



# BOOMBIT

## **BOOMBIT S.A. GROUP CONSOLIDATED COMPLETE INTERIM QUARTERLY REPORT**

for the 3 months ended on 31 March 2023

GDAŃSK, 25 MAY 2023

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**I. SELECTED FINANCIAL DATA FOR THE CONSOLIDATED COMPLETE INTERIM REPORT OF THE BOOMBIT S.A. GROUP FOR THE PERIOD ENDED ON 31 March 2023**

**Selected consolidated financial data**

	<b>3 months ended</b>		<b>3 months ended</b>	
	<b>31 March</b>		<b>31 March</b>	
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	PLN '000		EUR '000	
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Revenue on sales of services	65,436	66,153	13,921	14,452
Cost of sales	(59,478)	(60,925)	(12,654)	(13,310)
Gross profit on sales	5,958	5,228	1,268	1,142
Operating profit/loss	743	2,880	158	629
Profit/loss before tax	1,041	2,901	221	634
<b>Net profit/loss</b>	<b>337</b>	<b>2,273</b>	<b>72</b>	<b>497</b>
Total comprehensive income	239	1,977	51	432
<b>Total comprehensive income</b>				
- attributable to shareholders of the parent	2,233	1,944	475	425
- attributable to minority interest	(1,994)	33	(424)	7
Profit/loss per share (in PLN/EUR) (basic)	0.17	0.17	0.04	0.04
Profit/loss per share (in PLN/EUR) (diluted)	0.17	0.17	0.04	0.04
Net cash flows from operating activity	7,315	6,754	1,556	1,475
Net cash flows from investment activity	(5,885)	(2,559)	(1,251)	(559)
Net cash flows from financial activity	(50)	12	(11)	3
<b>Cash flows before exchange differences</b>	<b>1,380</b>	<b>4,207</b>	<b>294</b>	<b>919</b>
Total net cash flows	1,832	4,030	390	880
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	PLN '000		EUR '000	
	<i>(unaudited)</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(audited)</i>
Tangible assets	55,102	50,822	11,785	10,837
Current assets	88,380	89,222	18,903	19,024
<b>Total assets</b>	<b>143,482</b>	<b>140,044</b>	<b>30,688</b>	<b>29,861</b>
Equity attributable to shareholders of the parent	80,580	77,732	17,234	16,574
Equity attributable to minority interest	(6,121)	(4,127)	(1,309)	(880)
<b>Total equity</b>	<b>74,459</b>	<b>73,605</b>	<b>15,925</b>	<b>15,694</b>
Long-term liabilities	3,780	2,506	808	534
Short-term liabilities	65,243	63,933	13,954	13,633
<b>Total liabilities</b>	<b>69,023</b>	<b>66,439</b>	<b>14,763</b>	<b>14,167</b>
<b>Total equity and liabilities</b>	<b>143,482</b>	<b>140,044</b>	<b>30,688</b>	<b>29,861</b>



**Selected standalone financial data**

	3 months ended		3 months ended	
	31 March		31 March	
	2023	2022	2023	2022
	PLN '000		EUR '000	
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Revenue on sales of services	46,354	40,789	9,862	8,777
Cost of sales	(38,566)	(36,231)	(8,205)	(7,796)
Gross profit on sales	7,788	4,558	1,657	981
Operating profit/loss	3,719	3,079	791	663
Profit/loss before tax	4,205	3,154	895	679
<b>Net profit/loss</b>	<b>3,305</b>	<b>2,558</b>	<b>703</b>	<b>550</b>
Total comprehensive income	3,305	2,558	703	550
Profit/loss per share (in PLN/EUR) (basic)	0.24	0.19	0.05	0.04
Profit/loss per share (in PLN/EUR) (diluted)	0.24	0.19	0.05	0.04
Net cash flows from operating activity	6,598	7,108	1,404	1,530
Net cash flows from investment activity	(6,160)	(1,590)	(1,310)	(342)
Net cash flows from financial activity	(50)	12	(11)	3
<b>Cash flows before exchange differences</b>	<b>388</b>	<b>5,530</b>	<b>83</b>	<b>1,191</b>
Total net cash flows	855	5,573	182	1,199

	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	PLN '000		EUR '000	
	<i>(unaudited)</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(audited)</i>
Tangible assets	38,055	38,334	8,139	8,174
Current assets	90,861	85,507	19,433	18,232
<b>Total assets</b>	<b>128,916</b>	<b>123,841</b>	<b>27,572</b>	<b>26,406</b>
<b>Total equity</b>	<b>80,163</b>	<b>76,535</b>	<b>17,145</b>	<b>16,319</b>
Long-term liabilities	3,331	2,672	712	570
Short-term liabilities	45,422	44,634	9,714	9,517
<b>Total liabilities</b>	<b>48,753</b>	<b>47,306</b>	<b>10,426</b>	<b>10,087</b>
<b>Total equity and liabilities</b>	<b>128,916</b>	<b>123,841</b>	<b>27,571</b>	<b>26,406</b>

The above financial data for 3 months of 2023 and 2022 and for the periods ended 31 March 2023 and 31 December 2022 were converted to EUR as follows:

- items of the statement of profit/loss and other comprehensive income and items of the cash flow statement – according to an exchange rate that represents an arithmetic mean of the exchange rates defined by the National Bank of Poland (NBP) for the last day of each month in the reporting period: from 1 January to 31 March 2023 – 4.7005 EUR/PLN and from January to 31 March 2022 – 4.6472 EUR/PLN;
- asset and liability items – according to the average exchange rate defined by the National Bank of Poland (NBP) for 31 March 2023 – 4.6755 EUR/PLN, and for 31 December 2022 – 4.6899 EUR/PLN.

**II. CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF THE BOOMBIT S.A. GROUP FOR THE 3 MONTHS ENDED 31 March 2023**

**Consolidated condensed interim statement of comprehensive income**

		<b>3 months ended</b>	
		<b>31 March</b>	
	<b>Note</b>	<b>2023</b> <i>(unaudited)</i>	<b>2022</b> <i>(unaudited)</i>
Revenue on sales of services	7	65,436	66,153
Cost of sales	8	(59,478)	(60,925)
<b>Gross profit on sales</b>		<b>5,958</b>	<b>5,228</b>
General administrative costs	8	(4,438)	(3,128)
Other operating revenue		199	836
Other operating costs		(976)	(56)
<b>Operating profit/loss</b>		<b>743</b>	<b>2,880</b>
Financial revenue		343	23
Financial costs		(45)	(2)
<b>Profit/loss before tax</b>		<b>1,041</b>	<b>2,901</b>
Income tax	9	(704)	(628)
Profit /(loss) on continued operations		<b>337</b>	<b>2,273</b>
Profit /(loss) on discontinued operations			
<b>Net profit/loss</b>		<b>337</b>	<b>2,273</b>
<b>Other comprehensive income</b>			
Items that may be reclassified to profit/loss in the future:		(98)	(296)
Exchange differences		(98)	(296)
<b>Total other comprehensive income</b>		<b>(98)</b>	<b>(296)</b>
<b>Total comprehensive income</b>		<b>239</b>	<b>1,977</b>
- attributable to shareholders of the parent		2,233	1,944
- attributable to minority interest		(1,994)	33
<b>Net profit/loss</b>			
- attributable to shareholders of the parent		2,331	2,240
- attributable to minority interest		(1,994)	33
<b>Profit/loss per share attributable to shareholders of the parent company during the period (expressed as PLN per share)</b>			
<b>Basic</b>	14	<b>0.17</b>	<b>0.17</b>
on continued operations		0.17	0.17
on discontinued operations		-	-
<b>Diluted</b>	14	<b>0.17</b>	<b>0.17</b>
on continued operations		0.17	0.17
on discontinued operations		-	-

**Consolidated condensed interim statement of financial position**

		<b>31 March</b>	<b>31 December</b>
		<b>2023</b>	<b>2022</b>
	<b>Note</b>	<i>(unaudited)</i>	<i>(audited)</i>
<b>Tangible assets</b>			
Property, plant and equipment		1,987	2,213
Intangible assets	10	28,411	24,824
Goodwill	11	15,716	15,673
Shares	16	3,509	3,509
Other financial assets	16	2,261	2,243
Deferred income tax asset		3,218	2,360
		<b>55,102</b>	<b>50,822</b>
<b>Current assets</b>			
Trade and other receivables	16	35,147	37,545
Income tax receivables		388	366
Cryptographic assets	12	6,016	6,314
Cash and cash equivalents		46,829	44,997
Current assets other than tangible assets held for sale		88,380	89,222
Assets held for sale		-	-
<b>Current assets</b>		<b>88,380</b>	<b>89,222</b>
<b>Total assets</b>		<b>143,482</b>	<b>140,044</b>
<b>Equity</b>			
<b>Equity attributable to shareholders of the parent</b>			
Share capital	13	6,770	6,750
Capital from share premium		32,063	32,063
Exchange differences on translation of foreign operations		614	712
Equity from share-based payments	20	6,103	5,508
Retained earnings		35,030	32,699
		80,580	77,732
<b>Equity attributable to minority interest</b>		<b>(6,121)</b>	<b>(4,127)</b>
<b>Total equity</b>		<b>74,459</b>	<b>73,605</b>
<b>Liabilities</b>			
<b>Long-term liabilities</b>			
Deferred income tax liabilities		3,625	2,319
Other financial liabilities	16	155	187
		3,780	2,506
<b>Short-term liabilities</b>			
Other financial liabilities	16	724	21,657
Trade and other liabilities	16	62,785	40,639
Income tax liabilities		1,734	1,637
Short-term liabilities not held for sale		65,243	63,933
Short-term liabilities held for sale		-	-
<b>Short-term liabilities</b>		<b>65,243</b>	<b>63,933</b>
<b>Total liabilities</b>		<b>69,023</b>	<b>66,439</b>
<b>Total equity and liabilities</b>		<b>143,482</b>	<b>140,044</b>

**Consolidated condensed interim statement of changes in equity**

	Note	Share capital	Capital from share premium	Exchange differences on translation	Equity from share-based payments	Retained earnings	Equity attributable to shareholders of the parent	Equity attributable to minority interest	Total equity
<b>As at 1 January 2023 (audited)</b>		<b>6,750</b>	<b>32,063</b>	<b>712</b>	<b>5,508</b>	<b>32,699</b>	<b>77,732</b>	<b>(4,127)</b>	<b>73,605</b>
Net profit (loss)		-	-	-	-	2,331	2,331	(1,994)	337
Other comprehensive income		-	-	(98)	-	-	(98)	-	(98)
<b>Comprehensive income</b>		-	-	<b>(98)</b>	-	<b>2,331</b>	<b>2,233</b>	<b>(1,994)</b>	<b>239</b>
Capital increase		20	-	-	-	-	20	-	20
Share-based payments	20	-	-	-	595	-	595	-	595
<b>Changes in equity</b>		20	-	(98)	595	2,331	2,848	(1,994)	854
<b>As at 31 March 2023 (unaudited)</b>		<b>6,770</b>	<b>32,063</b>	<b>614</b>	<b>6,103</b>	<b>35,030</b>	<b>80,580</b>	<b>(6,121)</b>	<b>74,459</b>

	Note	Share capital	Capital from share premium	Exchange differences on translation	Equity from share-based payments	Retained earnings	Equity attributable to shareholders of the parent	Equity attributable to minority interest	Total equity
<b>As at 1 January 2022 (audited)</b>		<b>6,710</b>	<b>32,063</b>	<b>2,890</b>	<b>3,788</b>	<b>30,414</b>	<b>75,865</b>	<b>3,206</b>	<b>79,071</b>
Net profit (loss)		-	-	-	-	2,240	2,240	33	2,273
Other comprehensive income		-	-	(296)	-	-	(296)	-	(296)
<b>Comprehensive income</b>		-	-	<b>(296)</b>	-	<b>2,240</b>	<b>1,944</b>	<b>33</b>	<b>1,977</b>
Increase (reduction) arising from acquisition of a subsidiary		-	-	-	-	-	-	2	2
Share-based payments	20	-	-	-	55	-	55	-	55
<b>Changes in equity</b>		-	-	<b>(296)</b>	<b>55</b>	<b>2,240</b>	<b>1,999</b>	<b>35</b>	<b>2,034</b>
<b>As at 31 March 2022 (unaudited)</b>		<b>6,710</b>	<b>32,063</b>	<b>2,594</b>	<b>3,843</b>	<b>32,654</b>	<b>77,864</b>	<b>3,241</b>	<b>81,105</b>

**Standalone condensed interim cash flow statement**

		<b>3 months ended</b>	
		<b>31 March</b>	
		<b>2023</b>	<b>2022</b>
		<i>(unaudited)</i>	<i>(unaudited)</i>
<b>Note</b>			
	<b>Profit/loss before tax</b>	<b>1,041</b>	<b>2,901</b>
	<b>Adjustments:</b>	<b>6,471</b>	<b>4,331</b>
	Depreciation and amortization	2,765	3,157
	Foreign exchange profit (loss)	(468)	(134)
	Interest revenue	(378)	(23)
	Interest cost	17	2
	Profit (loss) on investment activities	(22)	25
	Impairment loss on receivables and other financial assets	170	-
	Change in the balance of receivables	2,252	2,514
	Change in liabilities, except for loans and borrowings	1,242	(1,265)
	Settlement of share-based payment costs	595	55
	Change in cryptographic assets	298	-
	<b>Operating net cash flow</b>	<b>7,512</b>	<b>7,232</b>
	Income tax (paid) / refunded	(197)	(478)
	<b>Net cash flows from operating activity</b>	<b>7,315</b>	<b>6,754</b>
	<b>Investment activity</b>		
	Sale of property, plant and equipment and intangible assets	156	-
	Interest received	329	-
	Sale of shares	-	1,593
	Acquisition of subsidiaries	-	(4)
	Acquisition of property, plant and equipment and intangible assets	(128)	(199)
	Expenditure on intangible assets	(6,242)	(3,949)
	<b>Net cash flows from investment activity</b>	<b>(5,885)</b>	<b>(2,559)</b>
	<b>Financial activity</b>		
	Capital increase	-	40
	Repayment of lease liabilities	(33)	(26)
	Interest	(17)	(2)
	<b>Net cash flows from financial activity</b>	<b>(50)</b>	<b>12</b>
	<b>Cash flows before exchange differences</b>	<b>1,380</b>	<b>4,207</b>
	Net foreign exchange differences on cash and cash equivalents	452	(177)
	<b>Total net cash flows</b>	<b>1,832</b>	<b>4,030</b>
	Cash opening balance	44,997	33,295
	<b>Cash closing balance, including:</b>	<b>46,829</b>	<b>37,325</b>
	- of limited disposability	-	-



## **1 General information about the BoomBit S.A. Group and its parent**

### **1.1 Basic information about the Parent Company**

Address of the company's registered office – 80-283 Gdańsk, Poland, ul. Zacna 2

Country of registration – Poland

Description of the nature and the core activity – Development and publishing of computer games

Registered office: Poland, 80-283 Gdańsk, ul. Zacna 2

Legal form of the entity – Polish joint stock company entered in the National Court Register (KRS): Gdańsk-Północ District Court in Gdańsk, 7th Commercial Division of the National Court Register; KRS number 0000740933, registered on 23 July 2018

Name of the parent company – BoomBit S.A.

Name of the reporting company – BoomBit S.A.

Name of the ultimate parent of the group – BoomBit S.A.

Primary place of business – Poland, 80-283 Gdańsk ul. Zacna 2

The Company's presentation currency is PLN. The financial data are presented as rounded to the nearest thousand PLN, unless specified otherwise.

The consolidated financial statements include the financial data of the BoomBit S.A. Group.

The Group's consolidated financial statements cover the 3 months ended 31 March 2023 and they contain comparative data for the 3 months ended 31 March 2022 and data as at 31 December 2022.

### **1.2 Governing bodies of the Parent Company**

#### Board of Directors

On 31 March 2023 and on the date of this report, the Board of Directors consisted of:

- Marcin Olejarz – CEO
- Anibal Jose Da Cunha Saraiva Soares – Vice-President
- Marek Pertkiewicz – Director.

#### Company's Supervisory Board

On 31 March 2023 and on the date of this report, the Supervisory Board consisted of:

- Karolina Szablewska-Olejarz – Chairwoman of the Supervisory Board
- Marcin Chmielewski – Supervisory Board Member
- Wojciech Napiórkowski – Supervisory Board Member
- Szymon Okoń – Supervisory Board Member
- Jacek Markowski – Supervisory Board Member

## 2 Group structure

These interim condensed financial statements cover data of the entities presented in the following table:

Name of company	Registered office	Objects of business	Capital tie description/consolidation method	% of ownership and voting rights	Control/Co-control start date
BoomBit S.A.	Gdańsk, Poland	development and publishing of computer games	parent	not applicable	not applicable
BoomBit Games Ltd.	London, United Kingdom	publishing of computer games	subsidiary/full	100%	28 February 2018
BoomBit Inc.	Las Vegas, USA	publishing of computer games	subsidiary/full	100% - through BoomBit Games	28 February 2018
Play With Games Ltd.	London, United Kingdom	publishing of computer games	subsidiary/full	100%	30 March 2018
PixelMob Sp. z o.o.	Gdańsk, Poland	publishing of computer games	subsidiary/full	100%	28 February 2018
TapNice S.A..	Gdańsk, Poland	development and publishing of computer games	subsidiary/full	60%	16 October 2018
BoomHits Sp. z o.o.	Gdańsk, Poland	development and publishing of computer games	subsidiary/full	100%	16 October 2018
MoonDrip Sp. z o.o. under liquidation*	Gdańsk, Poland	development and publishing of computer games	joint venture/equity method	50%	22 June 2018
Mindsense Games Sp. z o.o.	Gdańsk, Poland	publishing of computer games	subsidiary/full	100%	28 February 2018
ADC Games Sp. z o.o.	Gdańsk, Poland	development and publishing of computer games	subsidiary/full	50%	23 February 2021
Maisly Games Sp. z o.o.	Gdańsk, Poland	development and publishing of computer games	subsidiary/full	100%	28 May 2021
Skyloft Sp. z o.o.	Gdynia, Poland	development and publishing of computer games	subsidiary/full	50% - through BoomHits	24 August 2021
PlayEmber Sp. z o.o.	Gdańsk, Poland	publishing of computer games	subsidiary/full	50% - through ADC Games	06 September 2021
BoomPick Sp. z o.o. (former PlayHolding Sp. z o.o.)	Gdynia, Poland	development and publishing of computer games	subsidiary/full	60%	21 February 2022
BoomLand FZ-LLC	Rakez, United Arab Emirates	blockchain-based projects	subsidiary/full	0%	06 May 2022
PlayEmber FZ-LLC	Rakez, United Arab Emirates	blockchain-based projects	subsidiary/full	0%	17 June 2022

\* The liquidation of Moondrip Sp o.o. opened on 28 February 2023.

## 3 The basis for preparing the statements

These condensed consolidated interim financial statements were prepared in accordance with International Accounting Standard no. 34 Interim Financial Reporting ("IAS 34") in the form as approved by the European Union ("EU"). The condensed consolidated interim financial statements do not cover all the data or all the disclosures

required for the consolidated annual financial statements and they shall be read in conjunction with the consolidated financial statements of the Group prepared in accordance with the IFRSs for the year ended dated 31 December 2022.

These condensed consolidated interim financial statements were prepared based on the assumption that the Group would continue as a going concern Bank transfer Group in the foreseeable future, i.e., for at least one year following the preparation of the condensed consolidated interim financial statements, and that there were no signs of any threat to the Group's continuation as a going concern.

By the date of preparing these consolidated condensed interim financial truncated statements, there were no circumstances that would suggest the existence of any threats to the Group continuing as a going concern.

### **3.1 New standards and interpretations**

No new standards and interpretations were published by the publication date of the Consolidated Financial Statements for the year ended 31 December 2022, which was prepared in accordance with the IFRS.

### **3.2 Changes to the estimates applied by the Group**

The estimates applied by the Group are described in the consolidated financial statements for the year ended on 31 December 2022. The applied accounting policy did not change versus 31 December 2022.

## **4 Professional judgement and material estimates**

The estimates applied by the Group are described in the consolidated financial statements for the year ended on 31 December 2022. The applied accounting policy did not change versus 31 December 2022.

## **5 Business seasonality**

The Group's business is not seasonal.

## **6 Operating segments**

The Group's Board of Directors identified two operating segments for the current financial year in accordance with the IFRS 8 Operating Segments:

- Mobile games
- Blockchain projects

The Board of Directors assesses the activity of the operating segments mainly based on the EBITDA (operating profit/loss plus depreciation and amortization) and the net profit. The Board of Directors also receives information about the revenue and assets of the segments.

There are no differences within the Group between the reporting segments and the Group's reporting as to the measurement of assets, liabilities, profits and losses.

The transactions between segments are settled on arm's length terms.

Revenue, EBITDA and net profit/loss of the segments

	<b>3 months ended</b>			
	<b>31 March 2023</b>			
	<b>Mobile games</b>	<b>Blockchain projects</b>	<b>Intercompany adjustments</b>	<b>Consolidated data</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
External sales	65,038	398	-	<b>65,436</b>
Internal Group sales	-	15	(15)	-
<b>Sales revenue</b>	<b>65,038</b>	<b>413</b>	<b>(15)</b>	<b>65,436</b>
Gross profit/loss on sales	7,003	(1,045)	-	<b>5,958</b>
Operating profit/loss	2,644	(1,901)	-	<b>743</b>
Amortization	(2,765)	-	-	<b>(2,765)</b>
<b>EBITDA</b>	<b>5,409</b>	<b>(1,901)</b>		<b>3,508</b>
Financial revenue/expenses	376	(39)	(39)	<b>298</b>
<b>Gross profit/loss</b>	<b>3,020</b>	<b>(1,940)</b>	<b>(39)</b>	<b>1,041</b>
Tax	(704)	-	-	<b>(704)</b>
<b>Net profit/loss</b>	<b>2,316</b>	<b>(1,940)</b>	<b>(39)</b>	<b>337</b>

The revenue disclosed in the Blockchain Projects segment pertain to the NFTs sold for Hunters on Chain – a game released by BoomLand FZ-LLC.

	<b>3 months ended</b>			
	<b>31 March 2022</b>			
	<b>Mobile games</b>	<b>Blockchain projects</b>	<b>Intercompany adjustments</b>	<b>Consolidated data</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
External sales	66,153	-	-	<b>66,153</b>
Internal Group sales	-	-	-	-
<b>Sales revenue</b>	<b>66,153</b>	-	-	<b>66,153</b>
Gross profit/loss on sales	5,228	-	-	<b>5,228</b>
Operating profit/loss	3,654	(774)	-	<b>2,880</b>
Amortization	(3,157)	-	-	<b>(3,157)</b>
<b>EBITDA</b>	<b>6,811</b>	<b>(774)</b>		<b>6,037</b>
Financial revenue/expenses	21	-	-	<b>21</b>
<b>Gross profit/loss</b>	<b>3,675</b>	<b>(774)</b>	-	<b>2,901</b>
Tax	0	-	-	<b>0</b>
<b>Net profit/loss</b>	<b>3,675</b>	<b>(774)</b>	-	<b>2,901</b>

Assets of the segments

	<b>31 March 2023</b>			
	<b>Mobile games</b>	<b>Blockchain projects</b>	<b>Intercompany adjustments</b>	<b>Consolidated data</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Intangible assets	22,201	6,210	-	<b>28,411</b>
Other tangible assets	26,691	-	-	<b>26,691</b>
<b>Tangible assets</b>	<b>48,892</b>	<b>6,210</b>	-	<b>55,102</b>

Cash	46,829	-	-	<b>46,829</b>
Cryptographic assets	2,151	3,865	-	<b>6,016</b>
Other current assets	37,080	396	(1,941)	<b>35,535</b>
<b>Current assets</b>	<b>86,060</b>	<b>4,261</b>	<b>(1,941)</b>	<b>88,380</b>
<b>Total assets</b>	<b>134,952</b>	<b>10,471</b>	<b>(1,941)</b>	<b>143,482</b>

	<b>31 December 2022</b>			
	<b>Mobile games</b>	<b>Blockchain projects</b>	<b>Intercompany adjustments</b>	<b>Consolidated data</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Intangible assets	20,537	4,280	7	<b>24,824</b>
Other tangible assets	25,998	-	-	<b>25,998</b>
<b>Tangible assets</b>	<b>46,535</b>	<b>4,280</b>	<b>7</b>	<b>50,822</b>
Cash	44,997	-	-	<b>44,997</b>
Cryptographic assets	932	5,382	-	<b>6,314</b>
Other current assets	39,083	503	(1,675)	<b>37,911</b>
<b>Current assets</b>	<b>85,012</b>	<b>5,885</b>	<b>(1,675)</b>	<b>89,222</b>
<b>Total assets</b>	<b>131,547</b>	<b>10,165</b>	<b>(1,668)</b>	<b>140,044</b>

Liabilities of the segments

	<b>31 March 2023</b>			
	<b>Mobile games</b>	<b>Blockchain projects</b>	<b>Intercompany adjustments</b>	<b>Consolidated data</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
Long-term liabilities	3,780	-	-	<b>3,780</b>
Short-term liabilities	50,878	16,306	(1,941)	<b>65,243</b>
<b>Total liabilities</b>	<b>54,658</b>	<b>16,306</b>	<b>(1,941)</b>	<b>69,023</b>

	<b>31 December 2022</b>			
	<b>Mobile games</b>	<b>Blockchain projects</b>	<b>Intercompany adjustments</b>	<b>Consolidated data</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>
Long-term liabilities	2,506	-	-	<b>2,506</b>
Short-term liabilities	50,954	14,654	(1,675)	<b>63,933</b>
<b>Total liabilities</b>	<b>53,460</b>	<b>14,654</b>	<b>(1,675)</b>	<b>66,439</b>

The main balance sheet items in the Blockchain Projects segment:

- in assets – development costs and cryptographic assets received in connection with the signed SAFTs
- in liabilities – liabilities under the SAFTs.



## 7 Contracts with customers

### Sources of revenue

	<b>3 months ended 31 March</b>			
	<b>2023</b>		<b>2022</b>	
	<i>(unaudited)</i>		<i>(unaudited)</i>	
Advertising	37,048	57%	46,341	70%
Micropayments and sale of digital copies	27,611	42%	18,917	29%
other	777	1%	895	1%
	<b>65,436</b>	<b>100%</b>	<b>66,153</b>	<b>100%</b>

*including:*

<i>Platforms (distribution)</i>	64,659	99%	65,258	99%
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### Platforms (distribution)

	<b>3 months ended 31 March</b>			
	<b>2023</b>		<b>2022</b>	
	<i>(unaudited)</i>		<i>(unaudited)</i>	
Android	35,034	54%	35,445	54%
iOS	28,980	45%	28,963	44%
other	645	1%	850	1%
	<b>64,659</b>	<b>100%</b>	<b>65,258</b>	<b>100%</b>

### Geographic data

	<b>3 months ended 31 March</b>			
	<b>2023</b>		<b>2022</b>	
	<i>(unaudited)</i>		<i>(unaudited)</i>	
North America	29,690	46%	33,715	52%
Europe	17,151	27%	18,187	28%
Asia	14,436	22%	9,909	15%
South America	1,449	2%	1,621	2%
Australia & Oceania	1,662	3%	1,544	2%
Africa	271	0%	282	0%
	<b>64,659</b>	<b>100%</b>	<b>65,258</b>	<b>100%</b>

### Leading business partners

	<b>3 months ended 31 March</b>			
	<b>2023</b>		<b>2022</b>	
	<i>(unaudited)</i>		<i>(unaudited)</i>	
Google	13,861	20%	10,123	15%
Apple	13,119	20%	8,003	12%
AppLovin	8,194	13%	13,095	19%
AdMob	6,244	10%	8,247	12%
Unity Technologies	5,342	8%	5,380	8%
IronSource	4,653	7%	5,671	9%
Facebook	4,363	7%	5,996	9%
AdLogic Technology	2,826	4%	3,032	5%
Vungle	1,301	2%	1,083	2%
Fyber Monetization	1,256	2%	2,480	4%
Others	4,277	7%	3,043	5%
	<b>65,436</b>	<b>100%</b>	<b>66,153</b>	<b>100%</b>

## 8 Cost of goods sold

	<b>3 months ended</b>	
	<b>31 March</b>	
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Depreciation and amortization	2,765	3,157
Materials and energy consumption	188	180
Third-party services	61,438	60,484
<i>Commissions of distribution platforms</i>	<i>7,332</i>	<i>4,897</i>
<i>User acquisition costs</i>	<i>36,032</i>	<i>39,445</i>
<i>Rev share costs</i>	<i>5,319</i>	<i>5,576</i>
Taxes and levies	95	57
Salaries	4,792	3,641
Social security and other benefits	778	534
Other costs by type	357	66
<b>Total costs by type</b>	<b>70,413</b>	<b>68,119</b>
Development costs	(6,497)	(4,066)
General administrative costs	(4,438)	(3,128)
<b>Cost of sales</b>	<b>59,478</b>	<b>60,925</b>

## 9 Income tax

	<b>3 months ended</b>	
	<b>31 March</b>	
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>
<b>Gross profit</b>	<b>1,041</b>	<b>2,901</b>
Theoretical tax calculated according to domestic rates that apply to income in Poland (19%)	(198)	(551)
Difference on tax according to another rate	(410)	(70)
Non-tax-deductible costs	(130)	(36)
<i>including: costs of incentive schemes</i>	<i>(113)</i>	<i>(11)</i>
Exchange differences	(2)	3
Revenues not included in the tax base	36	26
<b>Charge on the financial result on account of income tax</b>	<b>(704)</b>	<b>(628)</b>
effective tax rate*	67.6%	21.6%

The effective tax rate differs from the nominal value, which is 19%, due to the low value of the gross profit/loss and the absence of income tax for companies registered in the United Arab Emirates which had losses in Q1 2023 and no deferred tax asset was recognized on that account.

## 10 Intangible assets

	Completed development work – Games	Completed development work – support tools	Acquired rights in games	Incomplete development work (assets in progress)	<b>Total</b>
<b>As at 1 January 2023 (audited)</b>					
Cost	47,081	18,739	775	10,500	<b>77,095</b>
Amortization to date	(36,199)	(12,435)	(197)	-	<b>(48,831)</b>
Impairment losses	(3,083)	(48)	-	(309)	<b>(3,440)</b>
<b>Net value</b>	<b>7,799</b>	<b>6,256</b>	<b>578</b>	<b>10,191</b>	<b>24,824</b>
Increases*	-	-	-	6,242	<b>6,242</b>
Gross sales/liquidation	-	-	-	(49)	<b>(49)</b>

Transfer between categories	3,465	947	2	(4,414)	-
Exchange differences on translation	(3)	2	-	(63)	(64)
Amortization	(1,768)	(708)	(66)	-	(2,542)
<b>As at 31 March 2023 (unaudited)</b>					
Cost	50,553	19,687	777	12,216	<b>83,224</b>
Amortization to date	(37,905)	(13,142)	(263)	-	<b>(51,373)</b>
Impairment losses	(3,155)	(48)	-	(309)	<b>(3,440)</b>
<b>Net value</b>	<b>9,493</b>	<b>6,497</b>	<b>514</b>	<b>11,907</b>	<b>28,411</b>

\* The value of the increases differs from the value of development costs specified in Note 8 by the revenue earned in the soft launch in the amount of PLN 255,000

Development costs for the 3 months ended on 31 March 2023 include expenses on outsourced services of PLN 4,983,000 and expenses on salaries and the related contributions of PLN 1,514,000. The expenses were reduced by the soft launch revenue of PLN 255,000. Amortization of completed development works is fully charged to the cost of goods sold.

	Completed development work – Games	Completed development work – support tools	Acquired rights in games	Incomplete development work (assets in progress)	<b>Total</b>
<b>As at 1 January 2022 (audited)</b>					
Cost	37,199	16,388	-	2,238	<b>55,825</b>
Amortization to date	(24,238)	(9,522)	-	-	<b>(33,760)</b>
Impairment losses	(3,083)	(48)	-	-	<b>(3,131)</b>
<b>Net value</b>	<b>9,878</b>	<b>6,818</b>	<b>-</b>	<b>2,238</b>	<b>18,934</b>
Acquisition of a subsidiary					
Increases*	-	-	-	3,949	<b>3,949</b>
Gross sales/liquidation	(490)	-	-	-	<b>(490)</b>
Sales/liquidation total amortization	476	-	-	-	<b>476</b>
Transfer between categories	2,694	523	-	(3,217)	-
Transfer between categories – total amortization	34	(34)	-	-	-
Amortization	(2,278)	(743)	-	-	<b>(3,021)</b>
<b>As at 31 March 2022 (unaudited)</b>					
Cost	39,403	16,911	-	2,970	<b>59,284</b>
Amortization to date	(26,006)	(10,299)	-	-	<b>(36,305)</b>
Impairment losses	(3,083)	(48)	-	-	<b>(3,131)</b>
<b>Net value</b>	<b>10,314</b>	<b>6,564</b>	<b>-</b>	<b>2,970</b>	<b>19,848</b>

\* The value of the increases differs from the value of development costs specified in Note 9 by the revenue earned in the soft launch in the amount of PLN 117,000.

Development costs for the 3 months ended on 31 March 2022 include expenses on outsourced services of PLN 3,070,000 and expenses on salaries and the related contributions of PLN 879,000. The expenses were reduced by revenue at the soft launch stage if PLN 117,000. Amortization of completed development works is fully charged to cost of sales.

The Group analyzed if there were grounds for impairment of development costs on the day ending the current reporting period. The analysis did not reveal a need for impairment losses.

## 11 Goodwill

	3 months ended	
	31 March 2023 <i>(unaudited)</i>	31 March 2022 <i>(unaudited)</i>
<b>As at 1 January</b>		
Cost	15,673	16,230
Amortization to date	-	-
<b>Net value</b>	<b>15,673</b>	<b>16,230</b>
Exchange differences	43	(12)
<b>As at 31 December</b>		
Cost	15,716	16,218
Amortization to date	-	-
<b>Net value</b>	<b>15,716</b>	<b>16,218</b>

## 12 Cryptographic assets

The Group has the following cryptographic assets as at 31 March 2023:

	31 December 2023 <i>(unaudited)</i>	31 December 2022 <i>(audited)</i>
USDC cryptocurrencies	5,655	6,257
MATIC cryptocurrencies	297	-
NEAR cryptocurrencies	61	43
other	3	14
	<b>6,016</b>	<b>6,314</b>

## 13 Capital and equity

At the beginning of the period covered by these consolidated financial statements and on the balance sheet date, the share capital and the shareholding structure were as follows:

	Number of shares	Par value
Class A – registered shares with preference as to votes (2 votes per share)	6,000,000	3,000,000
Class B – ordinary bearer shares	6,000,000	3,000,000
Class C – ordinary bearer shares	1,300,000	650,000
Class D – ordinary bearer shares	120,000	60,000
Class F – ordinary bearer shares	80,000	40,000
Class F – ordinary registered shares	40,000	20,000
	<b>13,540,000</b>	<b>6,770,000</b>

	Number of shares	Par value	Percentage of capital	Percentage of votes
Karolina Szablewska-Olejarz	1,838,839	919,420	13.58%	14.53%
Marcin Olejarz	1,867,850	932,545	13.77%	14.68%
ATM Grupa S.A.	4,000,000	2,000,000	29.54%	30.71%
We Are One Ltd.*	3,725,000	1,862,500	27.51%	29.30%
Other shareholders	2,108,311	1,055,536	15.60%	10.78%
	<b>13,540,000</b>	<b>6,770,000</b>	<b>100.00%</b>	<b>100.00%</b>

\*100% of shares in We Are One Ltd. are held by Anibal Jose Da Cunha Saraiva Soares

On the publication date of these consolidated financial statements, the share capital and the shareholding structure were as follows:

	<b>Number of shares</b>	<b>Par value</b>
Class A – registered shares with preference as to votes (2 votes per share)	6,000,000	3,000,000
Class B – ordinary bearer shares	6,000,000	3,000,000
Class C – ordinary bearer shares	1,300,000	650,000
Class D – ordinary bearer shares	120,000	60,000
Class F – ordinary bearer shares	120,000	60,000
	<b>13,540,000</b>	<b>6,770,000</b>

	<b>Number of shares</b>	<b>Par value</b>	<b>Percentage of capital</b>	<b>Percentage of votes</b>
Karolina Szablewska-Olejarz	1,838,839	919,420	13.58%	14.53%
Marcin Olejarz	1,867,850	932,545	13.77%	14.68%
ATM Grupa S.A.	4,000,000	2,000,000	29.54%	30.71%
We Are One Ltd.*	3,725,000	1,862,500	27.51%	29.30%
Other shareholders	2,108,311	1,055,536	15.60%	10.78%
	<b>13,540,000</b>	<b>6,770,000</b>	<b>100.00%</b>	<b>100.00%</b>

\*100% of shares in We Are One Ltd. are held by Anibal Jose Da Cunha Saraiva Soares

#### 14 Earnings per share

The presented earnings per share are calculated as earnings attributable to shareholders of the parent.

	<b>3 months ended 31 March</b>	
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Net profit/loss for shareholders of the parent (PLN '000)	2,331	2,240
Number of shares* (as single shares)	13,539,545	13,420,000
<b>Earnings per share – basic (in PLN)</b>	<b>0.17</b>	<b>0.17</b>

\* Weighted average number of shares in the reporting period

Diluted earnings per share are calculated as earnings attributable to shareholders of the parent and the hypothetical weighted average number of shares:

	<b>3 months ended 31 March</b>	
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Net profit/loss for shareholders of the parent (PLN '000)	2,331	2,240
Number of shares* (as single shares)	13,540,000	13,500,000
<b>Earnings per share – diluted (in PLN)</b>	<b>0.17</b>	<b>0.17</b>

\* Weighted average hypothetical number of shares in the reporting period

#### 15 Dividends

On 20 April 2023, the Company's Board of Directors adopted a resolution on recommending that the General Meeting allocate the 2022 net profit of PLN 15,831,459.61 partially for dividend payment and partially to increase the Company's spare capital as follows:

- PLN 14,217,000.00 (89.80% of net profit for 2022) for dividend for the shareholders, i.e., PLN 1.05 per share (At the moment the shares currently issued by the Company is: 13,540,000.)
- PLN 1,614,459.61 (10.20% of the 2022 net profit) for Company spare capital increase.



The above recommendation was presented to the Company's Supervisory Board, which gave its approval on the same day.

The final decision on the distribution of the profit for the financial year ended 31 December 2022 shall be made by the Company's Ordinary General Meeting.

## 16 Financial instruments by type

The Group had only financial assets and liabilities measured at amortized cost, except for the shares of SuperScale s.r.o. ("SuperScale"), measured at fair value through profit or loss.

The carrying value of financial instruments measured at amortized cost does not materially differ from their fair value.

	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(audited)</i>
<b>Assets measured at amortized cost</b>		
Trade receivables	28,527	30,063
Other financial assets	2,261	2,243
Cash and cash equivalents	46,829	44,997
	<b>77,617</b>	<b>77,303</b>
<b>Financial assets measured at fair value through profit or loss</b>		
Interests and shares in other entities	3,509	3,509
	<b>3,509</b>	<b>3,509</b>
<b>Financial assets</b>	<b>81,126</b>	<b>80,812</b>

	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(audited)</i>
<b>Other financial assets</b>		
Loans to affiliates	1,266	1,242
Impairment loss on loans granted to affiliates	(1,266)	(1,242)
<b>Net loans granted to affiliates, including:</b>	-	-
- <i>tangible assets</i>	-	-
Loans granted to other entities	2,261	2,243
Impairment loss on loans granted to other parties	-	-
<b>Net loans granted to other parties, including:</b>	<b>2,261</b>	<b>2,243</b>
- <i>tangible assets</i>	<i>2,261</i>	<i>2,243</i>
<b>Other net financial assets</b>	<b>2,261</b>	<b>2,243</b>

The Group discloses the following as other financial assets (the amounts below are principal amounts, without interest):

- the loans granted by the parent to the co-controlled company Moondrip Sp. z o.o. PLN 1,077,000 was utilized by the end date of the current reporting period.
- EUR 452,000 of loans granted to SuperScale (interest rate 3M EURIBOR plus margin). An agreement regarding the loan was signed on 17 August 2020 whereby they were to be repaid within the 5 years following the conclusion of the Investment Contract, i.e., by 17 August 2025.

### Impairment of financial assets

As at the balance sheet date, the Group verified loans granted and receivables for expected credit losses (ECL) as required by IFRS 9.

An individual analysis conducted in 2022 for receivables from affiliates revealed that there were grounds for impairment so the Group performed an individual impairment test for the receivables using the scenario method and as a result it created impairment losses for 100% of the receivables related to the loan granted and for the trade receivables from MoonDrip Sp. z o.o. under liquidation. As at the reporting date, all the receivables of MoonDrip are covered by the impairment loss.

On 14 December 2020, the Company filed a claim for the overdue amounts plus interest against a Finnish developer of mobile games to the District Court in Pirkanmaa ("Court"), which ruled in favor of the Company in a default judgment on 08 February 2021, and obligated the business partner to pay the debt. The judgment is not final but the business partner has not questioned the grounds for the payment so far; besides, the non-finality does not preclude debt collection actions against the business partner, which were commenced in April 2021. On 17 June 2021, the business partner appealed against the decision of the Court (application for recovery). Until the appeal was reviewed by the Court, the enforcement actions were suspended. In response to the appeal, the Company prepared an answer on 23 August 2021 where it presented the facts and pointed out that the appeal was filed past deadline, which was 10 May 2021. On 12 November 2021, the business partner submitted its written position to the Court. Another hearing took place on 31 August 2022, where the Court upheld its decision dated 08 February 2022. On 25 November 2022, the Company was informed that the Court opened restructuring proceedings against the business partner. On 24 March 2023, the Company received a report on the financial standing of the business partner, which was prepared by the administrator managing the restructuring. On 26 April 2023, the business partner filed for bankruptcy.

Until the date of these financial statements, the Company recovered:

- EUR 107,000 – from SuperScale Sp. z o.o. in connection with the guarantee granted by that company with regard to an unpaid amount owed by the business partner,
  - EUR 46,000 – as a part of the debt collection proceedings conducted so far.

Based on an analysis of the scenarios regarding the possibility of recovering the overdue amounts from the business partner, the Company created an impairment loss of PLN 211,000 in 2022. In conjunction with the bankruptcy petition filed by the business partner in Q1 2023, the Company created an impairment loss on 100% of the remaining receivable in the amount of PLN 149,000.

### Financial assets measured at fair value through profit or loss

In connection with the acquisition of SuperScale sp. z o.o. by SuperScale s.r.o. in Bratislava, Slovakia, through cross-border combination in the form of acquisition, i.e., through transfer of all the assets of SuperScale sp. z o.o. (target company) to SuperScale s.r.o. (acquiring company) by way of universal succession and dissolution of the target company, i.e., SuperScale sp. z o.o., without the liquidation process, the SuperScale sp. z o.o. shares held at that time were changed to SuperScale s.r.o. shares following the same shareholding structure.

The fair value of financial assets and liabilities is established in accordance with the following fair value hierarchy:

- Level 1 – fair value based on listed prices (unadjusted) offered for identical assets or liabilities in active markets to which the Group has access on the measurement date

- Level 2 – fair value based on input data other than Level 1 listed prices which are observable for the asset or liability, whether directly or indirectly
- Level 3 – fair value based on non-observable input data regarding a particular asset or liability

238 SuperScale s.r.o. shares were measured as at 31 March 2023 according to the transactional method, based on the transaction from 2022 involving the exercise of the call option for 112 shares of the company by Level-Up First S.à.r.l. for the price of EUR 3,150 per share. Revision of the measurement revealed there was no need to revalue the shares versus the value estimated as at 31 December 2022 (EUR 3,150 as at 31 December 2022). BoomBit S.A. concurrently prepared a business valuation of the company according to the discounted cash flows method based on the financial projections for the 2023-2027 received from the company; the valuation did not reveal and major deviations versus the transactional method.

Financial instruments measured at fair value by level:

	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(audited)</i>
Interests and shares in other entities	3,509	3,509
<b>Closing balance</b>	<b>3,509</b>	<b>3,509</b>
<i>including:</i>		
Level 1	-	-
Level 2	-	-
Level 3	3,509	3,509

#### Financial liabilities

	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(audited)</i>
<b>Liabilities measured at amortized cost</b>		
Trade liabilities	28,863	28,802
Other financial liabilities	879	21,844
	<b>29,742</b>	<b>50,646</b>
<b>Financial liabilities</b>	<b>29,742</b>	<b>50,646</b>

As other financial liabilities as at 31 December 2022 and 31 March 2023, the Group discloses:

	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(audited)</i>
<b>Other financial liabilities</b>		
Lease liability	257	290
- long-term	155	187
- short-term	102	103
Ad mediation contract liability	-	20,924
Liabilities from borrowings	622	630
	<b>879</b>	<b>21,844</b>

Contract liabilities disclosed as of 31 December 2022, pertained to the ad mediation contract entered into with ironSource Mobile Ltd. ("IS"). In connection with the performance of the contract, the Parent Company received a one-off payment ("Integration Fee") and undertook to maintain a specific % of revenue earned from advertising through the mediation of IS ("Advertising Revenue") for 24 months after attaining the Advertising Revenue % specified in the contract ("Required Period"). The Parent Company undertook to commence and end the process of integration with the SDK (software development kit) of IS as soon as possible after the contract effective date but not later than on 1 March 2023.

By 28 February 2023, the contractual terms which would permit recognizing the cash received from IS as revenue were met. The first period for which revenue on that account will be recognized, equaling 1/24 of the received Integration Fee, was March 2023. The Group also reclassified the remaining portion of the Integration Fee to deferred income, which are disclosed in the balance sheet in 'Trade and other liabilities.'

Liabilities from borrowings comprise a PLN 81,000 loan granted by a shareholder CherryPick Sp. z o.o. and a cryptocurrency loan of PLN 539,000 granted by Anibal Jose Da Cunha Saraiva Soares to BoomLand FZ-LLC.

### 17 Contingent liabilities and assets

No material contingent assets or liabilities occurred either on the reporting period end date or on the benchmarking period end date.

### 18 Note to consolidated cash flow statement

	<b>3 months ended</b>	
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>
<b>Receivables</b>		
Change of balance arising from the consolidated statement of financial position	<b>2,380</b>	<b>2,511</b>
- changes in impairment losses on receivables and loans	(170)	-
- change in the balance of loans	42	-
- receivables acquired through acquisitions	-	3
<b>Change in receivables arising from the consolidated cash flow statement</b>	<b>2,252</b>	<b>2,514</b>
<b>Liabilities</b>		
Change of balance arising from the consolidated statement of financial position	<b>1,181</b>	<b>(1,727)</b>
- balance change because of exercise of the call option	-	476
- change in capital contribution liabilities	20	(40)
- change in other financial liabilities	8	-
- change in lease liabilities	33	26
<b>Change in liabilities arising from the consolidated cash flow statement</b>	<b>1,242</b>	<b>(1,265)</b>

### 19 Transactions with affiliates

Goods and services are acquired from affiliates on arm's length terms. Receivables from affiliates arise mainly as a result of sales transactions and are due within 60 days following the date of sale. Those receivables are not secured and do not bear interest. There are no impairment losses on receivables from affiliates, except for the receivables from MoonDrip – a company under liquidation. 100% of the receivables were covered by an impairment loss. Liabilities towards affiliates are mainly from purchasing transactions and the payment date is 60 days following the purchase date. The liabilities do not bear interest.

As at and for the 3 months ended 31 March 2023, settlements and transactions with affiliates were as follows:

	<b>Trade and other receivables</b>	<b>Loans granted</b>	<b>Loans received</b>	<b>Revenue</b>	<b>Purchase</b>	<b>Trade and other liabilities</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>
<b>Parties with significant influence</b>						
Karolina Szablewska-Olejarz	4	-	-	3	66	1.
Marcin Olejarz	4	-	-	3	3	1.
Anibal Soares	-	-	539	-	-	-
Marek Pertkiewicz	-	-	-	3	-	-
Grzegorz Regliński	1	-	-	-	30	11
	<b>9</b>	<b>-</b>	<b>539</b>	<b>9</b>	<b>99</b>	<b>13</b>

As at 31 December 2022 and for the 3 months ended 31 March 2022, settlements and transactions with affiliates were as follows:

	<b>Trade and other receivables</b>	<b>Loans granted</b>	<b>Loans received</b>	<b>Revenue</b>	<b>Purchase</b>	<b>Trade and other liabilities</b>
	<i>(audited)</i>	<i>(audited)</i>	<i>(audited)</i>	<i>(unaudited)</i>	<i>(unaudited)</i>	<i>(audited)</i>
<b>Joint ventures</b>						
MoonDrip Sp. z o.o.*	-	-	-	6	-	-
<b>Parties with significant influence</b>						
Karolina Szablewska-Olejarz	1.	-	-	1.	56	-
Marcin Olejarz	1.	-	-	3	-	9
Anibal Soares	-	-	549	-	-	-
Marek Pertkiewicz	-	-	-	2	-	-
Grzegorz Regliński	-	-	-	-	31	11
	<b>2</b>	<b>-</b>	<b>549</b>	<b>12</b>	<b>87</b>	<b>20</b>

#### Salaries of governing bodies and key management

	<b>3 months ended</b>	
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Salaries and other benefits for the Directors, including: Board of Directors of the parent company, including:	740	737
- provision for bonuses for the Directors	714	711
	192	220
Board of Directors of other entities	26	26
Salaries and other benefits for the Supervisory Board	99	60
Salaries of key management	95	301
	<b>934</b>	<b>1,098</b>

## **20 Share-based payments**

The Group currently has the following share-based incentive schemes:

- On 21 February 2019, the Company's General Meeting adopted a resolution on the issue of 120,000 registered subscription warrants and their release to Ms. Kathee Chimowitz ("Beneficiary") provided that she remained on the Board of Directors of the Group's entities or provided services to any Group company at the moment of being offered the warrants. The warrants will be offered in two tranches:
  - 80,000 – 14 days after the approval date of the Company's financial statements for the financial year 2020,
  - 40,000 – 14 days after the approval date of the Company's financial statements for the financial year 2021.



On 12 April 2022, 80,000 class F Company shares were assigned, issued as a part of a conditional share capital increase. The shares were assigned in connection with the exercise of the right to take up Company shares by the beneficiary of class C subscription warrants. The change of class F ordinary registered shares to ordinary bearer shares was registered on 24 May 2022.

The amount of the provision recognized on that account in the current reporting period was PLN 111,000 and it was disclosed in other capitals.

On 03 January 2023, 40,000 class F Company shares were assigned, issued as a part of a conditional share capital increase. The shares were assigned in connection with the exercise of the right to take up Company shares by the beneficiary of class C subscription warrants. On 25 April 2023, class F ordinary registered shares were converted to ordinary bearer shares in the deposit system.

2. An Extraordinary General Meeting of the Company was held on 21 April 2022 and it adopted resolutions as regards adopting the following incentive schemes.

#### **Scheme 1**

Incentive scheme for the Company's Directors for 2022-2024, which assumes issue of no more than 100,000 subscription warrants. The warrants will be issued free of charge and the share issue price will be PLN 0.50 per share. The implementation of Scheme 1 will depend on whether the General Meeting adopts resolutions on profit distribution for the financial year 2022, 2023, or 2024 where it decides that some or all of the profit will be intended for dividend and also on whether the scheme participant remained a Director from the moment of being listed as Scheme 1 participant to the last financial year preceding the year when the warrants were offered.

The total number of warrants that can be offered will be calculated according to the following formula:

$W = D / (10 \times B)$ , where:

- W – total number of warrants available to the participants
- D – amount allocated in the given as dividend by a profit distribution resolution of the General Meeting
- B – the average closing price of Company shares in the 3 months preceding the date of the resolution on profit distribution in a given year of the incentive scheme

The amount of the provision recognized on that account in the current reporting period was PLN 192,000 and it was disclosed in other capitals.

#### **Scheme 2**

An incentive scheme addressed to employees and contractors of the Company and of the companies from the BoomBit Group for 2022-2024 which assumes issue of no more than 405,000 subscription warrants. The warrants will be issued free of charge and the share issue price will be PLN 0.50 per share. The implementation of Scheme 2 will depend on whether the total (accumulated) consolidated net profit attributed to the shareholders in the financial years from 2022 to 2024, adjusted by the cost of the Scheme, is higher than PLN 53 million and on whether the particular Scheme 2 participants have met the loyalty criterion.

The warrant pricing was based on the Black-Scholes model, with the following assumptions:

- price of shares at the moment of price determination (22 April 2022) – PLN 14.62
- warrant exercise price – PLN 0.50
- expected variability – 48.11%
- dividend rate – 6.50%
- risk-free interest rate – 6.58%
- expected exercise date – 1 July 2025

The amount of the provision recognized on that account in the current reporting period was PLN 111,000 and it was disclosed in other capitals.

3. In February 2023, PlayEmber FZ-LLC and ADC Games sp. z o.o. entered into a shareholder agreement with Jonathan Hook, who is a part of the key management of that company, whereunder Jonathan Hook subscribed to 1,500 shares, representing 15% in the share capital of PlayEmber FZ-LLC. Furthermore, the agreement includes other standard provisions for shareholder agreements, such as Jonathan Hook's commitment to be involved in the activity of PlayEmber FZ-LLC and not to compete with the company, a clause restricting the transferability of his shares, and provisions regarding the return of the shares in the case of specific events related to any change of his involvement. Jonathan Hook is also conditionally entitled to subscribe to 1,000 new shares of PlayEmber FZ-LLC under an incentive scheme participation agreement. Shares will be acquired in four equal tranches, each at the end of the subsequent year following the conclusion of the agreement, on condition that the involvement in the development of PlayEmber FZ-LLC is continued.

The valuation was based on the adjusted net asset method using scenarios of \$EMBR token issue (50%) or no token issue (50%). There was also an 8% probability (per annum) adopted that the right would not be exercised.

The amount of the provision recognized on that account in the current reporting period was PLN 292,000 and it was disclosed in other capitals.

## **21 Subsequent events**

- On 12 April 2023, the Company's Board of Directors adopted a resolution on abandoning the current dividend policy presented in the 2019 prospectus and adopted a new dividend policy in its place whereunder the Board of Directors intends to recommend that the General Meeting allocate at least 60% of the standalone net profit for dividend, depending on the Company's liquidity needs, starting from the profit for 2022 (provided that the profit made will make such distribution possible). The recommendation of the Board of Directors referred to above will take into account the financial standing, the liquidity-related situation, the development prospects, and the investment needs of the Company and its Group.
- On 20 April 2023, the Company's Board of Directors adopted a resolution on recommending that the General Meeting allocate the 2022 net profit of PLN 15,831,459.61 partially for dividend payment and partially to increase the Company's spare capital as follows:
  - a) PLN 14,217,000.00 (89.80% of the 2022 net profit) for dividend for the shareholders, i.e., PLN 1.05 per share (At the moment the shares currently issued by the Company is: 13,540,000)
  - b) PLN 1,614,459.61 (10.20% of the 2022 net profit) for Company spare capital increase

On 20 April 2023, the above recommendation for distribution of the 2020 net profit was approved by the Company's Supervisory Board. The final decision on the distribution of the profit for the financial year ended 31 December 2022 shall be made by the Company's Ordinary General Meeting.

- In May 2023, BoomLand FZ-LLC signed the SAFTs (Simple Agreements for Future Tokens) for the sale of \$BOOM tokens for a total of USD 350,000 (payment in USDC tokens).
- In May 2023, PlayEmber FZ-LLC achieved the last milestone under the NEAR Foundation grant agreement signed in 2022. The total revenue on that account will be USD 500,000 (payment in NEAR tokens) and it will be settled on a linear basis over a period of 12 months.

**III. BOOMBIT S.A. STANDALONE CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE 3 MONTHS ENDED 31 March 2023**

**Standalone condensed interim statement of comprehensive income**

	<b>3 months ended</b>	
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>
Revenue on sales	46,354	40,789
Cost of sales	(38,566)	(36,231)
<b>Gross profit on sales</b>	<b>7,788</b>	<b>4,558</b>
General administrative costs	(3,252)	(2,415)
Other operating revenue	199	988
Other operating costs	(1,016)	(52)
<b>Operating profit/loss</b>	<b>3,719</b>	<b>3,079</b>
Financial revenue	527	77
Financial costs	(41)	(2)
<b>Profit/loss before tax</b>	<b>4,205</b>	<b>3,154</b>
Income tax	(900)	(596)
<b>Net profit/loss</b>	<b>3,305</b>	<b>2,558</b>
<b>Other comprehensive income</b>	-	-
<b>Total comprehensive income</b>	<b>3,305</b>	<b>2,558</b>
<b>Earnings per share (in PLN)</b>		
<b>Basic</b>	<b>0.24</b>	<b>0.19</b>
on continued operations	0.24	0.19
on discontinued operations	-	-
<b>Diluted</b>	<b>0.24</b>	<b>0.19</b>
on continued operations	0.24	0.19
on discontinued operations	-	-

**Standalone condensed interim statement of financial position**

	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(audited)</i>
<b>Tangible assets</b>		
Property, plant and equipment	1,717	1,934
Intangible assets	19,269	17,819
Shares	14,808	14,808
Other financial assets	2,261	3,773
	<b>38,055</b>	<b>38,334</b>
<b>Current assets</b>		
Trade and other receivables	48,949	49,010
Cryptographic assets	570	585
Other financial assets	9,548	4,973
Cash and cash equivalents	31,794	30,939
<b>Current assets other than tangible assets held for sale</b>	<b>90,861</b>	<b>85,507</b>
<b>Assets held for sale</b>	-	-
<b>Current assets</b>	<b>90,861</b>	<b>85,507</b>
<b>Total assets</b>	<b>128,916</b>	<b>123,841</b>
<b>Equity</b>		
<b>Equity attributable to shareholders of the parent</b>		
Share capital	6,770	6,750
Capital from share premium	32,064	32,064
Equity from share-based payments	5,811	5,508
Retained earnings	35,518	32,213
<b>Total equity</b>	<b>80,163</b>	<b>76,535</b>
<b>Liabilities</b>		
<b>Long-term liabilities</b>		
Deferred income tax liabilities	3,176	2,485
Other financial liabilities	155	187
	<b>3,331</b>	<b>2,672</b>
<b>Short-term liabilities</b>		
Other financial liabilities	102	21,027
Trade and other liabilities	44,199	22,581
Income tax liabilities	1,121	1,026
	<b>45,422</b>	<b>44,634</b>
<b>Short-term liabilities not held for sale</b>	<b>45,422</b>	<b>44,634</b>
<b>Short-term liabilities held for sale</b>	-	-
<b>Short-term liabilities</b>	<b>45,422</b>	<b>44,634</b>
<b>Total liabilities</b>	<b>48,753</b>	<b>47,306</b>
<b>Total equity and liabilities</b>	<b>128,916</b>	<b>123,841</b>



**Standalone condensed interim statement of changes in equity**

	Share capital	Capital from share premium	Other capitals	Retained earnings	Total
<b>As at 1 January 2023 (audited)</b>	<b>6,750</b>	<b>32,064</b>	<b>5,508</b>	<b>32,213</b>	<b>76,535</b>
Net profit (loss)	-	-	-	3,305	<b>3,305</b>
<b>Comprehensive income</b>	-	-	-	<b>3,305</b>	<b>3,305</b>
Capital increase	20	-	-	-	<b>20</b>
Share-based payments	-	-	303	-	<b>303</b>
<b>Changes in equity</b>	<b>20</b>	-	<b>303</b>	<b>3,305</b>	<b>3,628</b>
<b>As at 31 March 2023 (unaudited)</b>	<b>6,770</b>	<b>32,064</b>	<b>5,811</b>	<b>35,518</b>	<b>80,163</b>
<b>As at 1 January 2022 (audited)</b>	<b>6,710</b>	<b>32,064</b>	<b>3,788</b>	<b>27,605</b>	<b>70,167</b>
Net profit (loss)	-	-	-	2,558	<b>2,558</b>
<b>Comprehensive income</b>	-	-	-	<b>2,558</b>	<b>2,558</b>
Share-based payments	-	-	55	-	<b>55</b>
<b>Changes in equity</b>	-	-	<b>55</b>	<b>2,558</b>	<b>2,613</b>
<b>As at 31 March 2022 (unaudited)</b>	<b>6,710</b>	<b>32,064</b>	<b>3,843</b>	<b>30,163</b>	<b>72,780</b>

**Standalone condensed interim cash flow statement**

	<b>3 months ended</b>	
	<b>31 March</b>	
	<b>2023</b>	<b>2022</b>
	<i>(unaudited)</i>	<i>(unaudited)</i>
<b>Profit/loss before tax</b>	<b>4,205</b>	<b>3,154</b>
<b>Adjustments:</b>	<b>2,507</b>	<b>4,024</b>
Depreciation and amortization	2,301	2,673
Foreign exchange profit (loss)	(345)	(65)
Interest revenue	(561)	(90)
Interest cost	17	2
Profit (loss) on investment activities	(22)	(24)
Change in cryptographic assets	15	-
Change in the balance of receivables	(85)	5,077
Change in liabilities	714	(3,604)
Settlement of share-based payment costs	303	55
Impairment loss on receivables	170	-
<b>Cash flows from activity</b>	<b>6,712</b>	<b>7,178</b>
Income tax (paid) / refunded	(114)	(70)
<b>Net cash flows from operating activity</b>	<b>6,598</b>	<b>7,108</b>
<b>Investment activity</b>		
Sale of property, plant and equipment and intangible assets	156	30
Proceeds from repayment of loans granted	120	86
Interest received	353	2
Sale of a subsidiaries	-	3
Sale of other shares	-	1,593
Acquisition of subsidiaries	-	(8)
Acquisition of property, plant and equipment and intangible assets	(128)	(168)
Expenditure on intangible assets	(3,590)	(2,739)
Loans granted	(3,071)	(389)
<b>Net cash flows from investment activity</b>	<b>(6,160)</b>	<b>(1,590)</b>
<b>Financial activity</b>		
Capital increase	-	40
Repayment of lease liabilities	(33)	(26)
Interest	(17)	(2)
<b>Net cash flows from financial activity</b>	<b>(50)</b>	<b>12</b>
<b>Cash flows before exchange differences</b>	<b>388</b>	<b>5,530</b>
Net foreign exchange differences on cash and cash equivalents	467	43
<b>Total net cash flows</b>	<b>855</b>	<b>5,573</b>
Cash opening balance	30,939	5,546
<b>Cash closing balance, including:</b>	<b>31,794</b>	<b>11,119</b>
- of limited disposability	-	-

#### IV. MANAGEMENT REPORT FOR BOOMBIT S.A. FOR THE 3 MONTHS ENDED 31 March 2023

##### 1 Description of major achievements or failures of the issuer in the reporting period

##### 1.1 Economic and financial figures

##### Consolidated quarterly performance data

	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	change Q1 2023 vs. Q1 2022	% change Q1 2023 vs. Q1 2022
<b>Revenue, including:</b>	<b>66.153</b>	<b>81.915</b>	<b>73.624</b>	<b>72.348</b>	<b>65.436</b>	<b>(717)</b>	<b>-1%</b>
Micropayments and sale of digital copies	18.917	22.233	21.706	26.223	27.611	8.694	46%
Advertising	46.341	59.201	51.547	44.918	37.048	(9.293)	-20%
Blockchain	-	-	-	-	383	383	0%
<b>Main variable costs:</b>	<b>49.687</b>	<b>63.369</b>	<b>55.296</b>	<b>53.300</b>	<b>48.446</b>	<b>(1.241)</b>	<b>-2%</b>
Commissions of platforms	4.882	6.469	6.426	7.633	7.320	2.438	50%
User Acquisition*	39.229	50.173	41.609	38.976	35.809	(3.420)	-9%
Rev share	5.576	6.727	7.261	6.691	5.317	(259)	-5%
<b>Revenue minus main variable costs</b>	<b>16.466</b>	<b>18.546</b>	<b>18.328</b>	<b>19.048</b>	<b>16.990</b>	<b>524</b>	<b>3%</b>
<b>EBITDA</b>	<b>6.037</b>	<b>5.729</b>	<b>8.738</b>	<b>2.977</b>	<b>3.508</b>	<b>(2.529)</b>	<b>-42%</b>
Financial revenue/expenses	21	(859)	(1.138)	61	298	277	1319%
<b>NET PROFIT/LOSS</b>	<b>2.273</b>	<b>1.957</b>	<b>3.452</b>	<b>1.555</b>	<b>337</b>	<b>(1.936)</b>	<b>-85%</b>
One-off events**	-	899	1.222	545	149	149	0%
Current/deferred tax on one-time events	-	(171)	(232)	(104)	(28)	(28)	0%
<b>Adjusted EBITDA</b>	<b>6.037</b>	<b>5.729</b>	<b>8.738</b>	<b>3.497</b>	<b>3.657</b>	<b>(2.380)</b>	<b>-39%</b>
<b>Adjusted NET PROFIT/LOSS</b>	<b>2.273</b>	<b>2.685</b>	<b>4.442</b>	<b>1.996</b>	<b>458</b>	<b>(1.815)</b>	<b>-80%</b>
<i>minority interest</i>	<i>33</i>	<i>(313)</i>	<i>(754)</i>	<i>(2.966)</i>	<i>(1.994)</i>	<i>(2.027)</i>	<i>-6141%</i>

\* The amounts do not include the User Acquisition expenses from soft launch, which are – in accordance with the accounting policy – charged to development costs.

\*\* In 2023 – impairment loss on receivables. In 2022 – fair value measurement of Superscale s.r.o. shares, impairment losses on loans granted and receivables and on development costs.

In the period covered by this report, the Group's total revenue (PLN 65.4 million) was 1% down versus the analogical period in the previous year (PLN 66.2 million). Revenue from advertisements was PLN 37.0 million and it was 20% down from the revenue in Q1 2022. In contrast, Mid-Core games were the growth driver and they helped increase the revenue from micropayments. It was PLN 27.6 million in the current period – up by 46% versus the analogical period in the previous year. The growth of the USD/PLN exchange rate in 2023 was yet another factor beneficial for the Group's performance in the current period.

The cost of sales was PLN 59.5 million, which was PLN 1.4 million (2%) down from the analogical period in 2022 (PLN 60.9 million). The drop resulted mainly from the lower User Acquisition expenses, which were PLN 35.8 million

and were PLN 3.4 million (i.e., 9%) down from the analogical period in 2022. At the same time, the cost of platform commissions grew by PLN 2.4 million. The share of such costs in relation to revenue was similar as in the analogical period of the previous year.

In the current reporting period, the Group was also involved in blockchain-based projects, pursued through BoomLand FZ-LLC and PlayEmber FZ-LLC. The total expenses incurred in connection with the execution of the projects was PLN 4.2 million in the three months ended 31 March 2023 (versus PLN 1.3 million in the analogical period in the previous year), of which PLN 2.3 million was recognized in the profit and loss account. This segment of the Group's activity generated PLN 0.4 million of revenue in the analyzed period.

The growing scale and scope of the Group's business and the growing portfolio of games were accompanied by higher staff costs, recognized in cost of sales, which were PLN 4.9 million in the current period – PLN 0.2 million up from the analogical period in the previous year. The increase arises from the higher game prototyping costs and higher maintenance costs of existing games when compared to the same period in the previous year. In accordance with the Group's accounting policy, game maintenance costs are charged to the profit and loss account. Furthermore, the Group incurred PLN 0.9 million of staff costs in the analyzed period, which were charged to cost of sales, in connection with the development of the blockchain projects. The Group continued to work with foreign developer teams, whose non-capitalized costs of production were PLN 1.4 million in the current period (versus PLN 1.9 in the first three months of 2022).

General administrative costs increased by 42% YoY, i.e., by PLN 1.3 million versus the analogical period in the previous year when they were PLN 4.4 million. The growth is caused mainly by a PLN 0.9 million blockchain projects costs, which included but were not limited to: recruitment costs, marketing costs, legal, advisory and accounting costs, as well as the costs of incentive schemes. The provisions related to the incentive schemes at the Group totaled PLN 0.4 million in the period covered by these statements.

Adjusted EBITDA (calculated as operating result less depreciation and amortization) was PLN 3.7 million in the current period (versus PLN 6.0 million in the previous year), while net profit/loss adjusted by one-off events was PLN 0.5 million (versus LN 2.3 in the analogical period last year).





The Group's total assets as at 31 March 2023 were PLN 143.5 million, i.e., PLN 3.5 million up from 2022. The increase results primarily from the increase in intangible assets, which were PLN 28.4 million, which is PLN 3.6 million up from the balance at the end of December 2022. The increase is mostly the outcome of higher outlays on Mid-Core and Casual games.


As far as liabilities are concerned, the total liabilities were PLN 69.0 million, which was a PLN 2.6 million increase versus the balance at the end of December 2022. The increase results mainly from the change in financial liabilities (PLN 1.5 up) which was related especially to the blockchain segment; the obligations under the SAFTs for a total of PLN 10.6 million formed the most significant item of such liabilities.

## 1.2 Mobile games


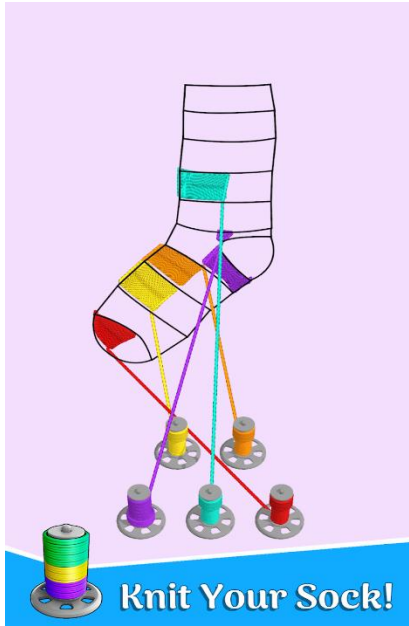


In 2023, by the date of this the report, the Group and its affiliates released a total of nine games on iOS and Android – of which seven are Hyper-Casual games and two are Mid-Core games – and eight games released in the Premium model on Nintendo Switch and Steam.

The most important titles released in 2023 by the publication date of this report are presented in the table below.



Name of the Game	Description	Images
<p><b>Ship Ramp Jumping</b> (released on 10 January 2023)</p> 	<p><b>Hyper-Casual</b></p> <p>Spectacular stunts unlike anything the world has seen before! Throwing a multi-ton ship off a ramp seems like an absurd effort but in the safe confines of a mobile game it offers remarkable, thrilling fun!</p> <p><b>Main source of revenue: advertisements</b></p>	
<p><b>Royal Merge</b> (released on 27 January 2023)</p> 	<p><b>Mid-Core</b></p> <p>A unique combination of a logical Merge game with a game of building one's own kingdom and keeping a faithful pet dragon. All this with hand-painted and incredibly colorful artwork. BoomPick's latest game, Royal Merge breaks with traditional gameplay clichés and offers a combination to everyone's satisfaction.</p> <p><b>Main source of revenue: micropayments and advertisements</b></p>	

<p><b>Fight Master</b>  (released on 15 February 2023)</p> 	<p><b>Hyper-Casual</b></p> <p>Something for adrenaline-thirsty players with nerves of steel. The player participates in a series of duels in various settings. From box through MMA to swords fights of knights. There is no room for the weak or for boredom!</p> <p><b>Main source of revenue: advertisements</b></p>	
<p><b>Mine &amp; Slash</b>  (released on 28 March 2023)</p> 	<p><b>Mid-Core</b></p> <p>A game making use of the popular RPG theme of visiting ancient dungeons, mines and other underground places full of danger and treasure. The player develops their character by adding new skills, winning more and more powerful gear and fighting monsters for the title of a hero and endless wealth!</p> <p><b>Main source of revenue: micropayments and advertisements</b></p>	



<p><b>Puzzle Thread: Color Sort</b>  (released on 28 April 2023)</p> 	<p><b>Hyper-Casual</b></p> <p>Is it possible to combine the passion for crocheting and designing clothes with logical challenges? It definitely is, as Puzzle Thread: Color Sort shows. Players enter the fascinating world of yarn, colors and amazing clothes across over 100 levels. This is a challenge for both intelligence and creativity.</p> <p><b>Main source of revenue: advertisements</b></p>	 <p><b>Knit Your Sock!</b></p>
<p><b>Cat Life Simulator</b>  (released on 28 April 2023)</p> 	<p><b>Hyper-Casual</b></p> <p>Something for cat lovers. What is it like to see the world through the eyes of a pet? The answer to the question lies in the Cat Life Simulator. The Player has full control over their furry friend. From its creation and personalization to various decisions linked to its life. The road to a happy life of the pet will be scattered with tough decisions and plenty of surprises!</p> <p><b>Main source of revenue: advertisements</b></p>	 <p><b>Cross the ROAD</b></p>



<p><b>Momlife Simulator</b> (released on 28 April 2023)</p>	<p><b>Hyper-Casual</b></p>	
	<p>And here is something for those who find the life of a little human more fascinating than that of a little pet. The Player becomes responsible for the development of the child from the moment of birth to adulthood. The Player's actions, whether big or small, shape the future life of the protagonist. The decisions about their personality, habits and behavior may have serious consequences in the future so they are worth giving a thought!</p>	
	<p><b>Main source of revenue: advertisements</b></p>	

In the first three months of 2023, the Group's performance was under the positive impact of Mid-Core and Casual games (Hunt Royale and Darts Club), which earned about PLN 40.6 million, i.e., 23% up from the analogical period of 2022). The revenue from Hyper-Casual games was PLN 24.5 million, i.e., 27% down from 1Q 2022. The revenue from Hyper-Casual games was lower because there were no new major premières and less was spent on marketing campaigns in connection with the worsened situation in the mobile advertisement market.

Additionally, since the conditions from the ad mediation agreement signed with ironSource Mobile Ltd., the Group recognized revenue on that account in March 2023, in an amount equal to 1/24 of the received integration fee.

### 1.3 Blockchain projects

The Group recognized the first revenue in the blockchain segment which pertained to the sale of the NFTs by BoomLand FZ-LLC ("BoomLand"). This was PLN 383,000 in 1Q 2023, whereas the total revenue on NFT sales by the publication date of this report was about PLN 0.6 million. In Q2 2023, until the signature date of this report, BoomLand also signed further SAFTs (Simple Agreements for Future Tokens) for a total of USD 350,000, for the sale of \$BOOM tokens. The hard launch of Hunters on Chain is planned for Q2 2023, where it to be released on the Polygon blockchain main network, whereas the issue of the \$BOOM token is planned for Q3 2023.

In accordance with the data from DappRadar, PlayEmber is ranked first among the games present in the NEAR network in terms of the UAWs. So far, PlayEmber FZ-LLC has also received approximately USD 2.1 million from third parties (payment in \$USDC and \$NEAR tokens) under the SAFTs for the sale of \$EMBR tokens and under the business contract with the NEAR Foundation.

In May 2023, PlayEmber FZ-LLC achieved the last milestone under the NEAR Foundation grant agreement signed in 2022. The total revenue on that account will be USD 500,000 (payment in NEAR tokens) and it will be settled on a linear basis over a period of 12 months.

Details of the financial standing and performance of this segment of the Group's activity in Q1 2023 are presented in Note 6 of the consolidated statement of financial position.

## **2 Description of factors and events, also those of unusual nature, which had a significant impact on the consolidated financial statements**

There were no major unusual factors and events which had a significant impact on the consolidated financial statements. The other major factors and events are described in Section 1.

## **3 Changes in the organization of the issuer's group**

The organization of the issuer's Group did not change in the current reporting period.

## **4 Position of the Board of Directors concerning the possibility of materialization of the previously published profit/loss forecasts for the financial year**

The Board of Directors of BoomBit S.A. did not publish forecasts for 2023.

## **5 Shareholders holding at least 5% of votes at the General Meeting and the shares held by the managing and supervisory staff**

Shareholders with at least 5% of votes at the General Meeting as at 31 March 2023 and as at the publication date of this the quarterly report:

	<b>Number of shares</b>	<b>Number of votes</b>	<b>Percentage of capital</b>	<b>Percentage of votes</b>
Karolina Szablewska-Olejarz	1838 839	2,838,839	13.58%	14.53%
Marcin Olejarz	1867 850	2,867,850	13.77%	14.68%
ATM Grupa S.A.	4,000,000	6,000,000	29.54%	30.71%
We Are One Ltd.*	3,725,000	5,725,000	27.51%	29.30%
Other shareholders	2108 311	2108 311	15.60%	10.78%
	<b>13,540,000</b>	<b>19,540,000</b>	<b>100.00%</b>	<b>100.00%</b>

\*100% of shares in We Are One Ltd. are held by Anibal Jose Da Cunha Saraiva Soares

The shareholding by the management and supervisory staff is revealed in the above table (the other Directors and Supervisory Boards Members do not hold shares or rights thereto).

## **6 Major litigations**

On 14 December 2020, the Company filed a claim for the overdue amounts plus interest against a Finnish developer of mobile games to the District Court in Pirkanmaa ("Court"), which ruled in favor of the Company in a default judgment on 08 February 2021, and obligated the business partner to pay the debt. The judgment is not final but the business partner had not questioned the grounds for the payment so far; besides, the non-finality does not preclude debt collection actions against the business partner, which were commenced in April 2021. On 17 June 2021, the business partner appealed against the decision of the Court (application for recovery). Until the appeal was reviewed by the Court, the enforcement actions were suspended. In response to the appeal, the Company prepared an answer on 23 August 2021, where it presented the facts and pointed out that the appeal was filed past deadline, which was 10 May 2021. On 12 November 2021, the business partner submitted its written position to the Court. Another hearing took place on 31 August 2022, where the Court upheld its decision dated 08 February 2022. On 25 November 2022, the Company was informed that the Court opened restructuring proceedings against the business partner. On 24 March 2023, the Company received a report on the financial standing of the business partner, which was prepared by the administrator managing the restructuring. On 26 April 2023, the business partner filed for bankruptcy.

Until the date of these financial statements, the Company recovered:

- EUR 107,000 – from SuperScale Sp. z o.o. in connection with the guarantee granted by that company with regard to an unpaid amount owed by the business partner
- EUR 46,000 – as a part of the debt collection proceedings conducted so far

Based on an analysis of the scenarios regarding the possibility of recovering the overdue amounts from the business partner, the Company created an impairment loss of PLN 211,000 in 2022. In conjunction with the bankruptcy petition filed by the business partner in Q1 2023, the Company created an impairment loss on 100% of the remaining receivable in the amount of PLN 149,000.

On 27 October 2021, the subsidiary TapNice Sp. z o.o. filed an application to the Head of the Third Tax authority in Gdańsk to confirm and return an overpayment of PLN 1.1 million arising from the corporate income tax settlements of TapNice Sp. z o.o. for 2020 in the in connection with the application by the company of the provisions of the Polish Corporate Income Tax Act of 15 February 1992 which provide for a preferential tax rate of 5% for income received from qualifying intellectual property rights ("IP box"). On 27 January 2023, TapNice Sp. z o.o. received the decision of the Head of the Third Tax Authority in Gdańsk denying the existence of an overpayment. The Company appealed against this decision on 13 February 2023.

Aside from the above cases, none of the BoomBit Group companies is a party to any major cases pending in any court of law, arbitration court or public administration body regarding any amounts owed by or to BoomBit S.A. or its subsidiary.

## **7 Transactions with affiliates**

Transactions with entities are described in Note 20 to the condensed consolidated interim financial statements. No contracts were signed within the group on any other than arm's length terms.

## **8 Information of suretyships or guarantees**

The Group did not receive or give any suretyships or guarantees in the current reporting period.

## **9 Other information that, in the Issuer's opinion, is significant in order to evaluate its human resources, assets, financial position and profit/loss and changes thereof, as well as any information considered significant in order to evaluate the Issuer's capacity to meet its obligations**

Poorer sentiment on the market of mobile games currently forces smaller industry players to seek business partners to develop and scale their products. From the perspective of the Group, this is a major growth opportunity as it offers a chance of engaging in exciting projects at an advanced stage.

The macroeconomic factors that may affect the Group's growth prospects in the current financial year are especially the volatility of the PLN exchange rate, the high inflation and the related wage pressure.

## **10 Factors that the Issuer believes will influence its results for a period not shorter than the nearest quarter**

In at least the nearest quarter, the results will be influenced by the implementation of the Group's strategy, débuts of new games, and the activities described in Note 9 above.

This condensed interim financial report for the 3 months ended 31 March 2023 was approved for publication on 25 May 2023.

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Marcin Olejarz  
CEO

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Anibal Jose Da Cunha Saraiva Soares  
Vice-President of the Board of  
Directors

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Marek Pertkiewicz  
Director