

Ghost Ship Holding ApS

Gothersgade 8F, 3., 1123 København K

CVR no. 37 86 40 05

Annual report 2023/24

Approved at the Company's annual general meeting on 30 September 2024

Chairman of the meeting:

.....
Søren Lundgaard

Contents

Statement by the Board of Directors and the Executive Board	2
Independent auditor's report	3
Management's review	5
Financial statements 1 April 2023 - 31 March 2024	7
Income statement	7
Balance sheet	8
Statement of changes in equity	9
Notes to the financial statements	10

Statement by the Board of Directors and the Executive Board

Today, the Board of Directors and the Executive Board have discussed and approved the annual report of Ghost Ship Holding ApS for the financial year 1 April 2023 - 31 March 2024.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2024 and of the results of the Company's operations for the financial year 1 April 2023 - 31 March 2024.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 30 September 2024
Executive Board:

.....
Søren Lundgaard

Board of Directors:

.....
Mikkel Martin Pedersen
Chairman

.....
Henrik Edwards

.....
Anton Westbergh

Independent auditor's report

To the shareholders of Ghost Ship Holding ApS

Opinion

We have audited the financial statements of Ghost Ship Holding ApS for the financial year 1 April 2023 - 31 March 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the financial position of the Company at 31 March 2024 and of the results of the Company's operations for the financial year 1 April 2023 - 31 March 2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines 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, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to 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 ISAs and the additional requirements applicable in Denmark 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 conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism 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.

Independent auditor's report

- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- ▶ Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements 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 contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives 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.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Aalborg, 30 September 2024
EY Godkendt Revisionspartnerselskab
CVR no. 30 70 02 28

Allan Terp
State Authorised Public Accountant
mne33198

Martin Bøgsted
State Authorised Public Accountant
mne40035

Management's review

Company details

Name	Ghost Ship Holding ApS
Address, Postal code, City	C/O Ghost Ship Games ApS Gothersgade 8F, 3., 1123 København K
CVR no.	37 86 40 05
Established	1 July 2016
Registered office	København
Financial year	1 April 2023 - 31 March 2024
Board of Directors	Mikkel Martin Pedersen, Chairman Henrik Edwards Anton Westbergh
Executive Board	Søren Lundgaard
Auditors	EY Godkendt Revisionspartnerselskab Østre Havnegade 65, 9000 Aalborg, Denmark

Management's review

Business review

Ghost Ship Holding ApS' principal activities is to act as a holding company.

Financial review

The income statement for 2023/24 shows a profit of DKK 83,681 thousand against a profit of DKK 83,950 thousand last year, and the balance sheet at 31 March 2024 shows equity of DKK 130,209 thousand.

Events after the balance sheet date

No events materially affecting the Company's financial position have occurred subsequent to the financial year-end.

Financial statements 1 April 2023 - 31 March 2024

Income statement

Note	DKK'000	2023/24	2022/23
	Gross profit/loss	-402	-1,041
	Amortisation/depreciation and impairment of intangible assets	0	-250
	Profit/loss before net financials	-402	-1,291
	Income from investments in group enterprises	85,830	84,877
3	Financial income	2,410	988
	Write-down on investments	-1,708	0
4	Financial expenses	-2,564	-679
	Profit before tax	83,566	83,895
5	Tax for the year	115	55
	Profit for the year	83,681	83,950
	Recommended appropriation of profit		
	Proposed dividend recognised under equity	61,000	115,000
	Net revaluation reserve according to the equity method	85,830	84,877
	Retained earnings/accumulated loss	-63,149	-115,927
		83,681	83,950

Financial statements 1 April 2023 - 31 March 2024

Balance sheet

Note	DKK'000	2023/24	2022/23
	ASSETS		
	Fixed assets		
6	Investments		
	Investments in group enterprises	86,689	87,359
	Investments in Participating interests	0	0
	Other securities and investments	2,640	4,348
	Other receivables	12,570	13,392
		<u>101,899</u>	<u>105,099</u>
	Total fixed assets	<u>101,899</u>	<u>105,099</u>
	Non-fixed assets		
	Receivables		
	Receivables from group enterprises	14,028	0
	Deferred tax assets	39	0
	Corporation tax receivable	5,579	3,126
	Joint taxation contribution receivable	19,845	14,353
	Other receivables	2,190	0
		<u>41,681</u>	<u>17,479</u>
	Cash	<u>221</u>	<u>53,121</u>
	Total non-fixed assets	<u>41,902</u>	<u>70,600</u>
	TOTAL ASSETS	<u>143,801</u>	<u>175,699</u>
	EQUITY AND LIABILITIES		
	Equity		
	Share capital	40	40
	Net revaluation reserve according to the equity method	24,872	0
	Retained earnings	44,297	46,488
	Dividend proposed	61,000	115,000
		<u>130,209</u>	<u>161,528</u>
	Liabilities other than provisions		
	Current liabilities other than provisions		
	Trade payables	75	209
	Payables to group enterprises	0	1,434
	Corporation tax payable	8,169	7,354
	Joint taxation contribution payable	5,348	5,174
		<u>13,592</u>	<u>14,171</u>
	Total liabilities other than provisions	<u>13,592</u>	<u>14,171</u>
	TOTAL EQUITY AND LIABILITIES	<u>143,801</u>	<u>175,699</u>

- 1 Accounting policies
- 2 Staff costs
- 7 Contractual obligations and contingencies, etc.
- 8 Related parties

Financial statements 1 April 2023 - 31 March 2024

Statement of changes in equity

DKK'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Dividend proposed	Total
Equity at 1 April 2023	40	0	46,488	115,000	161,528
Transfer through appropriation of profit	0	85,830	-63,149	61,000	83,681
Distributed dividend from group enterprises	0	-60,958	60,958	0	0
Dividend distributed	0	0	0	-115,000	-115,000
Equity at 31 March 2024	40	24,872	44,297	61,000	130,209

There will be no revaluations to the net revaluation reserve according to the equity method when dividends are expected to be received from the affiliated undertakings, and since the company applies the simultaneity principle, whereby the expected dividend is transferred from the net revaluation reserve to the profit carried forward under equity.

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

1 Accounting policies

The annual report of Ghost Ship Holding ApS for 2023/24 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to reporting class B entities and elective choice of certain provisions applying to reporting class C entities.

Pursuant to sections §112, of the Danish Financial Statements Act, the company has not prepared consolidated financial statements, as Ghost Ship Holding ApS is a subsidiary company included in the financial statements of Embracer Group AB, Sweden.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Gross profit/loss

External expenses have been aggregated into one item in the income statement called gross profit/loss in accordance with section 32 of the Danish Financial Statements Act.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to administration.

Impairment

The item comprises impairment of intangible assets.

Profit/loss from investments in group entities and participating interests

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares. In participating interests, only proportional elimination of profit and loss is carried out, taking into account ownership shares.

The item includes dividend received from group entities.

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

1 Accounting policies (continued)

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

The parent company is covered by the Danish rules on mandatory joint taxation of the Group's Danish group entities. Group entities are included in the joint taxation arrangement from the date at which they are included in the consolidated financial statements and up to the date when they are no longer consolidated.

The parent company acts as management company for the joint taxation arrangement and consequently settles all corporate income tax payments with the tax authorities.

On payment of joint taxation contributions, the Danish corporate income tax charge is allocated between the jointly taxed entities in proportion to their taxable income. Entities with tax losses receive joint taxation contributions from entities that have been able to use the tax losses to reduce their own taxable income.

Tax for the year, which comprises the current income tax charge, joint taxation contributions and deferred tax adjustments, including adjustments arising from changes in tax rates, is recognised in the income statement as regards the portion that relates to the profit/loss for the year and directly in equity as regards the portion that relates to entries directly in equity.

Balance sheet

Investments in group entities and participating interests

Equity investments in group entities and participating interests are measured according to the equity method.

On initial recognition, equity investments in group entities and participating interests are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deducted from the carrying amount.

Equity investments in group entities and participating interests measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Other securities and investments

Securities which the Company intends to hold to maturity are measured at amortised cost, using the effective interest rate method at the date of acquisition. Value adjustments are recognised in the income statement under "Net financials".

Securities and investments consisting of listed shares and bonds are measured at fair value (market price) at the balance sheet date. Investments not admitted to trading on an active market are measured at cost.

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

1 Accounting policies (continued)

Impairment of fixed assets

The carrying amount of investments in group entities, investments in participating interests, other securities and investments and other receivables is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists.

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Receivables in respect of which there is no objective evidence of individual impairment are tested for objective evidence of impairment on a portfolio basis. The portfolios are primarily based on the debtors' domicile and credit ratings in line with the Company's risk management policy. The objective evidence applied to portfolios is determined based on historical loss experience.

Impairment losses are calculated as the difference between the carrying amount of the receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Cash

Cash equivalents consist of bank deposits and cash. Cash and cash equivalents are carried at fair value.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

1 Accounting policies (continued)

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

As management company for all the entities in the joint taxation arrangement, the parent company is liable for payment of the group entities' income taxes vis à vis the tax authorities as the group entities pay their joint taxation contributions. Joint taxation contributions payable or receivable are recognised in the balance sheet as income tax receivables or payables.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan.

Other liabilities are measured at net realisable value.

2 Staff costs

The Company has no employees.

DKK'000	2023/24	2022/23
3 Financial income		
Interest receivable, group entities	1,204	0
Other financial income	1,206	988
	2,410	988
4 Financial expenses		
Interest expenses, group entities	673	129
Other financial expenses	1,891	550
	2,564	679
5 Tax for the year		
Estimated tax charge for the year	-76	-55
Deferred tax adjustments in the year	-39	0
	-115	-55

Financial statements 1 April 2023 - 31 March 2024

Notes to the financial statements

6 Investments

DKK'000	Investments in group enterprises	Investments in Participating interests	Other securities and investments	Other receivables	Total
Cost at 1 April 2023	11,689	2,000	4,348	13,930	31,967
Additions	500	0	0	1,069	1,569
Cost at 31 March 2024	12,189	2,000	4,348	14,999	33,536
Value adjustments at 1 April 2023	75,670	-2,000	0	-538	73,132
Dividend received	-87,000	0	0	0	-87,000
Profit/loss for the year	85,830	0	0	0	85,830
Impairment losses	0	0	-1,708	-1,891	-3,599
Value adjustments at 31 March 2024	74,500	-2,000	-1,708	-2,429	68,363
Carrying amount at 31 March 2024	86,689	0	2,640	12,570	101,899

Group entities

Name	Domicile	Interest	Equity DKK'000	Profit/loss DKK'000
Ghost Ship Games ApS	København	100.00%	61,316	60,958
Ghost Ship Publishing ApS	København	100.00%	25,372	24,872

Participating interests

Ugly Duckling Games ApS	Galten	30.00%	-706	-415
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Investment in other receivables, fixed asset investments, consists of loans, convertible loans and investment agreements

All investments are with long maturities maturing in 2026 and 2027. In the investment agreement, repayment has been agreed in line with earnings in the underlying company/project but is also expected to be over a longer period of time. As of 31 March 2024, the fair value of conversion rights in connection with convertible loans is valued at DKK 0.

7 Contractual obligations and contingencies, etc.

As a management company, the company is jointly taxed with other Danish subsidiaries by the ultimate parent company, Embracer Group AB, and is jointly and severally liable for Danish corporate taxes and withholding taxes. The total known net liability of the jointly taxed companies on corporate taxes and withholding taxes amounts to DKK 8,169 thousand income for 2023. Any subsequent corrections of joint taxation income and withholding taxes, etc. could result in the company's liability amounting to a larger amount.

8 Related parties

Information about consolidated financial statements

Parent	Domicile
Embracer Group AB	Älvgatan 1, 652 25 Karlstad, Sweden

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"By my signature I confirm all dates and content in this document."

Søren Lundgaard

Executive Board

On behalf of: Ghost Ship Holding ApS

Serial number: 86aed07f-d7e3-41ab-8e45-8dd4fa009577

IP: 79.142.xxx.xxx

2024-09-30 14:30:10 UTC



Søren Lundgaard

Chairman

On behalf of: Ghost Ship Holding ApS

Serial number: 86aed07f-d7e3-41ab-8e45-8dd4fa009577

IP: 79.142.xxx.xxx

2024-09-30 14:30:10 UTC



Mikkel Martin Pedersen

Board of Directors

On behalf of: Ghost Ship Holding ApS

Serial number: bc61783e-ee84-4c58-8d40-ba3238c9824c

IP: 89.23.xxx.xxx

2024-09-30 15:11:03 UTC



PER ANTON WESTBERGH

Board of Directors

On behalf of: Ghost Ship Holding ApS

Serial number: 2452b110e897d6[...]3a815ec4e29a2

IP: 158.174.xxx.xxx

2024-09-30 16:06:43 UTC



Henrik Edwards

Board of Directors

On behalf of: Ghost Ship Holding ApS

Serial number: cc3c74b1-fcd5-440d-ae97-0ded0c29f08d

IP: 89.150.xxx.xxx

2024-09-30 16:58:43 UTC



Martin Bøgsted

EY Godkendt Revisionspartnerselskab CVR: 30700228

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: 8f11bd27-38e6-47f9-b2bd-80433c77ac30

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"By my signature I confirm all dates and content in this document."

Allan Terp

State Authorised Public Accountant

On behalf of: EY Godkendt Revisionspartnerselskab

Serial number: 3db8ddc0-a72b-41b0-96f4-9194dba55950

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