



**BEYOND  
FRAMES**



Beyond Frames Entertainment AB (publ)

# HALF YEAR REPORT

Second quarter Q2, 2023



## Second quarter, April 1 – June 30, 2023

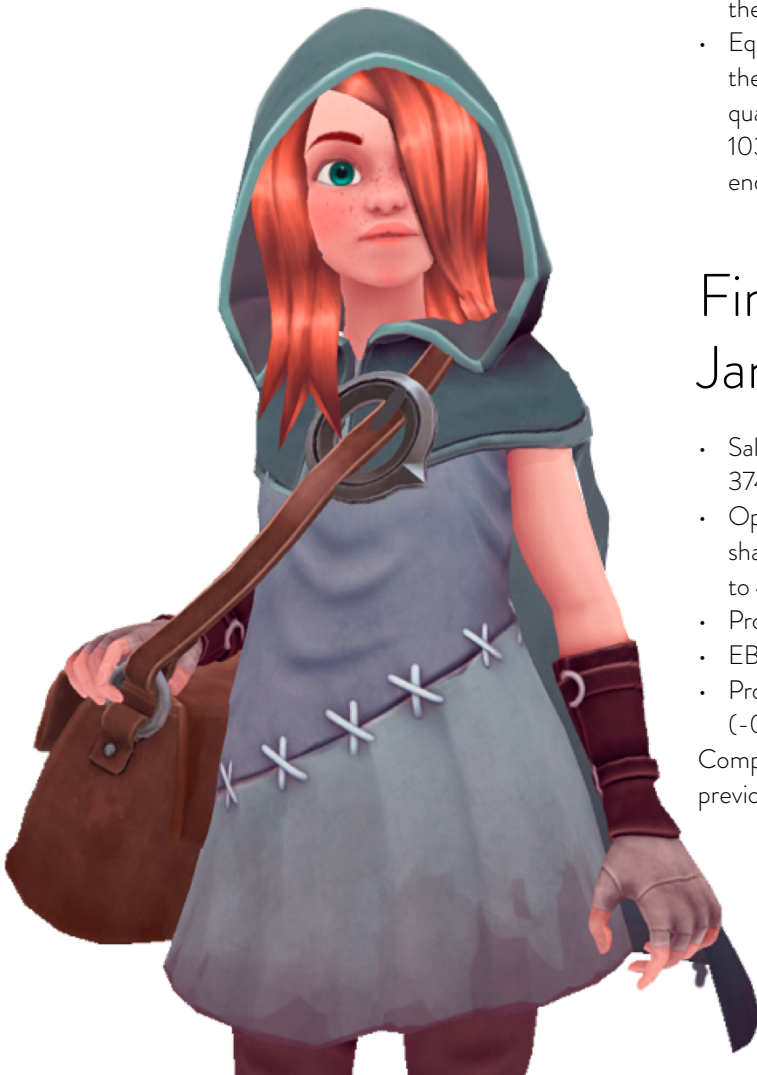
- Sales amounted to 43,291 (4,571) kSEK, an increase of 847% compared to Q2 2022.
- Operating profit before depreciation and amortization and shares in associated companies' earnings (EBITDA) amounted to 4,360 (-6,351) kSEK
- Profit after financial items amounted to 1,265 (-7,933) kSEK
- EBITDA per share amounted to 0.25 (-0.37) SEK
- Profit per share after financial items amounted to SEK 0.07 (-0.46) SEK
- Cash and cash equivalents at the end of the quarter amounted to 24,205 \* (69,482) kSEK. This compares to 17,893 kSEK at the end of the previous quarter.
- Equity attributable to the parent company's shareholders in the Group amounted to 87,107 kSEK at the end of the quarter, corresponding to 5.08 SEK per share, compared with 103,535 kSEK, corresponding to 6.03 SEK per share at the end of the corresponding quarter last year.

## First half year, Jan 1 – June 30, 2023

- Sales amounted to 60,566 (12,788) kSEK, an increase of 374% compared to the first half of 2022.
- Operating profit before depreciation and amortization and shares in associated companies' earnings (EBITDA) amounted to 4,111 (-5,388) kSEK
- Profit after financial items amounted to -2,158 (-8,842) kSEK
- EBITDA per share amounted to 0.24 (-0.31) SEK
- Profit per share after financial items amounted to SEK -0.13 (-0.52) SEK

Comparative figures refer to the corresponding period of the previous year unless otherwise stated.

\*15 MSEK is a temporary cash placement which has been paid back in July with interest.



## CEO Comments

# Profitable, Record-Breaking Revenues and an Exciting Future

**Our Q2 performance continues to validate our strategy. Despite ongoing challenges impacting the entire games market, we are delivering strong results. With a firm foundation, now is the time for us to embark on an exciting journey that includes expanding into PC and console games.**



Q2 was another excellent quarter, with an 847 % increase in revenues compared to Q2 last year, achieving profitability with a 10 % EBITDA margin, as well as a positive cash flow of 6.3 MSEK. This positive performance includes re-investment of our profits toward the production of new games to continue powering our future growth.

The primary revenue contributors have been the continued success of our third-party publishing title, Ghosts of Tabor by Combat Waffle Studios, and the external project funding for games in production at our owned and operated studios.

As a reminder, our accounting principles capture all revenues before platform fees and revenue share with our publishing partners. These fees and revenue splits are captured as costs in our financials.

### Publishing

Our Publishing business continues to deliver positive results. We recently announced that Ghosts of Tabor has earned USD 3 Million in revenue on Meta Quest's App Labs platform. For clarity, these revenues do not account for revenues earned on Steam. The game is still in early access, which means limited visibility and discovery on digital storefronts. Ghosts of Tabor's main store releases are targeted for early 2024.

In other news, we revealed Outta Hand by Capricia Productions, a publishing deal we announced earlier this quarter. This title will launch for the Meta Quest Store in Fall 2023. This VR platforming game features a fun, lovable character trying to escape the evil clutches of a mad scientist. Outta Hand has a similar target market, genre, and controls to the titles Gorilla Tag and No More Rainbows, which have both done well on Meta Quest's top sales and popularity charts.

For other titles in our Publishing production pipeline, we'll have more to share about Sylphe Labs' action title in the near future. As for new acquisition efforts, we're continuing to source and review new titles and feel confident we'll have more to announce soon.

### Studios

In H1, we announced signing two funding deals for our owned and operated studio business. The first was a project funding deal for approximately 4.6 MSEK for Cortopia to produce a yet-to-be-announced title. The second was a 28 MSEK publishing deal for Cortopia to develop the sequel to a well-known VR title. We have recognized revenues from project funding for both productions this quarter. Additionally, Moon Mode is providing cash-positive development services for an external partner.

We will continue recognizing revenue from these project funding, publishing, and work-for-hire deals through 2024. This will be a consistent message as the teams are heads-down developing some exciting games.

## Market

Apple announced its Vision Pro XR headset this quarter, its first entry into the XR-focused hardware market. We're excited about Vision Pro as it brings powerful new technology to the XR market as well as validation and competition that generally leads to innovation. Meta officially announced their Meta Quest 3 VR headset, boasting a smaller form factor and more power. We believe the announcement of the Meta Quest 3 negatively impacted sales of the Meta Quest 2 due to consumers waiting to purchase the new headset instead of the one currently in the market. We anticipate a return to healthier hardware sales once the new headset launches this Fall. Fortunately for us, having a diversified portfolio keeps our sales fairly elastic, which reflects in our positive numbers.

Regarding the greater video game market, research firm Newzoo released a new analysis showing a 2.6% increase in revenue, returning to growth in 2023 versus the 5% decline in 2022. We shared a similar view of the temporary decline last year, which we felt was strongly influenced by COVID-related delays of tentpole titles and supply-chain challenges leading to less available gaming hardware to sell. According to the research firm, this growth is heavily fueled by a 7.4% increase in gaming console sales, validating our assumptions.

## The Future

We have a solid recurring revenue foundation from a strong portfolio of publishing titles and contracts for long-running project funding. We're in a great position with a lot of momentum and want to use this position to expand our opportunities.

The next phase of our business is expanding into developing and publishing PC and console games. The true value of

any video game company is in its intellectual properties' brand and audience value. Beyond Frames is a video game company, not just a VR company. The technology that content IP lives on is ubiquitous, and our brands have greater potential than any single platform or medium.

To put things more bluntly, the XR market is fantastic, and we are a strong player in a small market where we intend to stay and grow. Our goal is to expand our ability to delight the over three billion active gamers around the world and grow our business to a size I know we can achieve in the near to mid-term.

Non-XR gaming is familiar territory for Beyond Frames. Our ongoing investment in Odd Raven has been a part of our investment in diversification. Additionally, most of our senior staff have a long-running history in non-XR games and know the challenges accompanying this expansion. Returning to first principles, we want to take what we're good at and strengthen our business.

Operationally, we will keep current publishing and studio teams on course with our current XR strategy while parent company executives lay the groundwork for our expansion. We anticipate eventually taking a similar approach to our XR-focused efforts with publishing, owned studios, partnerships, and acquisitions. It will take some time to navigate the path to success, but we intend to do so efficiently. We're incredibly excited about this new direction and look forward to sharing more as the strategy progresses.

Thanks to our players, staff, partners, and investors for your continued support.

Ace St. Germain,  
CEO Beyond Frames Entertainment AB (publ)





## Significant events during the quarter

### **Cortopia secured 28 million SEK for an external publishing deal for a new game based on a VR-hit sequel**

Cortopia, a wholly owned subsidiary of Beyond Frames Entertainment, signed an external publishing agreement with an undisclosed partner, which covers the full funding of the unnamed VR-hit sequel. In addition to funding the production of the game, the Publisher is also funding quality assurance, localization to other languages, platform distribution, marketing, and ongoing support services.

### **Beyond Frames Entertainment AB (publ) changed language for providing information to English**

As of Monday, May 22, 2023, Beyond Frames Entertainment AB (publ) changed its reporting and company language to English. This means that press releases and quarterly reports for 2023 and onwards only will be published in English.

### **Beyond Frames and Capricia Productions signed a publishing agreement for a platform adventure virtual reality game**

Beyond Frames entered into a publishing agreement with Capricia Productions LTD for an unannounced platform adventure VR game launching in 2023. The agreement gives Beyond Frames exclusive rights to sell and distribute the game globally.

### **Beyond Frames Entertainment deepened cooperation and expands publishing agreement with Combat Waffle to include PlayStation VR2**

Beyond Frames Entertainment expanded its publishing agreement with Combat Waffle Studios to also include platform distribution for PlayStation VR2 for their hit VR title, Ghosts of Tabor. The previous agreement covered the platforms Meta Quest, Steam, and Pico. The extension of

the agreement amounts to approximately 1.6 mSEK paid upon signing.

### **Beyond Frames signed a development funding agreement of approximately 4.6 mSEK with a world-leading tech company**

The deal provides partial funding for an undisclosed title under development by Beyond Frames' subsidiary and flagship studio, Cortopia. The funding will be paid out to Beyond Frames on milestones and will contribute to Beyond Frames revenues in 2023 and 2024.

## Significant events after the end of the quarter

### **Extraction VR shooter Ghosts of Tabor surpassed 3 MUSD in gross revenues on Meta Quest App Lab**

Combat Waffle Studios and Beyond Frames announced that the exhilarating extraction VR shooter Ghosts of Tabor surpassed 3 MUSD in gross revenues on Meta's App Lab in under five months since its release, in addition to previously noting that more than 100,000 unique players have played the game across all available platforms.

### **Beyond Frames maintains its 38% shareholding in minority-owned Odd Raven Studios AB in a strategically directed share issue**

Beyond Frames Entertainment AB maintained its pro rata shares of 38% shareholding in a directed share issue in minority-owned Odd Raven Studios AB, aimed at gaining a new strategic shareholder. The pro rata shares of 38% in the share issue corresponds to approximately 2 mSEK.

Beyond Frames gave its full support to Odd Raven and the new strategic shareholder, who took a 10% stake in the shares at a valuation of 3 mSEK. The Odd Raven founders, together with the Minority Shareholders, maintain a 52% controlling stake.

# About Beyond Frames Entertainment

Beyond Frames Entertainment is a video game company headquartered in Stockholm. We aim to bring together skilled game developers with a common vision: crafting engaging, high-quality gaming experiences that harness the power of Virtual Reality (VR), Augmented Reality (AR), and Mixed Reality (MR) technologies.

Our strategy involves developing games through owned and operated studios, and partnering with external studios to foster their growth through world-class publishing services.

## Game Studios:

Beyond Frames currently owns, fully or in part, three XR studios: Cortopia, Moon Mode, and Odd Raven.

## Publishing Services:

Through our publishing services, we can assist developers with financing across various project phases. We also offer creative and production-related support and traditional publishing services, including sales, marketing, platform, and launch support. Our primary goal is to contribute to the evolution and expansion of content creation for XR platforms.

## Intellectual Property Owner:

As an Intellectual Property (IP) owner, Beyond Frames holds the rights to trademarks in various games. Operating

as both a developer and a publisher, Beyond Frames possesses and licenses intellectual property rights for its in-house developed games, as well as several titles featured under its publishing services.

## Game Developer:

Game developers can both develop proprietary games internally and work on behalf of someone else, in what is commonly referred to as "work for hire". Beyond Frames owns three studios specializing in XR and is involved in multiple co-funded projects in collaboration with external partner studios.

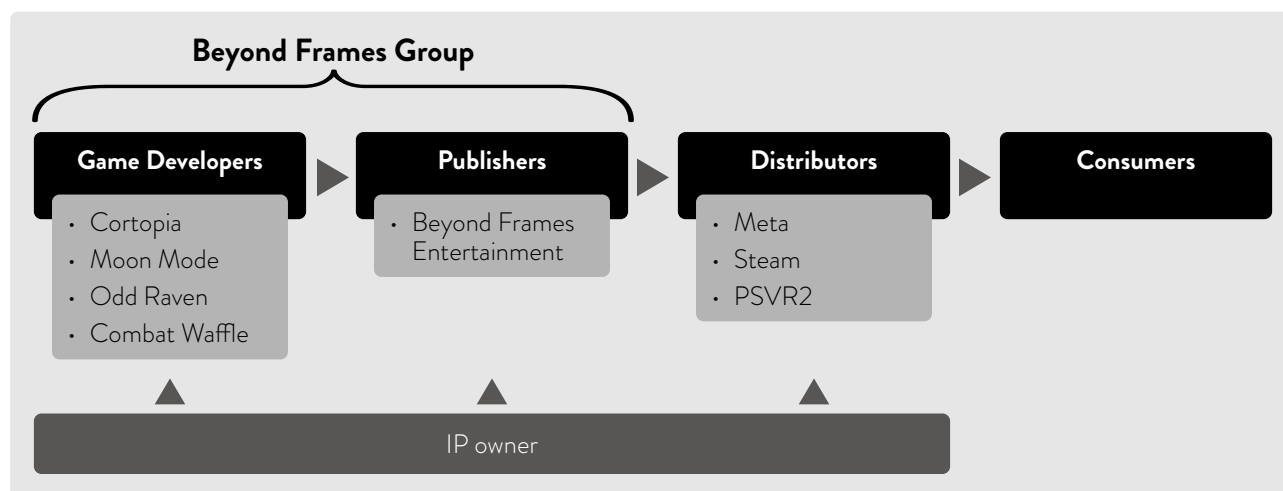
## Publisher:

Publishers can undertake various responsibilities, including financing, production-related support, sales, marketing, and distribution. In its role as a publisher, Beyond Frames evaluates which titles to bring to market and has a solid publishing portfolio featuring appealing XR titles.

## Distributor:

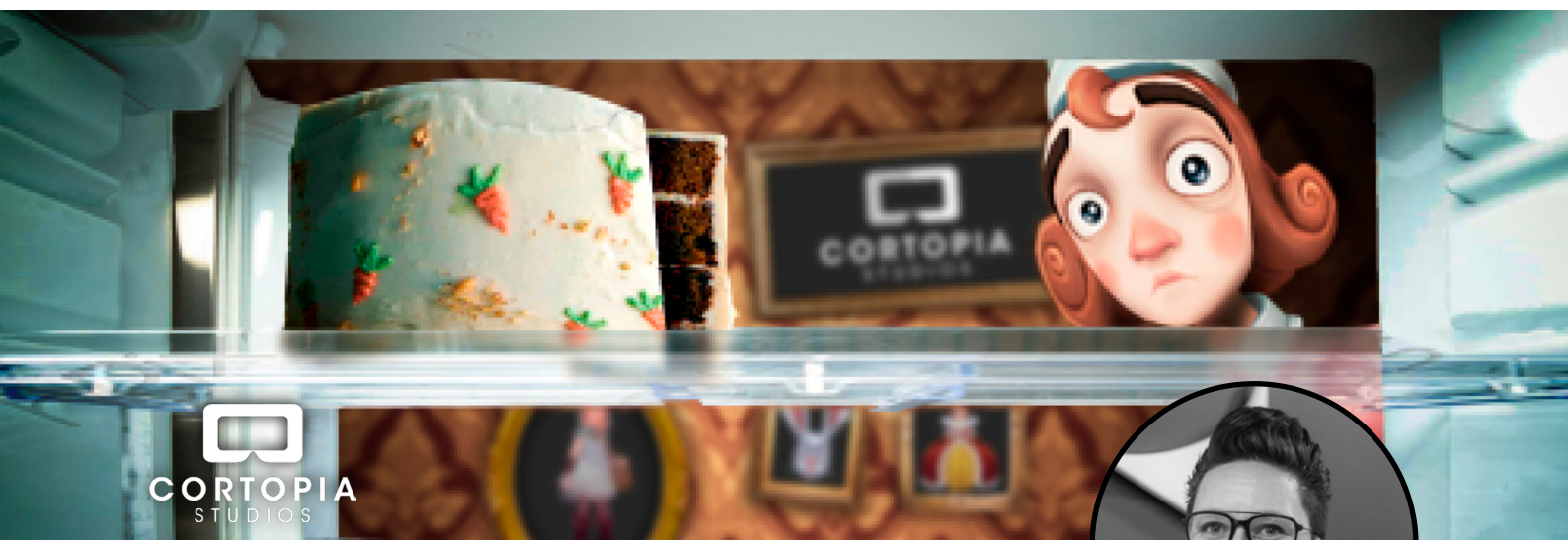
Distributors own the channels and platforms through which games are sold and played. Beyond Frames has established relationships with several major distributors of XR games, such as Meta Quest, Steam, and PlayStation's PSVR2.

## Beyond Frames' Position in the Value Chain





# Our game studios



## Cortopia Studios

Beyond Frames ownership share: 100 %  
Head of Studio: Annika Stråth Roslund

Annika Stråth Roslund has worked at Beyond Frames since February 2021 and took over as Head of Studio from Ricky Helgesson in the autumn of 2021. Annika has extensive experience leading and developing teams and has previously worked with HR and Finance in leading roles since 1998.

### Studio

The studio was founded in 2016 as a spin-off from the company Univrses. In the same year, Cortopia released its first VR title *Wands* - an award-winning first-person multiplayer game that became one of the world's most popular games in its genre. The studio's main focus has been on the development of games for VR, MR, and AR, but it has the capacity to develop games for other types of

platforms as well. Cortopia has technical excellence and great market potential in game development.

In March 2020, Cortopia's second VR game was launched: *Down the Rabbit Hole*. This award-winning VR puzzle adventure was an immediate best-seller thanks to the interactive plot and its unique way of allowing the player to move around in VR. Three years later, it is still one of the highest-rated games on the Meta Quest store.

Cortopia's third project, *Wands Alliances*, was launched on June 30, 2022, on Meta Quest 2.

Cortopia's fourth and fifth projects are currently in production.



## Moon Mode

Beyond Frames ownership: 55 %

Head of Studio: Alex May, a veteran of the gaming industry recognized for his work in sound design for computer games.

Alex May is an experienced game producer and graphic designer with a successful track record in audio production and sound design for computer games. In 2013, when Alex worked on early VR projects for the game studio VITEI Backroom in Japan, he met Chris McLaughlin, a game designer with over 15 years of experience in game development, and art director Thérèse Pierrau.

The trio achieved great success and won many awards for their work with large companies such as Sony, Meta, and Universal Studios Japan, among others. Eventually, they chose to start their own studio together: Moon Mode.

## Studio

Moon Mode has worked with VITEI Backroom's IPs and, among other things, developed the VR game Paper Valley. They also consult for global entertainment companies.

Moon Mode launched its first proprietary IP, *Spacefolk City*, on October 21, 2021, on Meta Quest 2 and a few weeks later on Steam. *Spacefolk City* is a humorous and approachable "city builder" game.





### Odd Raven Studios

Beyond Frames ownership: 38 %

Co-Heads of Studio: Johan Högfeldt and Mikael Cruseman

Mikael and Johan's joint career in game development goes back a long way. The first time they worked together was when they created the game *Hammerwatch Coliseum* for iOS and Android in collaboration with King. They also have experience working on famous titles such as *Battlefield* at DICE and Neybers. The successful collaboration between Mikael and Johan later led to the two of them starting Odd Raven Studios.

### Studio

Odd Raven Studios, founded in 2016, is a Stockholm-based game studio focused on game development for both PC and VR. The studio consists of a team with high technical skills that creates fun, beautiful, and innovative games. In 2018, Odd Raven's popular VR game *Carly and the Reaperman* won the "People's Choice Award" at the Indiecade game festival in Paris.

The game studio is currently developing a larger PC game that is co-financed by a very established publisher in the gaming industry. This publisher will be fully responsible for the game's marketing and is also a key partner in the day-to-day game development.

## Accounting principles

The Group and the Parent Company apply the Annual Accounts Act (Årsredovisningslagen) and BFNAR 2012:1, except for the language. The accounting and valuation policies applied are consistent with the Swedish Accounting Standards Board's Category 3 (BFN K3) regulation and are

unchanged since the latest published Annual Accounts and the Swedish Accounting Standards Board's BFNAR 2012:1

The report is prepared in accordance with Spotlight's regulations.

## Financial review

SEK k	Q2 2023	Q2 2022	H1 2023	H1 2022
<b>Group</b>				
Sales	43,291	4,571	60,566	12,788
Capitalized development	5,964	6,674	10,460	13,175
EBITDA	4,360	-6,351	4,111	-5,388
EBITDA/share (SEK)	0.25	-0.37	0.24	-0.31
Profit after financial items	1,265	-7,933	-2,158	-8,842
Profit after financial items/share (SEK)	0.07	-0.46	-0.13	-0.52
Profit attributed to equity holders of the parent	1,299	-8,090	-2,450	-8,942
<b>Parent</b>				
Sales	39,139	3,581	55,445	6,511
EBITDA	2,551	-4,710	3,567	-6,891
EBITDA/share (SEK)	0.15	-0.27	-0.21	-0.40
Net profit for the period	1,982	-4,969	2,572	-7,747
Net Profit for the period/share (SEK)	0.12	-0.29	0.15	-0.45

SEK k	2023-06-30	2022-06-30	2022-12-31
<b>Group</b>			
Total Assets	110,776	115,328	99,401
Total equity attributable to equity holders of the parent	87,107	103,535	89,556
Total Equity/share (SEK)	5.08	6.03	5.22
Number of shares	17,159,709	17,159,709	17,159,709
<b>Parent</b>			
Total Assets	126,780	119,400	104,748
Total Equity	104,049	115,110	101,477
Total Equity/share (SEK)	6.06	6.71	5.91
Number of shares	17,159,709	17,159,709	17,159,709



## Comment on earnings development

The comparative figures refer to the corresponding period last year unless otherwise stated.

### Revenue and earnings

In the second quarter, sales amounted to 43,291 kSEK, and operating expenses to 49,164 kSEK. EBITDA, operating profit before depreciation, amortization and shares in the earnings of associated companies amounted to 4,360 kSEK.

The company's revenue consists primarily of sales of games for VR headsets and revenue of a one-off nature including, but not limited to, funding for research and development, project funding for game development and porting to new platforms.

The company's costs consist primarily of costs to game developers as a part of each game's revenue share model and platform cost, cost for personnel and consultants for game development and publishing, as well as marketing costs for games. The revenues and costs have increased significantly due to launches of publishing titles during the first half year.

### Investments

During the quarter, the company invested 10,461 (7,731) kSEK in intangible assets. The intangible fixed assets consist of development costs directly attributable to game development and associated platforms for existing and new games. In addition to this, the intangible assets include the acquisition of publishing rights.

Balanced development costs are amortized linearly over three years. The value of intangible assets is tested for impairment continuously and at least once a year.

### Cash and equivalents

Available cash and cash equivalents at the end of the period amounted to 24,205 (69,482) kSEK, compared with 17,893 kSEK at the end of the first quarter of 2023.

The decrease in cash and cash equivalents compared to year end is partly due to a six-month fixed-interest cash placement of 15,000 kSEK which has been paid back in July.

Based on the figures in this report, the Board of Directors considers that twelve months of survival from the end of the financial year is assured.

## Personnel and organization

The number of employees at the end of the period was 34. Including external resources such as dedicated people at contract suppliers and consultants, the Beyond Frames Group employed 42 people. Employees are defined as the corresponding number of full-time positions.

### Related party transactions

There were no related party transactions during the period.

## Risk factors

### Earning capacity and capital requirements

It cannot be ruled out that it will take longer than expected before Beyond Frames Entertainment AB (publ) achieves continuous stable profitability. Nor can it be ruled out that Beyond Frames Entertainment AB (publ) in the future has a greater capital requirement than is currently deemed necessary.

The market in VR and AR is also in an early phase. The market is characterized by rapid technical and innovative development, which opens up for many new players, including Beyond Frames Entertainment AB (publ). Even larger players from traditional game development in PC, console, and mobile games may enter this market as it matures. Several current and future competitors may have a competitive advantage in the form of more established brands, longer history, and greater financial resources. If Beyond Frames Entertainment AB (publ) fails to maintain its market position through continued innovation, there is a risk that Beyond Frames Entertainment AB (publ) will lose competitiveness, which could have a negative impact on Beyond Frames Entertainment AB (publ).

### Intangible assets

The launch of new game titles could generate lower revenues than expected, which could pose a significant risk of a material adjustment to the carrying values of assets in the next financial year.

### Intellectual property protection

In game development, as with all software development, there is a risk that Beyond Frames Entertainment AB (publ) games may be copied by competitors. There is also a risk that other companies hold intellectual property rights on which Beyond Frames Entertainment AB (publ) could be claimed to infringe. Defense of Beyond Frames Entertainment AB (publ) intellectual property rights or compensation to third

parties for infringement of or use of third-party intellectual property rights may result in reduced revenues or increased costs until violations are prosecuted, license fees are paid, or permission is obtained to use third parties' intellectual property rights. All in all, this could adversely affect Beyond Frames Entertainment AB's (publ) operations, results of operations, and financial position.

### Currency Risk

Beyond Frames Entertainment AB (publ) is a Swedish public limited liability company whose accounts are denominated in SEK. The gaming industry is a global and digital market where most of the revenue streams may be generated in foreign currencies and for Beyond Frames Entertainment AB (publ) the revenue is mainly in USD. These revenues may expose Beyond Frames Entertainment AB (publ) to significant currency fluctuations. These could adversely affect Beyond Frames Entertainment AB (publ) sales, earnings, and financial position.

### Acquisition of game studios

As part of Beyond Frames Entertainment AB (publ) operations, prominent game studios in games based on VR and AR technology are acquired. There is a risk that acquired game studios do not live up to the expectations that Beyond Frames Entertainment AB (publ) has had and which led to the acquisition. These expectations shall relate to competence level, skill, financial circumstances, the ability to cooperate or other factors. There is a risk that acquired game studios will not be integrated into Beyond Frames Entertainment AB (publ) operations in an appropriate manner. Expected synergies may be absent in whole or in part. Taken together, these risks could have a negative impact on Beyond Frames Entertainment AB's (publ) operations, results of operations and financial position.

## Other information

### Financial calendar

- Interim report Q3 2023
- Year-end report Q4 2023

November 23, 2023

February 22, 2024

The financial information in this report has not been reviewed by the company's auditor.

Stockholm, August 24, 2023

Board

Beyond Frames Entertainment AB (publ)



# Consolidated income statement

SEK k	Q2 2023	Q2 2022	H1 2023	H1 2022
<b>Revenues</b>				
Sales	43,291	4,571	60,566	12,788
Worked performed by the Company for its own use and capitalized	5,964	6,674	10,460	13,175
Other operating income	377	97	455	142
<b>Total operating income</b>	<b>49,632</b>	<b>11,342</b>	<b>71,481</b>	<b>26,105</b>
<b>Operating expenses</b>				
Goods for resale	-35,007	-5,027	-45,644	-9,172
Other external expenses	-2,664	-4,639	-6,136	-7,145
Personnel expenses	-7,601	-8,027	-15,590	-15,176
Depreciation, amortization and impairment	-3,892	-1,242	-7,335	-2,386
Share of profit of an associate	-	-505	-	-1,015
<b>Total operating expenses</b>	<b>-49,164</b>	<b>-19,440</b>	<b>-74,705</b>	<b>-34,894</b>
<b>Operating profit</b>	<b>468</b>	<b>-8,098</b>	<b>-3,224</b>	<b>-8,789</b>
<b>Financial items</b>				
Net financial items	797	165	1,066	-53
<b>Profit after financial items</b>	<b>1,265</b>	<b>-7,933</b>	<b>-2,158</b>	<b>-8,842</b>
<b>Net profit for the period</b>	<b>1,265</b>	<b>-7,933</b>	<b>-2,158</b>	<b>-8,842</b>
Net profit of the period attributable to:				
Equity holders of the parent	1,299	-8,090	-2,450	-8,942
Non-controlling interests	-34	157	292	100

# Consolidated balance sheet – Assets

SEK k	2023-06-30	2022-06-30	2022-12-31
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Intangible assets	51,841	33,478	39,366
Goodwill	1,014	1,521	1,268
<b>Total intangible assets</b>	<b>52,855</b>	<b>34,999</b>	<b>40,634</b>
<b>Tangible assets</b>			
Property, plant and equipment	2,181	2,830	2,504
<b>Total tangible and intangible assets</b>	<b>2,181</b>	<b>2,830</b>	<b>2,504</b>
<b>Financial assets</b>			
Investments in associates	-	537	-
Other long term receivables	950	950	950
<b>Total financial assets</b>	<b>950</b>	<b>1,487</b>	<b>950</b>
<b>Total Non-current assets</b>	<b>55,986</b>	<b>39,316</b>	<b>44,088</b>
<b>CURRENT ASSETS</b>			
<b>Short term receivable</b>			
Accounts receivable	10,915	1,473	2,476
Current tax recoverable	589	189	269
Other receivables	16,987	3,277	2,797
Prepaid expenses and accrued income	2,094	1,591	1,462
<b>Total Short-term receivable</b>	<b>30,585</b>	<b>6,530</b>	<b>7,004</b>
<b>Cash and cash equivalents</b>			
Cash and cash equivalents	24,205	69,482	48,309
<b>Total current assets</b>	<b>54,790</b>	<b>76,012</b>	<b>55,313</b>
<b>TOTAL ASSETS</b>	<b>110,776</b>	<b>115,328</b>	<b>99,401</b>

# Consolidated balance sheet – Equity and liabilities

SEK k	2023-06-30	2022-06-30	2022-12-31
<b>Equity</b>			
Share capital	858	858	858
Other capital contributed	158,800	159,245	158,800
Reserves	53,020	33,847	40,725
Retained earnings incl profit for the period	-125,571	-90,415	-110,827
<b>Total equity attributable to equity holders of the parent</b>	<b>87,107</b>	<b>103,535</b>	<b>89,556</b>
Minority interest	2,510	2,544	2,218
<b>Total Equity</b>	<b>89,617</b>	<b>106,079</b>	<b>91,774</b>
<b>Current liabilities</b>			
Accounts payable	2,163	3,475	1,587
Current liabilities to associated companies	-	-	27
Current tax liabilities	550	438	26
Other liabilities	773	903	1,303
Accrued expenses and prepaid revenues	17,673	4,433	4,684
<b>Total current liabilities</b>	<b>21,159</b>	<b>9,249</b>	<b>7,627</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>110,776</b>	<b>115,328</b>	<b>99,401</b>



# Consolidated statement of changes in equity

	Share capital	Other capital contributed	Reserves	Retained earnings incl profit for the period	Minority interest	Consolidated equity
<b>Amount as of 2023-01-01</b>	<b>858</b>	<b>158,800</b>	<b>40,725</b>	<b>-110,827</b>	<b>2,218</b>	<b>91,774</b>
Development fund			5,667	-5,667		-
Net profit				-3,749	326	-3,423
<b>Amount as of 2023-03-31</b>	<b>858</b>	<b>158,800</b>	<b>46,392</b>	<b>-120,243</b>	<b>2,544</b>	<b>88,351</b>
Development fund			6,628	-6,628		-
Net profit				1,300	-34	1,266
<b>Amount as of 2023-06-30</b>	<b>858</b>	<b>158,800</b>	<b>53,020</b>	<b>-125,571</b>	<b>2,510</b>	<b>89,617</b>

# Consolidated cash flow statement

SEK k	2023-01-01- 2023-06-30	2022-01-01- 2022-06-30	2022-01-01- 2022-12-31
<b>OPERATING ACTIVITIES</b>			
Operating profit	-3,224	-8,789	-22,654
Adjustments for non-cash items:			
Depreciation/amortization	7,335	2,386	7,589
Share in profit of associated companies	-	1,015	1,552
Net Interest	1,066	-53	-42
Tax paid			
<b>Cash flow from operating activities before changes in working capital</b>	<b>5,177</b>	<b>-5,441</b>	<b>-14,028</b>
Cash flow from changes in working capital			
Change in other receivables	-23,581	1,815	1,483
Change in other liabilities	13,712	1,552	255
<b>Cash flow from operating activities</b>	<b>-4,692</b>	<b>-2,074</b>	<b>-12,290</b>
<b>INVESTMENT ACTIVITIES</b>			
Investments in property, plant and equipment	-95	-1,561	-1,678
Investments in intangible assets	-19,317	-14,231	-24,626
<b>Cash flow from investing activities</b>	<b>-19,412</b>	<b>-15,792</b>	<b>-26,304</b>
<b>FINANCING ACTIVITIES</b>			
New share issue	-	42,301	42,301
Premium received from warrants	-	876	431
<b>Cash flow from financing activities</b>	<b>-</b>	<b>43,177</b>	<b>42,732</b>
<b>Cash flow for the period</b>	<b>-24,104</b>	<b>25,311</b>	<b>4,138</b>
Opening cash and cash equivalents	48,309	44,171	44,171
Closing cash and cash equivalents	24,205	69,482	48,309

# Parent company income statement

SEK k	Q2 2023	Q2 2022	H1 2023	H1 2022
<b>Revenues</b>				
Sales	39,139	3,581	55,445	6,511
Worked performed by the Company for its own use and capitalized	-	757	-	957
Other operating income	822	71	1,350	134
<b>Total operating income</b>	<b>39,961</b>	<b>4,409</b>	<b>56,795</b>	<b>7,602</b>
<b>Operating expenses</b>				
Goods for resale	-32,926	-2,007	-43,709	-3,689
Other external expenses	-2,061	-4,380	-5,003	-5,826
Personnel expenses	-2,423	-2,732	-4,516	-4,978
Depreciation, amortization and impairment	-1,387	-524	-2,093	-1,018
<b>Total operating expenses</b>	<b>-38,797</b>	<b>-9,643</b>	<b>-55,321</b>	<b>-15,511</b>
<b>Operating profit</b>	<b>1,164</b>	<b>-5,234</b>	<b>1,474</b>	<b>-7,909</b>
<b>Financial items</b>				
Net interest income/expenses	818	265	1,098	162
<b>Total financial items</b>	<b>818</b>	<b>265</b>	<b>1,098</b>	<b>162</b>
<b>Profit after financial items</b>	<b>1,982</b>	<b>-4,969</b>	<b>2,572</b>	<b>-7,747</b>
<b>Net profit for the period</b>	<b>1,982</b>	<b>-4,969</b>	<b>2,572</b>	<b>-7,747</b>



# Parent company balance sheet – Assets

SEK k	2023-06-30	2022-06-30	2022-12-31
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Intangible assets	10,166	3,328	3,158
<b>Total intangible assets</b>	<b>10,166</b>	<b>3,328</b>	<b>3,158</b>
<b>Tangible assets</b>			
Improvements on other people's property	76	134	105
Property, plant and equipment	1,213	1,474	1,321
<b>Total tangible assets</b>	<b>1,289</b>	<b>1,608</b>	<b>1,426</b>
<b>Financial assets</b>			
Investments in Group companies	14,800	14,800	14,800
Receivables in Group companies	1,000	1,000	1,000
Investments in associates	6,427	6,427	6,427
Other long term receivables	950	950	950
<b>Total financial assets</b>	<b>23,177</b>	<b>23,177</b>	<b>23,177</b>
<b>Total Non-current assets</b>	<b>34,632</b>	<b>28,113</b>	<b>27,761</b>
<b>Current assets</b>			
<b>Short term receivable</b>			
Accounts receivable	8,838	462	2,399
Receivables in Group companies	42,832	19,494	25,057
Current tax recoverable	68	58	80
Other receivables	16,556	2,926	1,987
Prepaid expenses and accrued income	2,063	1,389	1,338
<b>Total Short term receivable</b>	<b>70,357</b>	<b>24,329</b>	<b>30,861</b>
<b>Cash and cash equivalents</b>			
Cash and cash equivalents	21,791	66,958	46,126
<b>Total cash and cash equivalents</b>	<b>21,791</b>	<b>66,958</b>	<b>46,126</b>
<b>Total current assets</b>	<b>92,148</b>	<b>91,287</b>	<b>76,987</b>
<b>TOTAL ASSETS</b>	<b>126,780</b>	<b>119,400</b>	<b>104,748</b>

# Parent company balance sheet

## – Equity and liabilities

SEK k	2023-06-30	2022-06-30	2022-12-31
<b>Equity and liabilities</b>			
<b>Restricted equity</b>			
Share capital	858	858	858
Development expenditure fund	10,166	3,329	3,158
<b>Total restricted equity</b>	<b>11,024</b>	<b>4,187</b>	<b>4,016</b>
<b>Unrestricted equity</b>			
Share premium reserve	156,542	156,541	156,542
Retained earnings	-66,088	-37,871	-38,146
Net profit for the year	2,571	-7,747	-20,935
<b>Total unrestricted equity</b>	<b>93,025</b>	<b>110,923</b>	<b>97,461</b>
<b>Total Equity</b>	<b>104,049</b>	<b>115,110</b>	<b>101,477</b>
<b>Current liabilities</b>			
Accounts payable	1,403	2,534	888
Current tax liabilities	173	165	27
Other liabilities	238	142	353
Accrued expenses and prepaid revenues	20,917	1,449	2,003
<b>Total current liabilities</b>	<b>22,731</b>	<b>4,290</b>	<b>3,271</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>126,780</b>	<b>119,400</b>	<b>104,748</b>

# Parent company statement of changes in equity

	Share capital	Development expenditure fund	Share premium reserve	Retained earnings including net profit for the period	Total equity
<b>Amount as of 2023-01-01</b>	<b>858</b>	<b>3,158</b>	<b>156,542</b>	<b>-59,080</b>	<b>101,478</b>
Development fund		3,845		-3,845	-
Net profit				590	590
<b>Amount as of 2023-03-31</b>	<b>858</b>	<b>7,003</b>	<b>156,542</b>	<b>-62,335</b>	<b>102,068</b>
Development fund		3,163		-3,163	-
Net profit				1,981	1,981
<b>Amount as of 2023-06-30</b>	<b>858</b>	<b>10,166</b>	<b>156,542</b>	<b>-63,517</b>	<b>104,049</b>



# Parent company cash flow statement

SEK k	2023-01-01- 2023-06-30	2022-01-01- 2022-06-30	2022-01-01- 2022-12-31
<b>OPERATING ACTIVITIES</b>			
Operating profit	1,474	-7,909	-20,982
<i>Adjustments for non-cash items:</i>	-	-	-
Depreciation/amortization	1,862	1,018	1,187
Net Interest	1,098	162	47
<b>Cash flow from operating activities before changes in working capital</b>	<b>4,434</b>	<b>-6,729</b>	<b>-19,748</b>
Cash flow from changes in working capital			
Change in other receivables	-39,496	-9,314	-15,846
Change in other liabilities	19,460	-255	-1,274
<b>Cash flow from operating activities</b>	<b>-15,602</b>	<b>-16,298</b>	<b>-36,868</b>
<b>INVESTMENT ACTIVITIES</b>			
Investments in intangible assets	-8,677	-2,007	-1,810
Investments in property, plant and equipment	-56	-825	-839
<b>Cash flow from investing activities</b>	<b>-8,733</b>	<b>-2,832</b>	<b>-2,649</b>
<b>Financing activities</b>			
New share issue	-	42,301	42,301
Premium received from warrants	-	876	431
<b>Cash flow from financing activities</b>	<b>-</b>	<b>43,177</b>	<b>42,732</b>
<b>Cash flow for the period</b>	<b>-24,335</b>	<b>24,047</b>	<b>3,215</b>
<b>Opening cash and cash equivalents</b>	<b>46,126</b>	<b>42,911</b>	<b>42,911</b>
<b>Closing cash and cash equivalents</b>	<b>21,791</b>	<b>66,958</b>	<b>46,126</b>

