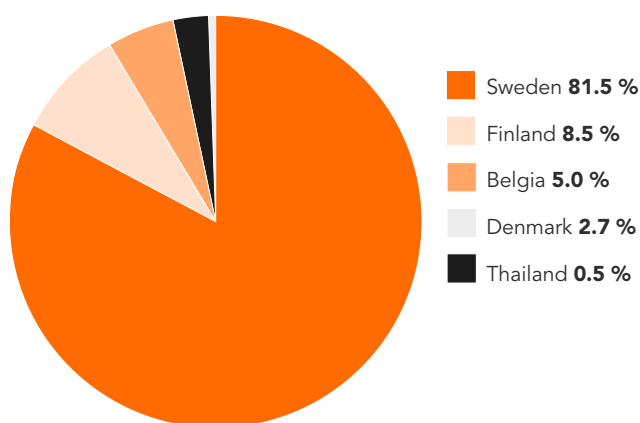
1 Including Oy AjoRanta Group AB, which is fully owned by Matti Nikkola (CFO).

2 Chairman of the Board.

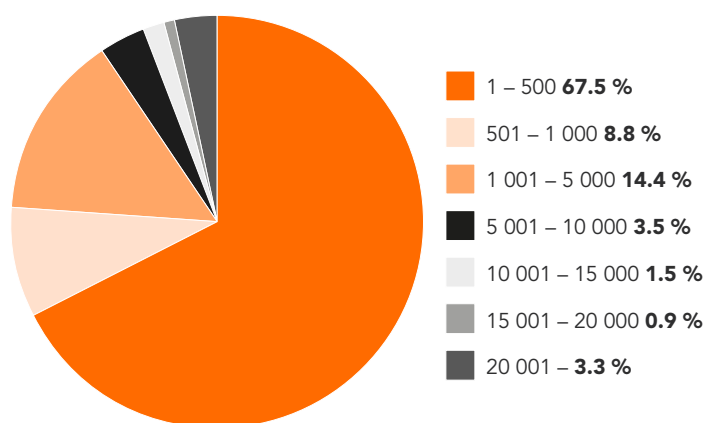
3 Currently owned by Susana Meza Graham, who serves as a board member.

The largest shareholders by region and according to the distribution of shares on 31 December 2024

Holdings %



Shareholders



By Country	Holdings %	Vote %
Sweden	81.5	81.5
Finland	8.5	8.5
Belgia	5.0	5.0
Denmark	2.7	2.7
Thailand	0.5	0.5
	98.2	98.2

Shareholder spread	Shareholders	%
1 – 500	2,440	67.5
501 – 1 000	318	8.8
1 001 – 5 000	522	14.4
5 001 – 10 000	127	3.5
10 001 – 15 000	56	1.5
15 001 – 20 000	32	0.9
20 001 –	118	3.3
	100,0	100.0

Management ownership and option rights

The company's board of directors, management team, team, and their related parties held shares and stock options as follows at the time of closing the accounts:

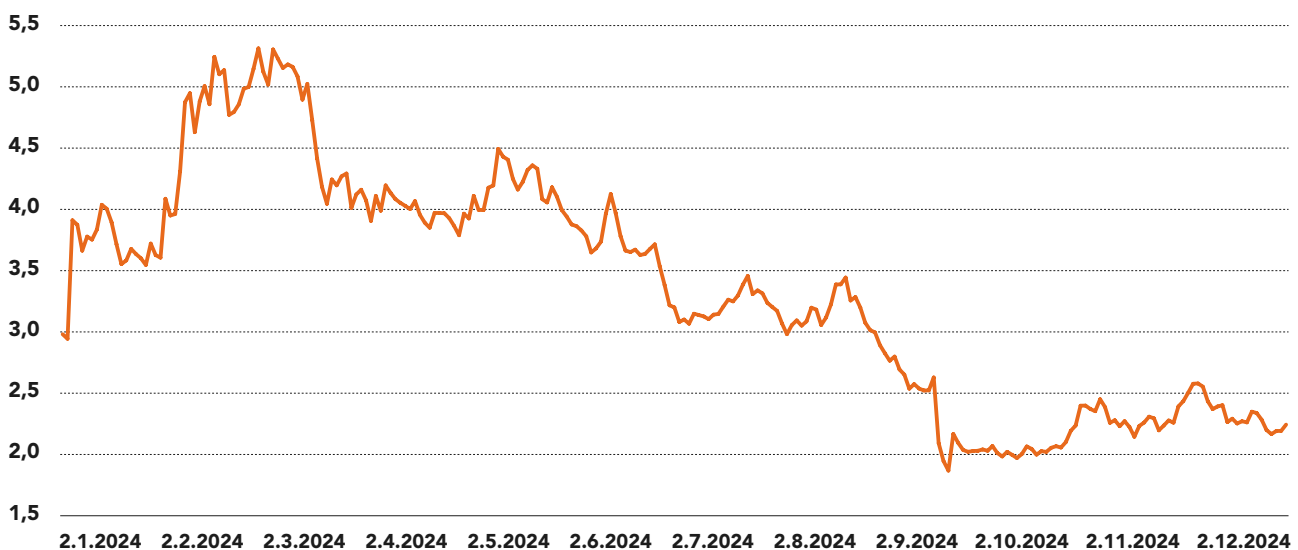
	31.12.2024			31.12.2023	
	Shares	% Shares	Options	Shares	Options
Board	1,487,339	6.0 %	0	584,555	0
CEO and Management *	1,622,603	6.5 %	1,890,949	690,976	2,874,681
Team	50,245	0.2 %	614,669	36,821	668,109
	3,160,187	12.7 %	2,505,618	1,312,352	3,542,790
Number of shares	24,924,364			24,924,364	
Number of Options	2,528,618			3,648,264	

* Antti Villanens shares and options are included under the management. He is also a member of the Board.

Share price development

During the fiscal year 2024, the daily average share price on the First North Growth Sweden marketplace varied between 1.84 and 5.46 Swedish kronor (SEK). The closing rate for the period (December 31, 2024) was 2.26 Swedish kronor (SEK).

Average price of the day (SEK)



Source: <http://www.nasdaqomxnordic.com/aktier/microsite?Instrument=SSE139711&name=Nitro%20Games&ISIN=FI4000242961>

General meetings

The Annual General Meeting was held on May 20, 2024. The meeting discussed matters in accordance with the Articles of Association.

Personnel, management, and auditors

Social responsibility and personnel

As a globally operating company, Nitro Games values diversity and treats all its employees equally. All staff members are treated fairly and equally regardless of their ethnic origin, nationality, political views, gender, sexual orientation, disability, family status or age. Nitro Games adheres to the principle of equal opportunities. We expect all of Nitro Games' employees to treat each other, all our subcontractors, service providers and other partners fairly and equally.

Nitro Games aims to develop in a sustainable manner and to achieve shared benefits for the company, shareholders, and employees alike. All employees have the right to good management, a safe and supportive working environment and professional growth.

The number of staff was 50 at the end of the financial year (2023:48). Women accounted for 25 percent of the staff (2023: 29 percent), and foreign employees' 36 percent (2023: 27 percent). The average age of the employees was 37 (2023: 36). Most of Nitro's employees work full-time, and the company's personnel costs are generally fixed in nature. The company determines salaries according to the general salary levels in the industry and the current competitive situation.

The table presents the key figures illustrating personnel development over the 2024–2023 period.

	2024	2023	Change %
Average number of personnel	47	49	-4.1
Number of personnel at the end of the year	50	48	4.2

Personnel expenses	2024	2023	Change %
Salaries and bonuses during the accounting period	3,227,670	3,186,545	1.3
Pension and other personnel expenses	639,372	672,299	
Stock-based option programs	137,676	116,453	
Capitalized to product development costs	0	-406,042	
Total personnel costs	4,004,718	3,569,255	12.2

The wellbeing, skills and motivation of Nitro's employees are key factors for the general success of the company. One of Nitro Games' goals is to be the best possible workplace for gaming experts. In accordance with our strategy, we invested in workplace training for our employees, coaching for supervisors and in improving wellbeing at work. The company also strives to offer equal opportunities for development to its subcontractors and freelancers.

Employee well-being, competence, and motivation

At Nitro Games, employee wellbeing is prioritized and supported with a proactive approach. Employee wellbeing is monitored with regular surveys. Employees propose ways to improve wellbeing, and the proposals are used as a basis for decision-making. Nitro Games also offers its employees extensive occupational health services (including preventive, rehabilitative, and supportive mental health care) and subsidized sports, cultural, and leisure activities. The company pays special attention to work-related stress by monitoring and controlling the hours worked by its employees. In the biannual staff survey, staff consistently rate their well-being at work as clearly above the average for Finnish companies.

Nitro Games invests in the professional development of its employees in many ways. The company enables studying during working hours and offers various courses and learning packages for employees to develop their professional skills. The request process for participating in training courses and for obtaining materials has been made as straightforward as possible, and with an open culture, these requests also serve as inspiration for other

employees regarding potential opportunities for personal development. Skills-based performance reviews are carried out annually to assess the skills of employees, while individual learning paths are prepared in personal development reviews twice a year. To ensure the skills of employees, Nitro Games has allocated more resources to enhancing the recruitment process and developing the company's image as an employer. The company has also initiated an internship program, through which students or recent graduates in the field are hired for a temporary, supported, and mentored employment period. During this time, they gain valuable work experience and additional skills and expand their professional networks in the industry. The employment rate so far for the program is 100 percent.

Nitro Games regularly monitors and enhances the quality of its leadership to maintain staff motivation and commitment. This is achieved by various means, including personalized coaching in leadership and workplace skills, in collaboration with the company Parempi Ote Oy, to provide employees with a better grasp of these essential aspects. In an annual survey focusing on management, Nitro Games' management style was rated as good by the employees. Remote working is standard practice at Nitro Games for all tasks, and employees are free to choose their referenced working location. Most of the employees work independently of any location, mainly somewhere other than the company's offices. Nitro Games' latest employee Net Promoter Score is 21, meaning that most employees would recommend the company to friends as a potential employer. In measuring the quality of working life (QWL) per quarter, Nitro Games ranks well above the average for Finnish companies, at >80% compared to the average of >60%.

Environmental factors

Nitro Games strives to be a pioneer among game production operators and as such to promote goals related to sustainable development in all its operations. We aim to minimize the negative environmental impact caused by our operations. Currently, the most significant environmental impact is caused by the consumption of electricity associated with IT equipment, servers, and gaming. The space utilization efficiency of the company's office workspaces is good. The purpose of the company is also to reduce the inconvenience caused by traveling. This is aimed at by planning trips more precisely and by increasing the number of remote meetings.

The company aims to develop its procurement methods in a way that allows it to take environmental factors into account at the planning stage, during use and at the end of the product lifecycle. The company strives to work with reputable operators that are both environmentally and socially responsible.

Knowing the customer and combating money laundering, terrorist financing, and tax evasion

Money laundering, terrorist financing, and tax evasion are serious threats to the security and integrity of the global financial system. Nitro Games has a duty to its customers and shareholders to prevent the company from being used for criminal gain and to prevent the transfer of funds intended for terrorist financing or tax evasion. The company seeks to identify the legality and nature of the activities of all its partners.

Nitro Games is committed to detecting, preventing, managing, and identifying any financial crime risks to which it may be exposed, and to taking the measures necessary to manage these risks in all jurisdictions in which it operates.

Cyber and Information Security

Nitro's business operations and game production rely heavily on seamless IT, communication, and information management systems and processes. Due to the nature of its operations, large volumes of data are processed and utilized in real-time, particularly in critical infrastructure management, security decision-making, and both internal and external communication and reporting.

Like other industry players, Nitro faces increasing cybersecurity threats. These include risks related to information security, operational technology (OT), digitalization, and data privacy. The ongoing war in Ukraine has further heightened the probability of cybersecurity and other security-related threats.

In 2024, Nitro has focused on strengthening cybersecurity, physical security, and organizational leadership while enhancing overall resilience.

CEO

The CEO of the company is Jussi Tähtinen. The CEO is responsible for the management and administration of the company's business and day-to-day operations with the goal of securing significant and continuous increase in the company's value to shareholders. The CEO prepares matters for board meetings, develops the company in accordance with the goals agreed with the board, and ensures that the board decisions are properly implemented. In addition to this, the CEO is obligated to ensure that the company's operations comply with all applicable laws and regulations.

The CEO acts as the chairperson of the management team and directs and oversees the actions of all other members of the management team. The CEO is appointed by the board, which also determines the remuneration to be paid to the CEO, as well as the other terms of the CEO's contract. The CEO is appointed until further notice.

The CEO has the right to demand that a board meeting be called, as well as attend the board meetings and be heard at the meetings, notwithstanding certain cases in which the board may decide otherwise. The CEO has the right to have his dissenting opinion recorded in the minutes of the relevant meeting.

The Board of Directors

The central task of the Board of Directors is to guide the implementation of the company's strategy so that the company may achieve its long-term goals and generate the greatest possible value for shareholders while also considering the expectations of other key stakeholders. The board is responsible for all administrative duties associated with the company, as well as the proper organization of the company's operations. The board decides on matters that, considering the scope of the company's operations, are significant. According to the company's articles of association, the board's term ends at the end of the next annual general meeting.

In accordance with the articles of association, the annual general meeting will elect a board consisting of three to eight ordinary board members. Until May 20, 2024, the Board of Directors consisted of Antti Villanen, Johan Biehl, Morgan Habedank and Susana Meza Graham. Johan Biehl served as the chairperson of the board.

The Annual General Meeting of May 20, 2024, elected the following persons to the Board of Directors: Antti Villanen, Johan Biehl, Susana Meza Graham and Morgan Habedank¹. At its organization meeting, the board elected Johan Biehl as its chairperson.

During the 2024 accounting period the board met 15 times, of which 7 meetings were held by the new board. The average attendance rate was 100 percent.

The remuneration paid to board members is determined by the Annual General Meeting each year. For the term that commenced on May 20, 2024, and concludes at the end of the company's next Annual General Meeting, the Annual General Meeting decided to pay the following fees to the board members for the term: EUR 2,200 per month to the chairperson, and EUR 1,100 per month to each of the other board members. In addition to this, the board members are reimbursed for reasonable travel expenses in accordance with the company's travel expenses guidelines.

Management of insider issues

The company's board of directors must ensure that appropriate insider management practices are always in place. These practices must comply with Finnish law and the principle of sound administration, as well as any rules and instructions provided by NASDAQ and the FIN-FSA Financial Supervisory Authority. The board of directors has authorized the CEO to implement the practical arrangements associated with the matters and to maintain an insider register.

¹ He left NG's board for personal reasons, 19.9.2024.

In accordance with the Market Abuse Regulation (EU) N:o 596/2014 (MAR), the company has determined that both board and management team members are considered insiders and subject to the obligation to report. In addition to the list of insiders who are subject to the obligation to report, the company shall establish a separate, transaction-specific insider list of insider transactions. Insider transactions refer to arrangements that are prepared in confidence and that, if realized, could have a significant effect on the value of the company's stocks and bonds. All employees and insiders are personally responsible for complying with all laws and regulations regarding the use of insider information.

The company observes a 30-day close period prior to publishing quarterly reports or financial statements. During this period, trading in the company's stocks and bonds is prohibited for Nitro Games insiders, i.e. insiders subject to the obligation to report and persons preparing the quarterly reports or financial statements, as well as any other persons as determined by the CEO.

Certified adviser

The company's shares are traded multilaterally on the First North Growth Market exchange in Stockholm. First North Growth Market provides the necessary infrastructure for trading and distributing stock information. All companies admitted for trading at the Market are required to have an agreement with a certified adviser. In turn, the certified adviser has signed an agreement with the stock exchange. The certified adviser ensures that the company fulfils the requirements for admission for trading, as well as the obligations associated with being admitted for trading on First North Growth Market. In addition, the certified adviser constantly monitors the company's compliance with the First North Growth Market rules and immediately reports any violations to the stock exchange.

Nitro Games' Certified Adviser, as required by the rules of the First North Growth Market in Stockholm, is FNCA Sweden AB.

Auditors

The company's articles of association state that the company shall have at least one regular auditor and one deputy auditor. If an audit company is chosen as the auditor, a deputy auditor is not required. The general meeting elects the auditor for a term of one accounting period. The board will make an annual proposal to the general meeting for electing or re-electing an auditor after it has assessed the competence and independence of the auditor in question.

The company's auditors are Moore Idman Oy and, as the auditor in charge, Antti Niemistö (auditor approved by the Finnish Central Chamber of Commerce).

Board's proposal for the distribution of profit

The board proposes to the annual general meeting that the profit of EUR 475,326 be transferred to the profit and loss account from the previous accounting periods and that no dividend be distributed.

Annual General Meeting

The Board of Directors decided to convene the Annual General Meeting on May 19, 2025. Nitro Games Oyj will publish the notice of the Annual General Meeting on April 28, 2025, on the company's official website (www.nitrogames.com).

December 31, 2024
Board of Directors
Nitro Games Oyj



Definitions of key ratios

Operation profit	Revenue + other business income - operating expenses - depreciations
Operating profit %	$\frac{\text{Operating profit}}{\text{Revenue}} \times 100$
Operating profit/loss (EBIT)	Profit before financial items and taxes
Operating profit/loss (EBIT) %	$\frac{\text{Profit before financial items and taxes}}{\text{Turnover}} \times 100$
EBITDA	Operating profit + depreciations + impairments
EBITDA %	$\frac{\text{EBITDA}}{\text{Revenue}} \times 100$
Equity ratio %	$\frac{\text{Equity}}{\text{Assets - advances received}} \times 100$
Earnings per share, undiluted	$\frac{\text{Net profit}}{\text{Number of shares, average, undiluted}} \times 100$
Earnings per share, diluted	$\frac{\text{Net profit}}{\text{Number of shares, average, diluted}} \times 100$
Net debt	Liabilities - cash in hand and at banks



FINANCIAL STATEMENTS

Statement of profit and loss and other comprehensive income

Euro	Note	2024	2023
Revenue	2.1	11,392,070	8,841,552
Other operating income	2.2	842	5,721
Materials and services	2.3	-3,133,063	-4,465,776
Employee benefits expense	2.4	-4,004,718	-3,569,255
Depreciation and amortization	2.6	-1,760,114	-1,308,284
Other operating expenses	2.5	-1,840,837	-2,528,806
Operating profit		654,179	-3,024,847
Finance income and expenses	5.2	-178,853	-403,748
Profit before tax		475,326	-3,428,595
Income tax expense	6.1	0	145,464
Profit/loss for the period		475,326	-3,283,131
Total comprehensive income for the period		475,326	-3,283,131



Statement of financial position

Euro	Note	31.12.2024	31.12.2023
ASSETS			
Non-current assets		3,962,856	5,639,525
Intangible assets	4.1	3,667,554	5,340,728
Right-of-use assets	3.1	118,177	123,312
Non-current receivables	3.2	31,661	30,021
Deferred tax assets	6.2	145,464	145,464
Current assets		3,577,082	5,025,515
Trade receivables	3.2	1,200,566	712,873
Prepayments and accrued income	3.2	360,364	486,813
Cash and cash equivalents	3.3	2,016,152	3,825,829
TOTAL ASSETS		7,539,938	10,665,040
EQUITY AND LIABILITIES			
Equity			
Issued capital	5.1	80,000	80,000
Reserves	5.1	30,674,985	30,913,268
Retained earnings	5.1	-28,845,885	-26,023,777
Profit (loss) for the period	5.1	475,326	-3,283,131
Total equity		2,384,427	1,686,361
Liabilities			
Non-current liabilities		2,873,230	2,081,740
Interest-bearing loans and borrowings	5.4	2,800,826	1,708,301
Trade and other payables	3.4	556	3,097
Lease liabilities	3.4	71,848	70,342
Contract liability	3.4		300,000
Current liabilities		2,282,281	6,896,939
Trade and other payables	3.4	340,638	1,921,909
Interest-bearing loans and borrowings	5.3	0	839,747
Contingent consideration liabilities	5.3	689,765	1,919,896
Lease liabilities	3.4	52,028	57,552
Other current financial liabilities	3.4	80,989	75,614
Contract liability	3.4	200,000	1,450,000
Accrued liabilities	3.4	918,862	632,221
Total liabilities		5,155,512	8,978,679
TOTAL EQUITY AND LIABILITIES		7,539,938	10,665,040



Statement of cashflows

EURO	2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/loss for the financial year	475.3	-3,283.1
Adjustments for:		
Depreciation and amortization	1,760.1	1,308.3
Deferred income taxes	0.0	-145.5
Financial income and expenses	178.9	403.7
Operating expenses non-cash	137.7	116.5
Cash from operations before changes in operating assets and liabilities	2,552.0	-1,600.1
Change in operating assets and liabilities:		
Accounts receivables	-487.7	69.9
Prepaid expenses and other assets	121.6	668.9
Accounts payable	-1,583.8	-1,132.5
Accrued and other current liabilities	286.6	20.5
Other long-term liabilities	-350.0	1,750.0
Net cash from operating activities (A)	538.7	-223.3
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible and intangible assets	-1,200.0	-2,161.1
Net cash used in investing activities (B)	-1,200.0	-2,161.1
CASH FLOWS FROM FINANCING ACTIVITIES		
Repayments of finance lease liabilities	-62.0	-60.4
Proceeds from and repayments of borrowings	-1,046.8	848.6
Cash payments for the interest portion of lease liabilities	-8.3	-9.4
Interest paid on the long-term borrowings	-31.3	-238.0
Proceeds from issue of share capital	0.0	4,072.0
Net cash from/(used in) financing activities (C)	-1,148.4	4,612.8
Change in cash and cash equivalents (A + B + C) increase (+) / decrease (-)	-1,809.7	2,228.4
Cash and cash equivalents at beginning of period	3,825.8	1,597.5
Cash and cash equivalents at end of period	2,016.2	3,825.8
EURO	2024	2023
Net cash from operating activities	538.7	-223.3
Net cash used in investing activities	-1,200.0	-2,161.1
Net cash from financing activities	-1,148.4	4,612.8
Change in cash and cash equivalents	-1,809.7	2,228.4
Cash and cash equivalents at the beginning of the period	3,825.8	1,597.5
Cash and cash equivalents at the end of the period	2,016.2	3,825.8



Statement of changes in equity

Euro	Note	Issued capital	Unrestricted equity reserv	Retained earnings	Total equity
Equity as at 1.1.2024	5.1	80	30,913	-29,307	1,686
Profit (loss) for the period	5.1				475
Share-based payments			-238	461	223
Equity as at 31.12.2024		80	30,675	-28,846	2,384

Euro	Note	Issued capital	Unrestricted equity reserv	Retained earnings	Total equity
Equity as at 1.1.2023	5.1	80	26,725	-26,082	723
Profit (loss) for the period	5.1				-3,283
Issue of share capital	5.1		4,072		4,072
Share-based payments			116	-238	-122
Other adjustments				296	296
Equity as at 31.12.2023		80	30,913	-26,024	1,686



Notes to the financial statements

1. General accounting principles used in the preparation of the financial statements

1.1. Company information

NNitro 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 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 preparation

Nitro Games Oyj's financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted in the European Union, and the IAS and IFRIC standards as well as interpretations issued by the SIC and the IFRIC in effect on 31 December 2024.

The notes to the financial statements also comply with the requirements under the Finnish accounting and company legislation complementary to the 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 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 have been prepared based on original acquisition cost, unless otherwise stated in the accounting policies. The financial statements are presented in euros, which is the functional and presentation currency of the company. The figures presented in the financial statements have been rounded up, and the sum of individual figures may deviate from the presented sum figure.

Conversion of items presented in foreign currency

The financial statements are presented in euros, which is the company's functional currency and Nitro Games Oyj's presentation currency. The company's business operations are primarily carried out in Finland.

Transactions in foreign currencies are converted into functional currencies at the exchange rates prevailing on the day of the transaction. Foreign exchange gains and losses arising from payments related to transactions and the translation of monetary assets and liabilities in a foreign currency at the exchange rate prevailing at the end of the reporting period are recognised in profit or loss. Foreign exchange gains and losses related to loans are presented in the income statement in financial income and expenses. All other foreign exchange gains and losses are presented in the income statement in other operating income and other operating expenses on a net basis.

1.3 New and amended standards and interpretations

There are no standards that are not yet in effect that would be expected to have a material impact on the entity in the current or future reporting periods and on foreseeable future transactions.

1.4. Critical accounting estimates and assumptions

The preparation of IFRS financial statements requires management to make estimates and assumptions as well as to use judgment when applying the accounting principles. These together influence the values of balance sheet items, disclosure of contingent assets and liabilities as well as the reported amounts of revenues and expenses during the reporting period. Final actuals may differ from the estimates.

Estimates and judgements are continually evaluated, and they are based on historical experience and other factors, including expectations of future events that are believed to be reasonable. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The table below lists the areas where management's accounting estimates and judgements are most critical to reported results and financial position; as well as where to find more information on the areas of critical accounting estimate and judgement.

Key estimates and judgements		Note
Revenue Recognition	2.1	Revenue and reportable business areas
Share-based payments and incentive plans	2.4	Share based payments
Determination of lease term and incremental borrowing rate	3.1	Right of use assets
Determination of provision	3.5	Provisions
Assigned values for intangible assets.	4.1	Intangible assets
Impairment testing of intangible assets	4.1	Intangible assets

2. Results from business operations

Nitro Games is a mobile game developer and publisher. 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. The company also offers its services in game development and publishing to selected customers.

Revenue and reportable Business areas

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

A significant part of the Company's turnover has previously come from customers within the scope of Service business area accounting for 90 % of total revenue in 2024, and the share of Games business revenue is 10% of the Company's total revenue. The Company's sales come from several geographical locations with biggest market was North America.

2.1 Revenue

Accounting policy

The Company applies the five-step revenue recognition model included in IFRS 15 to recognise revenue. IFRS 15 aims to provide users of financial statements with information about the risks, timing and uncertainty of revenue and cash flows arising from contracts with customers.

The recognition of revenue under IFRS 15 is based on a transfer of control. Revenue is recognised when the performance obligation is fulfilled by transferring control over the promised good or service to the customer. The transfer of control may take place at a single point in time or over time. Revenue is recognised at the amount to which the company expects to be entitled against the transfer of the performance obligations.

Revenue from customer contracts

Revenue from contracts with customers constitutes as ordinary sales from business activities and is recognized when a customer obtains control of promised services e.g. the service requirement has been fulfilled. The term "Gross bookings" is used as industry standard terminology to describe purchase behaviour by players in each period but does not fulfil the requirements of IFRS 15 to be recognized as revenue. Gross bookings are based on the virtual currency and commodities purchased by a player in each period, as well as the consideration received for displaying ads. Revenue is recorded in the Company's income statement.

Nitro Games generates revenue primarily through the sale of virtual items to users (In Application Purchases, IAP). Nitro Games also generates revenue from in-game advertising (Ad Sales, ADS), and Co-Development sales.

Income from Main Revenue Streams; Games business

Games as a service refers to a business model where the Company's games are available to download for free to customers in digital storefronts, and the player can enhance their own experience by watching ads, or by purchasing the Company's virtual products in the game. In return, the Company maintains the service and further develops the game by bringing new content to the game. The maintenance of the service is continuous, the Company's games have remained in app stores for years.

1. Games business: In Application Purchases from Digital Storefronts

Nitro Games' customers (users) can purchase virtual items to enhance and expand their game experience. Nitro Games sells its products through digital storefronts: Apple App Store and Google Play Store

There are two different kinds of in-application purchases in mobile games: consumables and durables. Consumables benefit the user immediately, while benefits from durables last across user lifetime and are usually more expensive than consumables. At present Nitro Games offer only consumable purchases.

Consumables can be bought directly or indirectly via using virtual currency. Virtual currency can only be redeemed for virtual items and cannot be withdrawn. Virtual currency purchased in one of the games cannot be used in another game.

2. Games business: Advertising Revenues

Advertising revenues are generated by displaying advertisements during gameplay. Advertising networks pay Nitro Games a fee stipulated in a separate agreement.

3. Service business: Revenue from Game development and publishing agreement

Nitro Games classifies revenues from other than in-application-purchases and advertising as Service business revenue. Revenues falling into this category are for example sales from game development and publishing agreement to external partners.

Disaggregation of revenue

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

Revenue (*)		
Revenue from operations	2024	2023
Games business	1,152,034	1,971,950
Service business	10,240,036	6,869,603
	11,392,070	8,841,553

*** Note:** A one project was transferred from Service business to Game business, and the full-year 2024 figures for it have been adjusted in this table!

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.

Revenue per market area	2024	2023
EU	422,423	1,632,017
North America	9,943,335	5,461,253
United Kingdom	5,790	1,597,388
Other	1,020,522	150,895
	11,392,070	8,841,553

Accounting Principles: Revenue Recognition

Nitro Games utilizes a five-step model framework in revenue recognition. The Company identifies contracts between its players, advertising networks and Co-development partners.

1. Identification of contract. Nitro Games does not recognize the initial download of its free to play game from a digital storefront as a creation of contract in accordance with IFRS 15, because of the lack of commercial substance. As the initial downloading of the game is free of charge, a contract between Nitro Games and the customer occurs as the separate election by the player to make an in-application purchase. The consideration promised in a contract with a customer may include fixed amounts, variable amounts, or both. Advertising revenues create a contract between Nitro Games and the advertising network, as the consideration is paid by the advertising network. The Co-development deal creates a contract between Nitro Games and the other party.

2. Identification of performance obligation. Games- as-a-service business model encompasses a single combined performance obligation which is to make the game and the ongoing game related services available. This is further defined as the provision of ongoing game related services such as hosting of game play, storage of customer content, maintaining of virtual currency, continuing displaying and providing access to purchased virtual goods, and reasonable service or content updates. For advertising revenue, the performance obligation is fulfilled after the advertisement has been shown. The performance obligation in Co-development business is laid down in each individual customer contract.

3. Determination of transaction price. The transaction price is the amount of consideration to which Nitro Games expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties (for example, some sales taxes).

4. Allocation of transaction price to the performance obligation. In the games-as-a-service business model, the transaction price is allocated entirely to the single combined performance obligation. Service obligation to a customer is fulfilled at the point of time when the customer payment is made at the Digital Storefront.

5. Recognition of revenue. Digital storefronts pay Gross Bookings for the period monthly. Nitro Games recognizes revenue when (or as) the entity satisfies a performance obligation by transferring a promised good or service (i.e. an asset) to a customer. An asset is transferred when (or as) the customer obtains control of that asset. When (or as) a performance obligation is satisfied, Nitro Games recognizes as revenue the amount of the transaction price that is allocated to that performance obligation.

Consumables satisfy the performance obligation “at a point in time” and are recognized at the point of purchase.

Advertising revenue is recognized net, in the month of impression delivered (“at a point in time”), based on revenue reports from the ad network indicating the number of impressions delivered, price per impression and payables due to Nitro Games. Simultaneously to sending the revenue report, the advertisement network also commits to paying the money to Nitro Games, and collection can be reasonably assured. Nitro Games also defer Cost of Revenues that are derived from contracts with customers. Deferred Cost of Revenue includes platform cuts (revenue shares paid to digital storefronts), license fees (revenue share that is paid to license owners), and server and hosting expenses (revenue shares paid to technology providers).

Revenue recognition from Service business is based on contracts and revenues related to them are recorded on an accrual basis.

Key Judgment and Estimates: Deferred Revenue

Revenue recognition requires management to make key judgments relating to the classification of durable items. In identifying durable items, the economics of each individual game, as well as the usage of customers (paying users) virtual currency and durable products, is analysed and considered.

Currently Nitro Games offers only consumables in the Games business area. In Service business contracts can span over a longer period and advance payments might be required from the customers.

In preparation of the Financial Statements, management is required to make estimates over what period revenue is to be deferred. Advance payments are booked as contract liabilities, and the revenue recognition is based on accrual method.

Estimates are continuous and have historically been revised when performance or user characteristics change. Changes in estimates of the player lifetime, or classification of what to defer in a certain title may result in revenue being recognized on a basis different from prior periods' and may cause operating results to fluctuate. Such events may include serious technical problems causing players being unable to access the game for a period. Pandemics and other situations hindering the capability of free movement may also impact location-based games.

2.2 Other operating income

Other Operating income includes income other than the actual sale, such as rental income and public grants.

Other operating income	2024	2023
Rental income	842	5,721

2.3 Material and services

Accounting policy

Purchased services include game maintenance (hosting), user acquisition costs, application store commissions, and other external subcontracting services directly related to game production and maintenance. Expenses are recorded for the month in which they are incurred.

Materials and services	2024	2023
Materials and services		
UA costs	80,985	2,292,752
External services	3,052,078	2,173,024
	3,133,063	4,465,776

2.4 Personnel

2.4.1 Employee benefits

Employee benefits include short-term employee benefits, benefits paid upon termination and post employee benefits. Short-term employee benefits include salaries and fringe benefits, annual holidays, and bonuses. Nitro Games also has multiple Equity plans, which costs are recorded to employee expenses according to IFRS 2 principles. Benefits are classified into defined contribution and defined benefit plans. The Group has no defined benefit-based pension plans, i.e. no post-employment payment obligations. Benefits paid upon termination refer to benefits arising from termination of employment, not performance of work.

Accounting Principles: Employee Benefits

Liabilities arising from short-term benefits are recognized in other payables in respect of employees' services up to the reporting date and are measured at the amounts expected to be paid when the liabilities are settled. Incentive plans are approved annually. The Company utilizes defined contribution pension plans under which the Company pays fixed contributions into a separate entity with no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. Contributions to the defined contribution plans are charged directly to the statement of comprehensive income in the year to which these contributions relate.

Personnel expenses	2024	2023	Muutos %
Salaries and bonuses during the accounting period	3,227,670	3,186,545	1.3
Pension and other personel expenses	639,372	672,299	
Stock-based option programs	137,676	116,453	
Capitalized to product development costs	0	-406,042	
Total personnel costs	4,004,718	3,569,255	12.2

2.4.2 Number of personnel

	2024	2023	Muutos %
Average number of personnel	47	49	-4.1
Number of personnel at the end of the year	50	48	4.2

2.4.3 Share-based payments

At the year-end 31.12.2024 Nitro had three active plans, Equity plans 1/2022, 2023A and 2023B.

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.

Employees and key staff employed by Nitro Games are entitled to receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model, Black-Scholes. That cost is recognized in employee benefits expense, together with a corresponding increase in equity (retained earnings) over the period in which the service and, where applicable, the performance conditions are fulfilled (the vesting period). The cumulative expense recognized for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest.

The expense or credit in the statement of comprehensive income for a period represents the movement in cumulative expense recognized as at the beginning and end of that period. Service conditions are not considered when determining the grant date fair value of awards, but the likelihood of the conditions being met is assessed as part of the Company's best estimate of the number of equity instruments that will ultimately vest. No expense is recognized for awards that do not ultimately vest because service conditions have not been met. When the terms of an equity-settled award are modified, the minimum expense recognized is the grant date fair value of the unmodified award, provided the original terms of the award are met. An additional expense, measured as at the date of modification, is recognized for any modification that increases the total fair value of the share-based payment transaction, or is otherwise beneficial to the employee. Where an award is cancelled by the entity or by the counterparty, any remaining element of the fair value of the award is expensed immediately through statement of comprehensive income.

Option programs

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

According to the 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.

Current stock options programs

Changes in the 2023 reporting period					Changes in the 2024 reporting period					
	Max authorized	Number of options 1.1.2023	Granted	Number of options 31.12.2023	Number of options 1.1.2024	Granted	Forfeited	Exercised	Expired	Number of options 31.12.2024
1/2019	73,132	22,000		22,000	22,000				22,000	0
2/2020	1,057,018	1,045,072		1,045,072	1,045,072				1,045,072	0
1/2022	335,000	113,000	222,000	335,000	335,000		5,000			330,000
2023A	2,243,192		2,243,192	2,243,192	2,243,192		126,574			2,116,618
2023B	249,244		3,000	3,000	3,000	99,000	20,000			82,000
Total options	3,957,586	1,180,072	2,468,192	3,648,264	3,648,264	99,000	151,574		1,067,072	2,528,618

Stock option programs 31.12.2024

	1/2019	2/2020	1/2022	2023A	2023B
Max authorized	73,132	1,057,018	335,000	2,243,192	249,244
Number of options outstanding	0	0	330,000	2,116,618	82,000
Subscription price €/share	7.24	15 SEK	VWAP30	6 SEK	SVWAP 30+10%
Subscription period ends	31.12.23	31.12.23	31.12.27	12.6.28	27.6.28
Number of entitled subscribers	10	54	12	45	10

Johdon omistus ja optio-oikeudet

Yhtiön hallituksella, johtoryhmällä, tiimillä sekä heidän lähipiiriinsä kuuluvilla tahoilla oli tilinpäätöshetkellä hallussaan osakkeita ja optio-oikeuksia seuraavasti:

	31.12.2024			31.12.2023		
	Osakkeet	% osuus	Optiot	Osakkeet	% osuus	Optiot
Hallitus	1,487,339	6.0 %	0	584,555	2.3 %	0
CEO ja johto*	1,622,603	6.5 %	1,890,949	690,976	2.8 %	2,874,681
Tiimi	50,245	0.2 %	614,669	36,821	0.1 %	668,109
Yhteensä	3,160,187	12.7 %	2,505,618	1,312,352	5.3 %	3,542,790
Osakkeiden kokonaismäärä	24,924,364			24,924,364		
Annettujen Optio-oikeuksien määrä	2,528,618			3,648,264		

* Antti Villanens shares and options are included under the management. He is also a member of the Board.

Significant estimate and 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 Finnish Government 10-year bonds 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.

Key Judgments and Estimates: Share-based Payments

Nitro Games uses the Black-Scholes pricing model to value share-based payments. All parameters used in the calculation are presented in the tables below.

Option pricing model

EUR	31.12.2023	31.12.2022		
Equity plan	2023B	2023A	2023B	2022
Valuation model	Black-Scholes	Black-Scholes		Black-Scholes
Fair value of option grants during period	€0,06-0,13	€0,06	€ 0.06	€0,35-0,56
Main assumptions:				
Expected volatility	86 %	90%%	90%%	90 %
Share price at the valuation date	€0.18-0.36	€ 0.25	€ 0.18	€0,89-1,20
Weighted average share price during the period	€ 0.29	€ 0.25	€ 0.25	€ 1.14
Exercise price	€0.21-€0.47	€ 0.52	€ 0.25	€1.03-€1.17
Expected dividend yield	0 %	0 %	0 %	0 %
Risk free interest rate	4.00 %	4.00 %	4.00 %	4.00 %

2.5 Other operating expenses

Accounting policy

Other operating expenses include expenses such as premises, IT and telecommunication, administrative, maintenance and marketing and communication. In addition, lease payments recognised in the income statement on leases classified as short-term leases or leased assets classified as of low value are included in other operating expenses. Other operating expenses also include losses arising from the disposal of intangible assets.

Other operating expenses

EUR	2024	2023
Voluntary employee benefits	89,865	96,643
ICT Equipment and software licenses	421,001	506,882
HR external expenses	103,114	128,256
Travel expenses	260,723	226,885
Office expenses	151,609	178,979
Stock Exchange expenses	162,668	150,227
Credit losses on sales	-506	34,274
Legal and advisory services	564,481	526,981
Funding costs	0	617,888
Staff fund expenses	5,127	0
Other expenses	153,028	161,712
Transferred to capitalized development costs	-70,273	-99,922
	1,840,837	2,528,805

Auditors fees

EUR	2024	2023
Statutory audit	19,201	16,393
Tax advisory	250	0
Other fees	630	4,547
	20,081	20,940

2.6 Depreciation, amortization and impairment losses

Accounting policy

Depreciation is recognised as an expense in the income statement on a straight-line basis over the estimated useful lives of intangible assets. Right-of-use assets are depreciated over the lease term.

Depreciation and impairment	2024	2023
Intellectual property rights	750,523	435,523
Development costs	947,611	812,342
Right-of-use assets	61,980	60,419
	1,760,114	1,308,284

Principles for depreciation according to plan

Development costs	5 years	Straight-line depreciation
Right-of-use assets	3-5 years	Straight-line depreciation
Intellectual property rights	3-10 years	Depreciation begins when the economic recovery begins

2.7 Earnings per shares

Accounting policy

Basic earnings per share is calculated by dividing the profit for the financial year attributable to the company's shareholders by the weighted average number of shares outstanding during the financial year, excluding own shares held by Nitro Games.

Diluted earnings per share are calculated by adjusting the average weighted number of shares by diluting all potentially dilutive shares, such as share options and convertible bond shares. This changes the weighted average of the number of shares outstanding.

Calculation of earning per share	2024	2023
Net profit /loss (EUR thousand)	475.3	-3,283.1
Number of shares, average	24,924,364	17,440,052
Number of shares, average diluted	24,924,364	17,440,052
Number of shares at the end of the period	24,924,364	24,924,364
Number of Share options	2,528,618	3,648,264
Number of Special Right	693,663	2,000,139
Equity per share (EUR)	0.10	0.07
Earnings per share (EUR) undiluted	0.02	-0.19
Earnings per share (EUR) diluted	0.02	-0.19

3. Operating assets and liabilities

3.1 Right of use of assets

IFRS 16 Leases requires lessees to recognise all leases in the balance sheet. This is done by recognising the right-of-use asset and the lease liability at the inception of each contract. The values of these are based on the present value of future rental payments. Instead of recognising lease costs in the income statement, depreciation is recognised for right-of-use assets and interest expenses for lease liabilities.

The Company leases mainly IT equipment. The Company has not identified any service contracts under which there are identifiable assets that should be recognised separately in accordance with IFRS 16.

Accounting policy

The moment each contract is agreed upon, the Company assesses whether the contract in question is a lease or whether it contains a lease. This assessment is made in accordance with IFRS 16 based on whether a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For each identified lease in which it acts as a tenant, the Company recognises a right-of-use asset and the corresponding lease liability at the inception of the lease. The starting point is defined as the moment when the leased asset is available for use by the Company.

The valuation of the lease liability is made at the beginning of the contract by discounting future lease payments to present value. These fees take into account fixed fees, variable fees based on an index or a rate, residual value guarantees, which are expected to be payable by the Company and the exercise price of a purchase option if the Company is reasonably likely to exercise the option. Various penalty fees for terminating the lease are only taken into account in the valuation if the use of a termination option has been taken into account when assessing the lease period.

According to IFRS 16, the discount rate used for measuring the lease liability and right-of-use asset must be the internal rate of the lease. Often, however, this rate is not easy for the lessee to define, in which case the lessee is allowed to use the Company's incremental borrowing rate instead. The incremental borrowing rate is defined as the interest that the Company would have to pay if it borrowed, for an equivalent period and with similar collateral, the money needed to acquire an asset with a corresponding value to the right-of-use asset in a similar economic environment.

After the commencement of the lease, the lease liability is measured by adding in the interest expense on the lease liability and reducing it by the lease payments made. The amount of the lease liability must be remeasured if there are changes in future lease payments as a result of, for example, index changes, a reassessment of the exercise of options included in the contract or other lease changes.

Right-of-use assets are measured at cost, which is determined as the sum of the initial lease liability, rents paid in advance, initial direct costs, and restoration costs. Depreciation of right-of-use assets is made on a straight-line basis over the asset's useful life or the lease term depending on which is shorter. If the Company is reasonably certain that the purchase option included in the contract will be exercised and the exercise amount of the purchase option is included in the valuation of the lease liability, the asset's useful life must be used as the depreciation period.

The Company recognises in the income statement the interest expense on the lease liability and depreciation on right-of-use assets. In the cash flow statement, the Company presents the portion of interest of the lease payments as cash flows from financing activities. The principal payment portion of lease payments are presented as cash flows from financing activities. Payments related to short-term and low-value leases as well as variable lease payments that are not considered in the measurement of the lease liability are presented in cash flows from operating activities.

The Company does not have any activities as a lessor.

Key estimates and judgments

Applied exemptions

The Company has applied the exemptions provided by IFRS 16, according to which it is not mandatory to recognise short-term and low-value leases in the balance sheet. The rental period of a short-term lease is 12 months or less. Lease payments associated with such leases are recognised as an expense on a straight-line basis in other costs. In addition, the Company does not apply IFRS 16 to intangible assets.

Lease term determination

The lease term is the period of time during which the lease cannot be terminated, including the periods covered by any extension option, if the Company is reasonably certain that the option will be exercised. The periods covered by a termination option are also included if the Company is reasonably certain that the option in question will not be exercised. The Company will take into account all factors and circumstances that create a financial incentive to exercise the extension option and not to exercise the termination option. Management re-evaluates the lease period if any significant events occur or circumstances change. Also, the lease term of leases valid until further notice is determined according to the principles described above. The lease term of each such lease is based on the management assessment of the circumstances and the existence of any economic incentives.

Incremental borrowing rate determination

The internal interest rate of the Company's leases is not easily determined, which is why the Company uses the incremental borrowing rate to discount the lease payments. The incremental borrowing rate may have a very significant impact on the valuation of lease liabilities. As basis for determining the incremental borrowing rate, the Company uses the loan interests agreed with financial institutions and following the requirements of IFRS 16 it is ensured that the rate used reflects the lease commencement date, lease term, leased assets and operating environment.

Lease contracts		
Right-of-Use assets, EUR	2024	2023
Acquisition cost at 1.1	282,767	266,924
Additions	56,845	15,843
Balance at 31.12	339,612	282,767
Amortisation and impairment		
Balance at 1.1	159,455	95,813
Depreciations for the period	61,980	63,642
Balance at 31.12	221,435	159,455
Net book value 31.12	118,177	123,312

Lease expenses from short-term leases and from leases of low-value assets are included in other operating expenses and the total amount in 2024 was 0 euros (2023 it was 5,001 euros).

The maturity analysis of lease liabilities is disclosed under note 5.4.3 Liquidity and refinancing risk. Lease interest expenses are presented under note 5.2 Financial income and expenses.

3.2 Trade and other receivables

Accounting policy

Nitro Games trade receivables are from invoicing of development contracts. The Company's largest clients are private entities.

Nitro Games financial assets consist of cash equivalents, trade receivables and other receivables that are measured at amortized cost using the effective interest method. Financial assets at amortized cost are assets held to collect contractual cash flows, and those cash flows are solely payments of equity and interest.

Other receivables consist mainly of receivables from customer contracts, prepaid expenses and accrued income and other receivables.

Key estimates and judgments

Impairment of trade and other receivables

Nitro Games records the expected credit losses related to trade receivables and other receivables based on an estimate proactively. Nitro Games applies a simplified method for the measuring trade receivables and assets from customer contracts. Impairments on trade receivables and assets based on customer contracts are calculated according to the Expected Credit Losses (ECL) model. Estimates on expected credit losses and credit loss provisions to be recognized in trade receivables are based on the amount corresponding credit losses during the entire asset life cycle, whereby a credit loss is recognized based on credit losses expected over the entire life cycle of trade receivables or an asset based on customer contracts.

A provision will be recorded in the balance sheet for expected future credit losses, and it will remain on the balance sheet until it is recognized in the income statement or is reversed. Due to the nature of Nitro Games business, provisions may remain on the balance sheet for several years if the receivable involves, for example, the outcome of a lawsuit.

The company's trade receivables are mainly from large platforms such as Google Play store and Apple, who have already collected the payments from the end-users. Hence there is no history of credit losses from users the app users, and the Company is therefore not using portfolio risk approach when assessing the risk of credit losses from Publication business area. There is a review during the financial year and at the year end to judge if a provision for credit losses is needed.

For large individual trade receivables or customers, the credit loss provisions are calculated based on estimates of the probability that the customer will become insolvent. These estimates are from available market information, the customers' credit ratings and the customer-specific experience of Nitro Games project management. Adjustments are made if there are indications of a decrease of customers' credit ratings, for example, based on payment behaviour.

According to Nitro Games management's judgement, expected credit losses related to trade receivables and assets based on customer contracts are not material and therefore not recorded in the financial statement of 31 December 2024.

Trade and other receivables, EUR	31.12.2024	31.12.2023
Non-current other receivables	31,661	30,021
Trade receivables, current	1,200,566	712,873
Other receivables	17,716	21,623
Taxes	119,131	76,866
Accrued income	223,517	388,325
Trade and other receivables	1,232,227	742,894

3.3 Cash and cash equivalents

Accounting policy

Cash and cash equivalents, in both the balance sheet and the cash flow statement, include bank balances and other current investments with a due date within three months of the acquisition date.

EUR	31.12.2024	31.12.2023
Cash and cash equivalents	2,016,152	3,825,829

3.4 Trade and other payables

Accounting policy

Trade payables and other financial liabilities included in the item are classified as financial liabilities measured at amortised cost. The book values of trade and other payables are considered to correspond to their fair value because of their short maturity. The liabilities are unsecured and are normally settled within 30 days of their initial recognition. The book value of trade payables and other financial liabilities included in this balance sheet item is presented in Note 5.4 Financial Risk Management.

Trade and other payables are classified as current liabilities if they fall due within 12 months of the end of the reporting period. Advances received are contractual liabilities until the Company meets the performance obligation promised to the customer.

Trade and other payables, EUR	31.12.2024	31.12.2023
Trade and other payables	556	3,097
Lease liabilities	71,848	70,342
Contract liability		300,000
Total non-current liabilities	72,404	373,439
Trade and other payables	340,638	1,921,909
Lease liabilities	52,028	57,552
Other current financial liabilities	80,989	75,614
Contract liability	200,000	1,450,000
Accrued liabilities	918,862	632,221
Total current liabilities	1,592,516	4,137,296
Trade and other payables	1,664,921	4,510,735

3.5 Provisions

The biggest risk of credit losses is related to trade receivables.

In the Games business, game users pay for the service when using the game to the Store front, which account for the funds to Nitro Games. Trading places are solvent companies and historically there have been no problems or credit losses in accounting for assets.

In the Service business sector, the company has a few large development partners as customers. The business model often includes advance payments to finance the project.

Since a large part of receivables is collected in advance, the risk of credit losses is small. The customers are also large solvent companies whose ability to pay is not subject to uncertainty.

According to Nitro Games management's assessment, no credit losses are expected for trade receivables from customer contracts in the foreseeable future, so management does not consider it necessary to record a provision for credit losses in the financial statements on December 31, 2024.

4. Acquisitions and capital expenditure

4.1 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 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 costs

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 intellectual property 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.

Key estimates and judgments

The value of intangible assets obtained in an acquisition are determined based on fair value and their remaining useful lives are determined as well. Assigned values and useful lives as well as the underlying assumptions are based on management's views. Different assumptions and useful lives could have a significant impact on the reported amounts.

Impairment testing during the reporting period

No indication of impairment of individual assets or cash-generating units was observed during the reporting period. The Company does not have assets with unlimited useful lives or unfinished development projects that should undergo impairment testing annually.

Impairment testing

The carrying values intangible assets, property, plant and equipment, right-of-use assets, and non-financial investments are reviewed regularly for indication of impairment.

Impairment testing is performed if there is an indication of impairment; and the asset is written down to its recoverable amount if its carrying amount is greater than the estimated recoverable amount.

Annual impairment testing is performed on a cash-generating unit level. Nitro Games defines cash-generating unit as the smallest group of assets that generate cash flows that are independent of the cash flows generated by other assets.

Nitro Games uses value in use to establish the recoverable number of cash-generating units. Value in use is determined by discounting future cash flows expected to be derived from a group of assets. The carrying amount of a group of cash generating units comprises net operating assets.

All assets are subsequently reassessed for indications an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the assets or cash-generating unit's recoverable amount exceeds its carrying amount.

Intangible assets	Intellectual property rights	Development costs	Total
Acquisition cost 1.1.2024	3,331,570	4,722,410	8,053,981
Additions		42,233	42,233
Acquisition cost 31.12.2024	3,331,570	4,764,643	8,096,214
Accumulated amortization 1.1.	-646,047	-2,067,206	-2,713,253
Amortization	-750,523	-964,884	-1,715,407
Accumulated amortization 31.12	-1,396,570	-3,032,090	-4,428,660
Net book value 31.12.2024	1,935,000	1,732,554	3,667,554
Net book value 31.12.2023	2,685,523	2,655,205	5,340,728
Acquisition cost 1.1.2023	3,331,570	3,508,649	6,840,219
Additions		1,213,761	1,213,761
Acquisition cost 31.12.2023	3,331,570	4,722,410	8,053,981
Accumulated amortization 1.1.	-210,523	-1,248,450	-1,458,973
Amortization	-435,523	-818,756	-1,254,279
Accumulated amortization 31.12	-646,047	-2,067,206	-2,713,253
Net book value 31.12.2023	2,685,523	2,655,205	5,340,728
Net book value 31.12.2022	3,121,047	2,285,883	5,406,930

5. Capital structure

5.1 Equity

Accounting policy

Equity

The Company's equity consists of share capital and accumulated profits. Nitro Games Oyj has one class of shares, and all shares have an equal right to dividends. Shares of Nitro Games Oyj have no nominal value. The transaction costs arising from the share issue, or the subscription of options are presented as a deduction on equity.

Dividends

Dividends are recognised as debt after the Annual General Meeting has approved the amount of dividend to be distributed.

Reserve for invested unrestricted equity

The portion of the subscription prices of the share issues that is not recognised in share capital, is recognised in the reserve for invested unrestricted equity. The accounting principles of share-based payments made by Nitro Games are set out in Note 2.4.3.

5.1.1. Share capital

Equity, EUR	31.12.2024	31.12.2023
Restricted equity		
Issued capital 1.1	80,000	80,000
Share capital 31.12.	80,000	80,000
Unrestricted equity		
Invested unrestricted equity reserve 1.1	30,674,985	26,841,485
Share issue		4,071,783
Invested unrestricted equity reserve 31.12	30,674,985	30,913,268
Retained earnings	-28,845,885	-26,023,777
Profit (loss) of the financial year	475,326	-3,283,131
Total unrestricted equity	2,304,427	1,606,361
Total equity	2,384,427	1,686,361
Distributable funds, EUR	31.12.2024	31.12.2023
Reserve for Invested unrestricted equity	30,674,985	30,913,268
Retained earnings	-28,845,885	-26,023,777
Profit (loss) of the financial year	475,326	-3,283,131
Capitalized development costs	-1,732,553	-2,655,198
Total distributable funds	571,874	-1,048,837

5.2 Financial income and expenses

EUR	2024	2023
Financial income		
Other interest income	1,031	21,379
Total interest income	1,031	21,379
Interest expense		
Other	29,140	261,251
Total interest expense, other	29,140	261,251
Finance expenses		
Interest expense on lease liabilities	8,293	9,411
Capitalized interest	-24,960	-20,711
Interest expense on convertible loan	85,274	111,596
Interest on government loan	75,775	60,773
Other financing expenses	6,362	2,808
Total other financial expenses	150,744	163,877
Total financial expenses	179,884	425,128
Total finance income and expenses	178,853	403,749

5.3 Financial assets and liabilities

Accounting policy

5.3.1. Financial assets

The Company's financial assets are classified in accordance with IFRS 9 Financial Instruments in the following categories: financial assets recognised at amortised cost, financial assets at fair value through profit or loss, and financial assets recognised at fair value through other comprehensive income. The classification is based on the purpose of the financial assets at the time of the initial acquisition.

Financial assets are recognised on the balance sheet on the trade date on which the Company undertakes to purchase or sell the financial instrument. Financial assets are derecognised when the rights to cash flows have ceased or have been transferred to another party, and the Company has transferred substantially all the risks and rewards of ownership to the other party.

5.3.1.1. Financial assets measured at amortised cost Nitro Games measures financial assets at amortised cost when the financial asset is included in a business model whose primary purpose is to hold the assets until maturity and the payments are fixed or determinable and consist of principal or interest on capital. They arise when the Company provides money, goods or services directly to a debtor. Financial assets at amortised cost include non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

Financial assets at amortised cost are subject to impairment using expected credit loss (ECL) model. Gains and losses from derecognition of the asset are recognised in profit and loss. Refer to the table below for list of financial assets recognised using amortized cost.

5.3.1.2. Financial assets measured at fair value through profit or loss include financial assets held for trading in the short term, financial assets designated upon initial recognition irrevocably as fair value through profit or loss and financial assets mandatorily recognised at fair value through profit or loss according to IFRS 9. Derivatives are classified as held for trading unless they are designated as effective hedging instruments. Gains and losses arising from changes in the fair value are included in the income statement in the period in which they arise.

5.3.1.3. Financial assets measured at fair value through other comprehensive income valued at fair value through other comprehensive income are equity instruments, which are held for collection of contractual cash flows or held for selling the assets, and where contractual cash flows are solely payments of principal and/or interest. Change in fair value is recognized in other comprehensive income (OCI). Equity investments designated at fair value through other comprehensive income are not subject to impairment assessment and accumulated reserves are not recycled to profit or loss upon derecognition. Dividends received are recognised in profit and loss.

5.3.1.4. Derecognition

Nitro Games derecognises financial assets when the rights to receive cash flows from the assets have expired or when it has substantially transferred the risks and rewards of the assets outside of the Company.

5.3.1.5. Impairment

Nitro Games recognises an allowance for expected credit losses (ECL) according to IFRS 9 for financial assets measured at amortised cost. See further information on ECL in Note 3.2 Trade and other receivables. Financial assets measured at fair value through profit or loss are not included in ECL assessment as they are already measured at fair value. A financial asset is written-off when there is no reasonable expectation of recovering the contractual cash flows.

5.3.2. Financial liabilities

The Company's financial liabilities are classified either as financial liabilities recognised at amortised cost or as financial liabilities recognised at fair value through profit or loss. The Company has no financial liabilities recognised at fair value through comprehensive income.

Financial liabilities are included in long-term and short-term liabilities and may be interest-bearing or interest-free. Financial liabilities are classified as short-term unless the Company has the absolute right to transfer the payment of the liability at least 12 months from the balance sheet date.

A financial liability is derecognised when the Company either pays the debt to the lender or is legally exempted from the principal liability obligation as a result of a legal process or by the lender.

The maturity distribution of financial liabilities is presented in Note 5.4.3.

5.3.2.1. Financial liabilities measured at amortised cost

Loans, trade payables and other liabilities meeting the criteria for financial liability are included in the liabilities measured at amortised cost. Drawn-up loans are initially recognised at fair value minus transaction costs. Subsequently, the loans are measured at amortised cost and the difference between the amount of the loan deducted from transaction costs and the amount to be repaid is recognised as a financial expense using the effective interest method over the maturity.

Long-term amortised financial liabilities measured at amortised cost consist of loans from financial institutions and other loans.

Short-term amortised financial liabilities consist of financial institution loans, other loans, payables and other liabilities.

5.3.2.2. Financial liabilities measured at fair value through profit or loss.

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by IFRS 9. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. The Company has not designated any financial liability as at fair value through profit or loss.

5.3.3. Fair value measurement

Fair value measurements are classified using a fair value hierarchy i.e. Level 1, Level 2 and Level 3 that reflects the significance of the inputs used in making the measurements.

5.3.3.1. Level 1

The fair value of financial assets and liabilities classified as Level 1 is based on unadjusted quoted prices in active markets at the closing date.

5.3.3.2. Level 2

The fair value of financial assets and liabilities classified as Level 2 is based on observable input parameters, which are other than quoted prices.

The fair value of financial instruments traded in active markets in Level 2 is calculated using prices derived from quoted market prices at the closing date. Known calculation techniques, such as estimated discounted cash flows, are used to determine fair value of interest rate and currency financial instruments. The fair value of interest-rate swaps is calculated as the present value of the estimated future cash flows. The fair value of forward foreign exchange contracts is determined using forward exchange market rates at the closing date. Fair values of options are determined by using option valuation models. The fair value of financial liabilities is estimated by discounting the future contractual cash flows at the current market interest rate that is available to the Company for similar financial instruments. The counterparty credit risk has been taken into account when determining fair value. The credit risk is determined based on a portfolio valuation in a bilateral approach covering both Nitro Games own credit risk and the credit risk of the corresponding counterparty.

The Company bases the calculation on existing market conditions at each closing date. Financial instruments used in Nitro Games are standardised products that are either cleared via exchanges or widely traded in the market. Credit risk from trading commodity derivatives is mitigated by clearing trades through exchanges or by limiting trades to OTC counterparties considered to be creditworthy or secured by credit worthy guarantees. Financial derivatives are traded with creditworthy counterpart.

5.3.3.3. Level 3

The fair value of financial assets and liabilities classified as Level 3 is based on unobservable input parameters. Level 3 consist mainly investments in unlisted shares and debt instruments classified as other investments for which the fair value can't be reliably measured and derivative financial instrument for which the fair value has been determined using valuation techniques with unobservable inputs. The input parameters of Level 3 of the fair value hierarchy for equity investments are specified taking into account economic developments and available industry and corporate data. The counterparty credit risk has been adjusted when determining the fair value.

		2024				
		Carrying amounts				Fair value
		Fair value through profit or loss				
Euro	Amortized cost	Level 1	Level 2	Level 3	Total	Fair value Total
Non-current receivables	31,661				31,661	31,661
Trade receivables	1,200,566				1,200,566	1,200,566
Cash and cash equivalents	2,016,152				2,016,152	2,016,152
Total Financial assets	3,248,379	0	0	0	3,248,379	3,248,379
Non-current Interest-bearing loans and borrowings	2,800,826				2,800,826	2,800,826
Non-current trade and other payables	556				556	556
Current trade and other payables	340,638				340,638	340,638
Contingent consideration liabilities				689,765	689,765	689,765
Other current financial liabilities	80,989				80,989	80,989
Total Financial liabilities	3,223,009	0	0	689,765	3,912,774	3,912,774

2023						
Euro	Carrying amounts				Fair value	
	Fair value through profit or loss					Fair value Total
	Amortized cost	Level 1	Level 2	Level 3	Total	
Non-current receivables	30,021				30,021	30,021
Trade receivables	712,873				712,873	712,873
Cash and cash equivalents	3,825,829				3,825,829	3,825,829
Total Financial assets	4,568,723	0	0	0	4,568,723	4,568,723
Interest-bearing loans and borrowings	1,708,301				1,708,301	1,708,301
Non-current trade and other payables	3,097				3,097	3,097
Current trade and other payables	1,921,909				1,921,909	1,921,909
Interest-bearing loans and borrowings	839,747				839,751	839,747
Contingent consideration liabilities				1,919,896	1,919,896	1,919,896
Other current financial liabilities	75,614				75,614	75,614
Total Financial liabilities	4,548,668	0	0	1,919,896	6,468,568	6,468,564

5.4 Financial Risk Management

Accounting policy

The Company's principal financial liabilities, other than derivatives, comprise of loans and borrowings, and trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, and cash and short-term deposits that derive directly from its operations.

The Company is exposed to liquidity risk, interest rate risk, foreign currency risk and credit risk. The Company's board of directors oversees the management of these risks. The Company's senior management monitors and reports to the board of directors that the Company's financial risk activities are governed by appropriate principles and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Company does not use derivatives in its risk management. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

5.4.1. Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. The Company manages its interest rate risk firstly by capital structure management and secondary by having a balanced portfolio of fixed and variable rate loans and borrowings. Changes in interest rates does not have a significant impact on Nitro Games profit and loss or equity as of 31.12.2024 Due to this, no sensitivity analysis has been presented for interest rate risk.

5.4.2. Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Customer credit risk is managed by each business unit subject to the Company's established principles, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed each time Company enters into business contract with the customer. Outstanding customer receivables and contract assets are regularly monitored and credit insurances for major customers' receivables are obtained from third parties if deemed necessary.

An impairment analysis is performed at each reporting date to measure expected credit losses. The provisions are based on the managements review of past history of various customers with previous losses. The calculation reflects the reasonable and supportable information that is available at the reporting date about past events, current conditions, and forecasts of future economic conditions. The Company does not hold collateral as security.

Refer to note 3.2 for information about the credit risk exposure on the Company's trade receivables and contract assets using a provision matrix.

5.4.3. Liquidity and refinancing risk

Nitro Games solvency risk is divided into refinancing and liquidity risks.

The liquidity risk is related to a circumstance in which the Company does not have access to sufficient liquid assets to meet its obligations. To maintain sufficient liquidity, the Company prepares short-term, and long-term cash forecasts and makes arrangements for additional financing if necessary. Approximately 21% of the Company's debt will mature in less than one year on 31 December 2024 (2023: 62%) based on the carrying value of borrowings reflected in the financial statements.

The Company's loan agreements do not include any covenants.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

EUR	31.12.2024					
	2025	2026	2027	2028	2029-	Total
Interest-bearing liabilities	695,000	403,207	785,207	785,207	827,207	3,495,827
Lease liabilities	52,028	42,989	25,748	3,111	-	123,876
Total	747,028	446,196	810,954	788,317	827,207	3,619,703

	31.12.2023						
EUR	2024	2025	2026	2027	2028	2029-	Total
Interest-bearing liabilities	2,845,747	417,096	403,207	-	-	888,000	4,554,050
Lease liabilities	63,343	39,569	22,635	14,300	-	-	139,847
Total	2,909,090	456,665	425,842	14,300		888,000	4,693,897

Debt maturities 31.12.2024

EUR	1-3 months	4-12 months	1-5 years	Total
Government agency loan			2,800,826	2,800,826
Current Bank loans				
Lease liabilities	13,007	39,021	71,848	123,876
Trade payables	105,407	316,220		421,627
Accrued liabilities	229,715	689,146		918,861
Convertible loan	513,765	176,000		689,765
Total liabilities	861,894	1,220,387	2,872,674	4,954,955

5.4.3.2. Refinancing risk

The refinancing risk is related to a circumstance in which the Company does not have sufficient liquid assets to repay its loans or in which refinancing is not available on favourable terms. The Company seeks to protect against the refinancing risk by diversifying the maturity distribution of its loan portfolio and by assessing the share of short-term financing and the Company's need for long-term financing.

Financial liabilities, EUR	31.12.2024	31.12.2023
Non-current loans		
Non-current Government agency loan	2,800,826	1,694,412
Non-current Bank loans		13,889
Lease liabilities	71,848	70,342
Convertible loan		
Total non-current loans	2,872,674	1,778,643
Current loans		
Current Government agency loan	689,765	806,414
Current Bank loans		33,333
Lease liabilities	52,028	57,552
Convertible loan		1,919,896
Total current loans	741,793	2,817,195
Total loans	3,614,467	4,595,838

5.4.4. Foreign Currency risk

Foreign currency risk is described as the uncertainty in cash flow, profit and loss, and balance sheet that is caused by the fluctuation of foreign currency exchange rates. Direct foreign currency transaction risk, that derives from business or financial transactions, is insignificant for the Company.

Most of the Company business operations is conducted in EUR, as customer invoicing is done in EUR in accordance with the customer contracts. Hence the Company has only a minor exposure to translation risk in its EUR-denominated profit and loss statement.

As the Company's exposure to direct foreign currency transaction risk is insignificant, no sensitivity analysis has been presented for foreign currency risk.

5.5 Capital Management

Primary objective in Company's capital structure management is to ensure capabilities to acquire financing also in uncertain operating environment to safeguard the continuity of business operations. In addition, by optimizing capital structure, the Company aims to increase efficiency in terms of capital costs and return on capital employed.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions.

EUR	31.12.2024	31.12.2023
Interest bearing loans and borrowings	3,614,467	4,595,838
Less: cash and short term deposits	2,016,152	3,825,829
Net debt	1,598,315	770,009
Equity	2,384,427	1,686,361
Gearing ratio %	67.0%	45.7%

In order to achieve this overall objective, the Company's capital structure management, among other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. The company do not have any financial covenants of any interest-bearing loans and borrowings during the reporting periods 1.1.-31.12.2023 and 1.1.-31.12.2024. The maturity profile of financial liabilities has been presented in note 5.4.3.

EUR	31.12.2024	31.12.2023
Operating profit	654,179	-3,024,847
Depreciation, amortisation and impairment	1,760,114	1,308,284
EBITDA	2,414,294	-1,716,563
Net debt to EBITDA	0.66	-0.45

6. Other notes

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.

6.1. Current tax Income taxes on the income statement

The current income tax charge is calculated on the taxable income based on 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.

6.2 Deferred taxes

Deferred taxes are calculated on temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements. 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 26,527 thousand have arisen in Nitro Games Oyj (EUR 24,243 thousand on 31 December 2023). EUR 15,646 thousand of the losses expire between 2024 and 2028 and EUR 12,371 thousand expires after 5 years.

Tax losses: deferred tax assets and liabilities, EUR thousand	2024	2023
Confirmed losses, unrecognized tax assets	26,527	24,243
Confirmed losses on the basis of which a tax asset has been recognized	1,490	727
Total tax losses	28,017	24,970
Recognized deferred tax asset	145	145
Unrecognized deferred tax assets	5,458	4,849
Total tax assets	5,603	4,994
Current tax on profit for the period	-153	0
Adjustments for current tax of prior periods	0	0
Total current income tax expense	-153	0
Deferred income tax		
Change in deferred tax assets	153	145
Change in deferred tax liabilities		
Total deferred tax expense	153	145
Income tax expense	0	145
Carry forward tax losses		
Confirmed losses expire in 10 years. Tax losses expire as follows:		
EUR	2024	2023
Due in five years	15,646	6,815
Due later than 5 years	12,371	18,155
In total	28,017	24,970

6.3 Remuneration of related parties and key management

6.3.1 Salaries and remuneration paid to the management

Compensation and benefits		2024		
EUR	Board of Directors	CEO	Executive Management Team	Total
Salaries, remunerations and other short-term employee benefits *	52,800	187,300	586,675	826,775
Share based payments		30,289	60,577	90,866
Total	52,800	217,589	647,252	917,641
2023				
EUR	Board of Directors	CEO	Executive Management Team	Total
Salaries, remunerations and other short-term employee benefits *	48,000	154,000	537,291	739,291
Share based payments		25,620	51,239	76,859
Total	48,000	179,620	588,530	816,150

* The company's pension contributions are to defined contribution plans. Statutory pension contributions are paid as part of payroll payments. Termination benefits are based on standard employment contracts and are included in Salaries and other short-term employee benefits, See note 2.4.1

6.3.2 Related parties

Parties are considered to be related parties if a party is able to exercise control over the other or substantially influence its decision-making concerning its finances and business operations.

Related parties do not have any loans from the company. No guarantees or other guarantees have been provided on behalf of the company's related parties. All transactions between related parties have been done on an arm's-lengths basis.

6.3.3 Key Management Personnel (KMP) Share Transactions

During the financial year, key management personnel (or their close family members) traded shares of the Company. Individual transactions were disclosed to the stock exchange in accordance with Swedish Market Regulations, and details are available on the Company's website. The following is a summary of these transactions for the year ended 31.12.2024:

Transaction Type	Total Shares Acquired	Total Shares Sold	Total Value EUR 000	Terms
Outside trading venue	1,782,200		238	Reference-based
Outside trading venue		6,492,636	844	Reference-based

6.4 Contingent liabilities and commitments

The company has no guarantees or liability commitments on 31 December 2024 or 31 December 2023.



Signatures to the financial statements

Original signed

Kotka, 22 April 2025

Johan Biehl

Chairman of the Board

Antti Villanen

Board of member

Susana Meza Graham

Board of member

Jussi Tähtinen

CEO

Auditor's note

A report on the audit performed has been issued today.

Tampere, 22 April 2025

Moore Idman Oy, Authorised Public Accountants

Antti Niemistö

Authorised Public Accountant



List of accounting books and document types

The accounting has been performed by using Procountor accounting software.

Financial statements	Electronic file
Journal and general ledger	Electronic file
Accounts payable and receivable	Electronic file
Bank receipts	Electronic file
Purchase invoices	Electronic file
Sales invoices	Electronic file
Payroll accounts	Electronic file
Memo vouchers	Electronic file

Paper invoices are scanned and will be stored only in an electronic form in a paperless archive.



Auditor's report Translation of the Finnish original

To the Annual General Meeting of Nitro Games Oyj

Audit of financial statements

Opinion

We have audited the financial statements of Nitro Games Oyj (business identity code 2134819-6) for the year ended 31.12.2024. The financial statements comprise the balance sheet, income statement, statement of comprehensive income, statement of changes in equity, statement of cash flows and notes, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the company's financial position, financial performance and cash flows in accordance with IFRS Accounting Standards as adopted by the EU and comply with statutory requirements.

Basis for Opinion

We conducted our audit in accordance with good auditing practice in Finland. Our responsibilities under good auditing practice are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the company in accordance with the ethical requirements that are applicable in Finland and are relevant to our audit, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director for the Financial Statements

The Board of Directors and the Managing Director are responsible for the preparation of financial statements that give a true and fair view in accordance with IFRS Accounting Standards as adopted by the EU and comply with statutory requirements. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Directors and the Managing Director are responsible for assessing the company's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern and using the going concern basis of accounting. The financial statements are prepared using the going concern basis of accounting unless there is an intention to liquidate the company or cease operations, or there is no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with good auditing practice will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit in accordance with good auditing practice, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events so that the financial statements give a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Reporting Requirements

Other Information

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises the report of the Board of Directors. Our opinion on the financial statements does not cover the other information.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. Our responsibility also includes considering whether the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

In our opinion, the information in the report of the Board of Directors is consistent with the information in the financial statements and the report of the Board of Directors has been prepared in accordance with the applicable laws and regulations.

If, based on the work we have performed, we conclude that there is a material misstatement of the report of the Board of Directors, we are required to report that fact. We have nothing to report in this regard.

Kotka, 22. April 2025

Moore Idman Oy
Authorised Public Accountants

Antti Niemistö

Authorised Public Accountant (KHT)



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