

Trophy Games Publishing ApS

Mikkel Bryggers Gade 4, 2., 1460 København K

Company reg. no. 38 87 77 20

Annual report

1 January - 31 December 2022

The annual report was submitted and approved by the general meeting on the 22 June 2023.

Daniel Luun

Chairman of the meeting

Notes:

- To ensure the greatest possible applicability of this document, IAS/IFRS English terminology has been used.
- Please note that decimal points have not been used in the usual English way. This means that for instance DKK 146.940 means the amount of DKK 146,940, and that 23,5 % means 23.5 %.



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Management's statement

Today, the Managing Director has approved the annual report of Trophy Games Publishing ApS for the financial year 1 January - 31 December 2022.

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

I consider the chosen accounting policy to be appropriate, and in my opinion, the financial statements give a true and fair view of the financial position of the Company at 31 December 2022 and of the results of the Company's operations for the financial year 1 January – 31 December 2022.

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

We recommend that the annual report be approved at the Annual General Meeting.

København K, 22 June 2023

Managing Director

Daniel Luun
CEO



Independent auditor's report

To the Shareholders of Trophy Games Publishing ApS

Auditor's report on the Financial Statements

Opinion

We have audited the financial statements of Trophy Games Publishing ApS for the financial year 1 January - 31 December 2022, which comprise income statement, balance sheet, statement of changes in equity, notes and a summary of significant accounting policies, for the Company. The financial statements are prepared under 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 December 2022, and of the results of the Company's operations for the financial year 1 January - 31 December 2022 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 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. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 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 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 these financial statements.



Independent auditor's report

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, 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 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 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 Management's Review

Management is responsible for Management's Review.

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



Independent auditor's report

In connection with our audit of the financial statements, our responsibility is to read Management's Review and, in doing so, consider whether 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 Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that 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 Management's Review.

Reporting obligations under section 7(2) of the Danish Executive Order on Approved Auditors' Reports

Non-compliance with Danish tax legislation

The Company has violated the Danish VAT act by filing their VAT reportings after deadline, whereby the management can become responsible.

Aarhus C, 22 June 2023

PricewaterhouseCoopers

Company reg. no. 33 77 12 31

Martin Stenstrup Toft
State Authorised Public Accountant
mne42786



Company information

The company

Trophy Games Publishing ApS
Mikkel Bryggers Gade 4, 2.
1460 København K

Company reg. no. 38 87 77 20

Financial year: 1 January - 31 December

Managing Director

Daniel Luun, CEO

Auditors

PricewaterhouseCoopers
Statsautoriseret Revisionspartnerselskab
Jens Chr. Skous Vej 1
8000 Aarhus C

Parent company

Trophy Games Development ApS



Management's review

The principal activities of the company

The company's purpose is to conduct business with the development, manufacture, sale, operation and publication of computer games, tablet and mobilephone games and related products, including especially online games, as well as directly or indirectly to run other business that in the opinion of the Executive Board is related to.

Development in activities and financial matters

The gross profit for the year totals DKK 5.189.059 against DKK 3.983.777 last year. Income or loss from ordinary activities after tax totals DKK 1.009.315 against DKK 701.711 last year. Management considers the net profit or loss for the year satisfactory.

Events occurring after the end of the financial year

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.



Income statement 1 January - 31 December

All amounts in DKK.

<u>Note</u>	<u>2022</u>	<u>2021</u>
Gross profit	5.189.059	3.983.777
1 Staff costs	<u>-3.756.355</u>	<u>-3.073.240</u>
Operating profit	1.432.704	910.537
Other financial income	21.556	0
2 Other financial expenses	<u>-160.111</u>	<u>-10.908</u>
Pre-tax net profit or loss	1.294.149	899.629
Tax on net profit or loss for the year	<u>-284.834</u>	<u>-197.918</u>
Net profit or loss for the year	1.009.315	701.711
Proposed distribution of net profit:		
Transferred to retained earnings	<u>1.009.315</u>	<u>701.711</u>
Total allocations and transfers	1.009.315	701.711



Balance sheet at 31 December

All amounts in DKK.

Assets		
<u>Note</u>	<u>2022</u>	<u>2021</u>
Current assets		
Trade receivables	2.536.251	2.585.999
Receivables from subsidiaries	4.945.857	4.871.270
Other receivables	2.242.570	562.808
Prepayments	420.249	146.413
Total receivables	<u>10.144.927</u>	<u>8.166.490</u>
Cash and cash equivalents	<u>3.900.896</u>	<u>3.805.928</u>
Total current assets	<u>14.045.823</u>	<u>11.972.418</u>
Total assets	<u>14.045.823</u>	<u>11.972.418</u>



Balance sheet at 31 December

All amounts in DKK.

Equity and liabilities		
<u>Note</u>	<u>2022</u>	<u>2021</u>
Equity		
Contributed capital	50.000	50.000
Retained earnings	2.737.922	1.728.607
Total equity	<u>2.787.922</u>	<u>1.778.607</u>
Long term liabilities other than provisions		
Trade payables	234.537	668.975
Payables to group enterprises	8.692.314	8.691.507
Payables to group enterprises relating to corporation tax	482.752	197.918
Other payables	1.501.504	635.411
Deferred income	346.794	0
Total short term liabilities other than provisions	<u>11.257.901</u>	<u>10.193.811</u>
Total liabilities other than provisions	<u>11.257.901</u>	<u>10.193.811</u>
Total equity and liabilities	<u>14.045.823</u>	<u>11.972.418</u>

3 Contingencies



Statement of changes in equity

All amounts in DKK.

	<u>Contributed capital</u>	<u>Retained earnings</u>	<u>Total</u>
Equity 1 January 2021	50.000	1.026.896	1.076.896
Retained earnings for the year	0	701.711	701.711
Equity 1 January 2022	50.000	1.728.607	1.778.607
Retained earnings for the year	0	1.009.315	1.009.315
	50.000	2.737.922	2.787.922



Notes

All amounts in DKK.

	<u>2022</u>	<u>2021</u>
1. Staff costs		
Salaries and wages	3.672.166	2.900.292
Pension costs	21.036	3.539
Other costs for social security	30.484	17.040
Other staff costs	32.669	152.369
	<u>3.756.355</u>	<u>3.073.240</u>
Average number of employees	<u>9</u>	<u>6</u>
2. Other financial expenses		
Other financial costs	<u>160.111</u>	<u>10.908</u>
	<u>160.111</u>	<u>10.908</u>

3. Contingencies

Joint taxation

With Trophy Games Development ApS, company reg. no 29240299 as administration company, the company is subject to the Danish scheme of joint taxation and unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for the total corporation tax.

The company is unlimitedly, jointly, and severally liable, along with the other jointly taxed companies, for any obligations to withhold tax on interest, royalties, and dividends.

Any subsequent adjustments of corporate taxes or withholding tax, etc., may result in changes in the company's liabilities.



Accounting policies

The annual report for Trophy Games Publishing ApS has been presented in accordance with the Danish Financial Statements Act regulations concerning reporting class B enterprises. Furthermore, the company has decided to comply with certain rules applying to reporting class C enterprises.

The accounting policies are unchanged from last year, and the annual report is presented in DKK.

Income statement

Gross profit

Gross profit comprises the revenue, changes in inventories of finished goods, and work in progress, own work capitalised, other operating income, and external costs.

The enterprise will be applying IAS 11 and IAS 18 as its basis of interpretation for the recognition of revenue.

Revenue is recognised in the income statement if delivery and passing of risk to the buyer have taken place before the end of the year and if the income can be determined reliably and inflow is anticipated. Revenue is measured at the fair value of the consideration promised exclusive of VAT and taxes and less any discounts relating directly to sales.

Cost of sales comprises costs concerning purchase of raw materials and consumables less discounts and changes in inventories.

Other external expenses comprise expenses incurred for distribution, sales, advertising, administration, premises, loss on receivables, and operational leasing costs.

Staff costs

Staff costs include salaries and wages, including holiday allowances, pensions, and other social security costs, etc., for staff members.

Financial income and expenses

Financial income and expenses are recognised in the income statement with the amounts concerning the financial year. Financial income and expenses comprise interest income and expenses, financial expenses from financial leasing, realised and unrealised capital gains and losses relating to securities, debt and transactions in foreign currency, amortisation of financial assets and liabilities as well as surcharges and reimbursements under the advance tax scheme, etc.

Tax on net profit or loss for the year

Tax for the year comprises the current income tax for the year and changes in deferred tax and is recognised in the income statement with the share attributable to the net profit or loss for the year and directly in equity with the share attributable to entries directly in equity.

The company is subject to Danish rules on compulsory joint taxation of Danish group enterprises.



Accounting policies

The current Danish income tax is allocated among the jointly taxed companies proportional to their respective taxable income (full allocation with reimbursement of tax losses).

Statement of financial position

Receivables

Receivables are measured at amortised cost, which usually corresponds to nominal value.

Prepayments

Prepayments recognised under assets comprise incurred costs concerning the following financial year.

Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and on hand.

Income tax and deferred tax

Current tax liabilities and current tax receivable are recognised in the statement of financial position as calculated tax on the taxable income for the year, adjusted for tax of previous years' taxable income and for tax paid on account.

The company is jointly taxed with consolidated Danish companies. The current corporate income tax is distributed between the jointly taxed companies in proportion to their taxable income and with full distribution with reimbursement as to tax losses. The jointly taxed companies are comprised by the Danish tax prepayment scheme.

Joint taxation contributions payable and receivable are recognised in the statement of financial position as "Tax receivables from group enterprises" or "Income tax payable to group enterprises"

According to the rules of joint taxation, Trophy Games Publishing ApS is unlimitedly, jointly, and severally liable to pay the Danish tax authorities the total income tax, including withholding tax on interest, royalties, and dividends, arising from the jointly taxed group of companies.

Deferred tax is measured on the basis of temporary differences in assets and liabilities with a focus on the statement of financial position. Deferred tax is measured at net realisable value.

Adjustments take place in relation to deferred tax concerning elimination of unrealised intercompany gains and losses.

Deferred tax is measured based on the tax rules and tax rates applying under the legislation prevailing in the respective countries on the reporting date when the deferred tax is expected to be released as current tax. Changes in deferred tax due to changed tax rates are recognised in the income statement, except for items included directly in the equity.



Accounting policies

Deferred tax assets, including the tax value of tax losses allowed for carryforward, are recognised at the value at which they are expected to be realisable, either by settlement against tax of future earnings or by set-off in deferred tax liabilities within the same legal tax unit. Any deferred net tax assets are measured at net realisable value.

Liabilities other than provisions

Financial liabilities other than provisions related to borrowings are recognised at the received proceeds less transaction costs incurred. In subsequent periods, the financial liabilities are recognised at amortised cost, corresponding to the capitalised value when using the effective interest rate. The difference between the proceeds and the nominal value is recognised in the income statement during the term of the loan.

Other liabilities concerning payables to suppliers, group enterprises, and other payables are measured at amortised cost which usually corresponds to the nominal value.

Deferred income

Payments received concerning future income are recognised under deferred income.

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

Daniel Luun

CEO

On behalf of: Trophy Games Publishing ApS

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2023-06-22 08:20:15 UTC



Martin Stenstrup Toft

State Authorised Public Accountant

On behalf of: PricewaterhouseCoopers Statsautoriseret...

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Daniel Luun

Chairman of the meeting

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