

Nitro Games Oyj: Year-end Report Jan – Dec 2018

Reporting period January – December 2018

- Revenues (Jan-Dec) increased by 28,5 % to 2 204,2 KEUR (1 716,1 KEUR on corresponding period 2017).
- EBITDA amounted to -5 101,0 KEUR (-2 487,9 KEUR).
- EBIT: Operating result before financial items amounted to -5 734,4 KEUR (-3 159,7 KEUR).
- Net profit: The net result for the period amounted to -5 748,8 KEUR (-3 341,2 KEUR).
- As of Dec 31, cash and cash equivalents amounted to 3 260,1 KEUR.
The company had 412,6 KEUR of short-term receivables as of Dec 31.

October - December 2018

- Revenues (Oct - Dec) amounted 407,9 KEUR (517,0 KEUR on corresponding period 2017).
- EBITDA amounted to -2 117,4 KEUR (-1 461,0 KEUR).
- EBIT: Operating result before financial items amounted to -2 280,9 KEUR (-1 617,6 KEUR).
- Net profit: The net result for the period amounted to -2 280,1 KEUR (-1 680,1 KEUR).
The decrease in revenues was caused by the completion of development in the Service business project with Wargaming during the quarter. Heroes of Warland was launched in the end of Q4 and did not yet result in significant revenues during the quarter.

Significant events during October - December 2018

- Completed, based on the authorisation of an Extraordinary General Meeting, a directed issue of SEK 47.4 million.
- Signed Term sheet with Netmarble EMEA about licensing Heroes of Warland for publishing in Arabic and Turkish speaking countries.
- Signed Sponsorship and Partnership Agreement with Huawei
- Signed Agreement with Samsung about User Acquisition investment for Heroes of Warland
- Heroes of Warland launched on iOS, Android, Huawei AppGallery and Samsung Galaxy Apps Store
- Heroes & Superstars premiere
- Heroes & Superstars signed coming to Ginx Esports TV in 2019
- Challenging launch period for Heroes of Warland: non-satisfactory game performance but positive results in marketing and user acquisition.

Significant events after the period

- Secured publishing rights for Runegate Heroes
- Heroes & Superstars signed with Mediapro
- Restructured organization and teams, executing cost savings.
- Roadmap of improvement for Heroes of Warland in Q1: Positive development in game performance after the first actions.



Report highlights

“During the first half of 2018, we focused on the development of game projects to build our portfolio according to our strategy. Moving forward to the second half our focus was in finalizing the development and moving forward towards the launch stage with our projects. This concluded with the completion of our development project with Wargaming and in the launch of our own game Heroes of Warland. We are not pleased with our achievements at the end of 2018, since we had challenges during the initial launch stage for Heroes of Warland. We have now taken actions in 2019 to remedy this situation. As a result of these actions, we are now confident about moving forward in 2019.” says Jussi Tähtinen, CEO of Nitro Games.

Webcast with Teleconference, Q4 / 2018

February 18 2019 09:30 (Europe/Stockholm)

Details of event: <https://financialhearings.com/event/11656>

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This company announcement contains information that Nitro Games Plc is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication by aforementioned contact person on 18 February 2019 at 09:00 (EET).

Nitro Games in brief:

Nitro Games is a free-to-play mobile game developer and publisher making games for the mid-core user segment. The Company focuses on producing competitive multiplayer games with high production value and high revenue potential for smartphones and tablets. With Nitro Games’ powerful NG Platform and NG MVP-process, the Company is able to do market validation during the development to ensure high product quality. Nitro Games has developed games such as Heroes of Warland, Medals of War, Raids of Glory, East India Company, Commander: Conquest of the Americas, Pirates of Black Cove. Nitro Games’ shares are listed on Nasdaq First North Stockholm with the ticker NITRO. The Certified Adviser is Augment Partners AB, info@augment.se, +46 8-505 65 172.

www.nitrogames.com