



SOZAP



# INTERIM REPORT JAN-SEP 2024

SOZAP AB (publ)

SOZAP is a Swedish digital entertainment company that develops qualitative and innovative games with the ambition of building a product portfolio which appeals to a broad target group. SOZAP was founded in 2014 and shortly after established its first development team, focusing on games in the shooter genre. SOZAP has offices in Nyköping (Sweden) and Niš (Serbia), and is listed on the Nasdaq First North Growth Market with the ticker SOZAP.

**For more information, please visit [www.sozap.com](http://www.sozap.com).**

*This report is a translated version of the Swedish original. Every care has been taken in the translation of this document. In the event of discrepancies, the Swedish original will supersede the English translation.*

## JULY– SEPTEMBER 2024

- Net revenue amounted to MSEK 3.8 (3.1), an increase of 21 percent, and an increase of 33 percent in comparable currency.
- EBITDA amounted to MSEK 0.5 MSEK (-0.1).
- Operating result, EBIT, amounted to MSEK -2.4 (-1.6).
- Result for the quarter amounted to MSEK -2.4 (-1.6).
- Earnings per share were SEK -0.11 (-0.15) before and after dilution.
- Cash flow from operating activities was MSEK -0.6 (0.7).
- Cash and cash equivalents amounted to MSEK 5.7 (11.6).
- Average Revenue Per Daily Active User (ARPDau) amounted to USD 0.086 (0.075), an increase of 15 percent compared to the previous year.
- Unique Monthly Active Users (MAU) during the quarter amounted to 0.7 million (0.7).
- The number of outstanding shares at the end of the period was 22 238 211 and the number of subscription warrants issued at the end of the period was 120 000, unchanged during the quarter.

## JANUARY– SEPTEMBER 2024

- Net revenue amounted to MSEK 13.2 (10.2), an increase of 29 percent, and an increase of 32 percent in comparable currency.
- EBITDA amounted to MSEK -0.5 MSEK (-1.4).
- Operating result, EBIT, amounted to MSEK -9.0 (-5.5).
- Result for the period amounted to MSEK -9.0 (-5.6).
- Earnings per share were SEK -0.58 (-0.60) before and after dilution.
- Cash flow from operating activities was MSEK -0.6 (-0.7).
- Average Revenue Per Daily Active User (ARPDau) amounted to USD 0.090 (0.063), an increase of 43 percent compared to the previous year.
- Unique Monthly Active Users (MAU) during the quarter amounted to 0.8 million (0.8).

## EVENTS DURING THE PERIOD

**September 10:** SOZAP announces that the company has entered into an agreement with Supersonic from Unity (“Supersonic”). Under the terms of the agreement, SOZAP will develop mobile game prototypes, exclusively with Supersonic, with the intent of progressing into full game development. The partnership is projected to have a positive impact on SOZAP’s 2024 4th quarter earnings and forward, but the size of SOZAP’s revenues is affected by the financial success of the developed games.

## SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

No significant events have occurred after the end of the reporting period.

## FINANCIAL OVERVIEW AND KEY FIGURES

	Quarter July -September		Period January - September		Financial Year Jan - Dec
Amounts in TSEK, unless otherwise specified (Definitions can be found at the end of the report)	2024	2023	2024	2023	2023
Net revenue	3 812	3 150	13 199	10 228	14 964
Net revenue growth %	21%	-20%	29%	-6%	-10%
Net revenue - comparable currency	4 194	3 122	13 528	11 577	14 781
Net revenue growth % - comparable currency	33%	-21%	32%	-16%	-11%
EBITDA	503	-144	-470	-1 413	-2 999
EBITDA %	13%	-5%	-4%	-14%	-20%
Operating result, EBIT	-2 389	-1 593	-8 969	-5 526	-8 940
Operating result, EBIT %	-63%	-51%	-68%	-54%	-60%
Balance sheet total	31 232	37 717	31 232	37 717	33 323
MAU; average during the period (number in 000s)	727	739	804	806	825
DAU; average during the period (number in 000s)	48	51	53	55	56
ARPDau (total); average during the period (USD)	0,086	0,075	0,090	0,063	0,070
Total number of employees; average during the period	22	36	27	36	33
Of which are game developers/designers	20	34	25	34	31
Number of game development projects live	2	2	2	2	2
Number of game development projects in the process of development	1	3	1	3	1
Earnings per share before dilution (SEK)	-0,11	-0,15	-0,58	-0,60	-0,91
Earnings per share after dilution (SEK)	-0,11	-0,15	-0,58	-0,60	-0,91
Average number of shares before dilution	22 238 211	10 887 740	15 591 100	9 309 807	9 822 635
Average number of shares after dilution	22 358 211	11 672 740	15 776 100	10 094 807	10 607 635
Number of outstanding shares at the end of the period	22 238 211	11 361 120	22 238 212	11 361 120	11 361 120

# A FEW WORDS FROM OUR CEO

Net revenue during the third quarter of 2024 amounted to MSEK 3.8 (3.1), an increase of 21 percent, or 33 percent in comparable currency, compared to the previous year. Growth has mainly been driven by our continued investment in user acquisition for Questopia. Our cost savings programme, which was initiated in the fourth quarter of 2023 with the goal of saving MSEK 8 on an annual basis, achieved full impact, with MSEK 2 in savings during the quarter.

Notwithstanding this progress, we have encountered challenges in scaling our revenue to the levels necessary to achieve our goal of cash flow neutrality in the fourth quarter. In addition, we have not been able to keep pace with the planned development of Fishing Tour. Although we no longer expect to achieve the cash flow target before the end of the year, we do see an opportunity to reach it, with the help of Questopia, in the first quarter of 2025, provided that our efforts yield the expected results. As such, we have chosen to reallocate resources from Fishing Tour to Questopia, which will allow us to intensify the development of new updates and strengthen our marketing efforts for Questopia.

Fishing Tour remains a central aspect of our long-term strategy but, with the reallocation of resources, we have chosen to adjust our timeline to balance the short-term financial goals with our long-term ambition to develop the best sports fishing game in the market. We have started to evaluate potential partnerships and strategic changes in order to ensure we have the right support for the future development of Fishing Tours.

In line with our strategy to ensure both short- and long-term value development, we entered into a collaboration during the quarter with Supersonic, a global publisher for mobile games. This partnership has the potential to broaden our revenue sources, as

well as contribute to a more stable cash flow in the short term, with the possibility of long-term positive effects if successful.

Our ambition is to both achieve our goal of a neutral, or positive, cash flow and launch a more finished version of Fishing Tour during the first quarter of 2025. We are aware that market conditions and other factors may affect our schedule, and outcome, but with the measures we are now implementing, we are addressing the challenges that lie ahead.



A handwritten signature in black ink, which appears to read 'Rade Prokopovic'. The signature is stylized and fluid.

Rade Prokopovic  
Grundare och VD

# FINANCIAL COMMENTS

## NET REVENUE AND RESULT

Net revenue during the third quarter amounted to MSEK 3.8 (3.1), an increase of 21 percent, and an increase of 33 percent in comparable currency. The increase is primarily due to the growth of Questopia, launched in the third quarter 2023, while Armed Heist revenue decreased due to reduced User Acquisition (UA) to optimize the net contribution from the game.

Operating expenses during the third quarter amounted to MSEK 8.7 (8.5). Depreciation increased by 1.4 MSEK, as the Company now has three games being depreciated (Armed Heist, Questopia, and Fishing Tour) compared to one game (Armed Heist) in the corresponding quarter last year. The marketing of Questopia also increased costs.

The cost increases are partly offset by the annualized cost-saving program of MSEK 8 decided in the fourth quarter of 2023. In the third quarter, the savings amounted to MSEK 2.0 which shows that the program is now fully implemented. Operating expenses consist of purchased services, in the form of marketing, personnel costs, depreciation and impairment of tangible and intangible fixed assets, and other operating expenses.

The operating result in the second quarter amounted to MSEK -2.4 (-1.6).

The result for the period during the second quarter amounted to MSEK 2.4 (-1.6).

## BALANCE SHEET ITEMS

The Company's fixed assets, consisting of intangible, tangible, and financial fixed assets, amounted to MSEK 22.7 (22.5) on September 30. The Company's intangible assets consist of capitalized expenses for development work and similar items.

The Company's current assets, consisting of short-term receivables and cash and cash equivalents, amounted to MSEK 8.6 (15.3) on September 30. Cash and cash equivalents as of September 30 amounted to MSEK 5.7 (11.6).

The Group's equity amounted to MSEK 28.6 (33.4) on September 30.

The Company's short-term liabilities, consisting of the items accounts payable, other liabilities, and accrued expenses and prepaid income, amounted to MSEK 2.6 (4.3) on September 30. The decrease is mainly due to lower accounts payable.

## CASH FLOW

Cash flow from operating activities in the third quarter amounted to MSEK -0.6 (0.7). The lower cash flow is, to a greater extent, a result of the changes in working capital that had a negative effect on cash flow during the quarter, but a positive effect during the equivalent quarter previous year, a total difference of MSEK -1.9 MSEK. This excluded, cash flow from operating activities amounted to MSEK 0.5 (-0.2).

Cash flow from investment activities amounted to MSEK -2.4 (-3.2) in the third quarter, mainly related to intangible assets; i.e., the ongoing investment in new game development.

Cash flow from financing activities amounted to MSEK -0.2 (10.8) in the third quarter. The positive outcome in previous year was due to the new share issue carried out in that quarter.

Cash flow for the period for third quarter amounted to MSEK -3.1 (8.3).

## OUTLOOK FOR THE COMING YEAR

SOZAP's game Questopia, launched in 2023, is generating revenue, and its content and marketing are now being adjusted to optimize cash flow from the game. Fishing Tour is showing great potential in the measurement data generated in the soft launch phase. Expected increased revenues in combination with reduced expenses create the conditions to achieve a 'cash flow neutral' company, calculated before investments in marketing for Fishing Tour's growth. In June, a rights issue was carried out, which provided the Company with MSEK 7.8, after deducting issue costs. Overall, the assessment of the Board of Directors is that the Company has funding for the next four quarters.

## PERSONNEL

The number of employees in the Group as of September 30 was 22 (33), as well as one position on a consulting basis (2).

## THE PARENT COMPANY

SOZAP's net revenue for the second quarter amounted to MSEK 3.8 (3.1), with an operating result and result after tax of MSEK -2.8 (-1.7).

The Parent Company's fixed assets, consisting of intangible, tangible, and financial fixed assets, amounted to MSEK 22.5 (22.1) as of September 30.

The Parent Company's cash and cash equivalents as of September 30 amounted to MSEK 7.6 (14.1)

## EVENTS DURING THE PERIOD

**September 10:** SOZAP announces that the company has entered into an agreement with Supersonic from Unity ("Supersonic"). Under the terms of the agreement, SOZAP will develop mobile game prototypes, exclusively with Supersonic, with the intent of progressing into full game development. The partnership is projected to have a positive impact on SOZAP's 2024 4th quarter earnings and forward, but the size of SOZAP's revenues is affected by the financial success of the developed games.

## SIGNIFICANT EVENTS AFTER THE END OF THE REPORTING PERIOD

No significant events have occurred after the end of the reporting period.

## RELATED PARTY TRANSACTIONS

No significant transactions have taken place during the period, apart from transactions between subsidiaries and remuneration to senior executives for the Group and the Parent Company. Insofar as transactions and agreements on services with related parties are made, these always take place on market terms.

## SIGNIFICANT RISKS AND UNCERTAINTIES

SOZAP is reliant on successfully developing new games and improving SOZAP's existing games.

SOZAP relies on virtual app stores for game distribution. The dominant distribution channels are Google Play for Android and Apple's App Store for IOS.

SOZAP is reliant on attracting and retaining key people.

At present, there is a platform limitation to mobile devices as a gaming platform. SOZAP currently provides games for mobile devices only, not for game consoles or PCs.

Risks related to IT systems are primarily that SOZAP is reliant on efficient and uninterrupted operation in external cloud-based IT systems and servers.

No new risks have come about in 2024; for detailed risk factors, please refer to SOZAP's Annual Report, which can be found on the Company's website.

## IMPACT OF THE CONFLICT IN UKRAINE AND THE MIDDLE EAST

The conflict in Ukraine and the Middle East has not had a substantial impact on the Company due to the fact an extremely small percentage of the revenue comes from these regions, plus the fact SOZAP has no development in Ukraine, Russia, or the Middle East.

## AUDITOR'S REVIEW

This report has not been subject to review by the Company's auditor.

## CERTIFIED ADVISOR

As a business listed on Nasdaq First North Growth Market Stockholm, the Company is obliged to have a Certified Advisor. SOZAP has appointed Augment Partners AB as its Certified Advisor.

## FINANCIAL CALENDAR

All financial reports are published on <https://www.sozap.com/ir/financial-reports>

- **Year-end Report 2024:** Feb 14, 2025
- **Annual Report 2024:** Apr 2, 2025
- **Annual General Meeting:** May 6, 2025

# BOARD OF DIRECTORS

The Board of Directors and the CEO affirm that the interim report provides a fair overview of the Parent Company's and the Group's operations, financial positions and results, and describes the significant risks and uncertainties which the Parent Company and the Group are facing.

Nyköping, November 14, 2024



**Daniel Somos**  
Chair of the Board



**Stefan Janse**  
Board member



**Hanif Bali**  
Board member



**Rade Prokopovic**  
CEO & Board member

## FOR FURTHER INFORMATION, PLEASE CONTACT:

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# FINANCIAL REPORTS

## INCOME STATEMENT – THE GROUP

Amounts in TSEK	Quarter July-September		Period January - September		Financial Year Jan - Dec
	2024	2023	2024	2023	2023
Net revenue	3 812	3 150	13 199	10 228	14 964
Capitalized production	2 348	3 219	7 576	10 277	13 274
Other operating income	122	577	511	829	1 052
	<b>6 282</b>	<b>6 946</b>	<b>21 285</b>	<b>21 333</b>	<b>29 290</b>
<b>Operating expenses</b>					
Services purchased	-382	-324	-1 312	-1 050	-1 496
Other external expenses	-4 008	-4 197	-13 988	-11 318	-16 738
Personnel costs	-1 216	-3 432	-5 877	-10 584	-13 336
Depreciation and impairment of tangible and intangible assets	-2 892	-1 448	-8 498	-4 112	-5 941
Other operating expenses	-173	96	-579	206	-719
<b>Total operating expenses</b>	<b>-8 671</b>	<b>-8 539</b>	<b>-30 253</b>	<b>-26 859</b>	<b>-38 230</b>
<b>Operating result</b>	<b>-2 389</b>	<b>-1 593</b>	<b>-8 969</b>	<b>-5 526</b>	<b>-8 940</b>
<b>Result from financial items</b>					
Interest income and similar profit and loss items	1	0	2	0	37
Interest costs and similar profit and loss items	0	-2	-1	-4	-5
<b>Total financial items</b>	<b>1</b>	<b>-2</b>	<b>2</b>	<b>-4</b>	<b>32</b>
<b>Result after financial items</b>	<b>-2 388</b>	<b>-1 595</b>	<b>-8 967</b>	<b>-5 530</b>	<b>-8 908</b>
<b>Result before tax</b>	<b>-2 388</b>	<b>-1 595</b>	<b>-8 967</b>	<b>-5 530</b>	<b>-8 908</b>
Tax on the result for the period	-49	-41	-49	-41	-35
<b>Result for the period</b>	<b>-2 437</b>	<b>-1 635</b>	<b>-9 016</b>	<b>-5 570</b>	<b>-8 944</b>
Earnings per share (before and after dilution), SEK	-0,11	-0,15	-0,58	-0,60	-0,91

## BALANCE SHEET - THE GROUP

Amounts in TSEK	2024-09-30	2023-09-30	2023-12-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
<i>Intangible fixed assets</i>			
Capitalized expenses for development work and similar items	22 079	21 520	22 766
	<b>22 079</b>	<b>21 520</b>	<b>22 766</b>
<i>Tangible fixed assets</i>			
Equipment, tools and fittings	568	930	800
	<b>568</b>	<b>930</b>	<b>800</b>
<i>Financial fixed assets</i>			
Other long-term receivables	7	7	7
	<b>7</b>	<b>7</b>	<b>7</b>
<b>Total fixed assets</b>	<b>22 654</b>	<b>22 457</b>	<b>23 572</b>
<b>Current assets</b>			
<i>Short-term receivables</i>			
Accounts receivable	1 500	2 199	2 289
Current tax assets	127	81	95
Other receivables	394	379	288
Prepaid expenses and accrued income	835	981	779
Cash and cash equivalents	5 722	11 620	6 300
<b>Total current assets</b>	<b>8 578</b>	<b>15 260</b>	<b>9 752</b>
<b>TOTAL ASSETS</b>	<b>31 232</b>	<b>37 717</b>	<b>33 323</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	2 224	1 136	1 136
Other contributed capital	73 580	67 040	67 040
Other equity, including the result for the year	-47 220	-34 743	-38 233
<b>Total equity (attributable to the Parent Company's)</b>	<b>28 584</b>	<b>33 433</b>	<b>29 943</b>
<b>Short-term liabilities</b>			
Accounts payable	1 260	2 001	1 551
Other liabilities	278	836	435
Accrued expenses and prepaid income	1 110	1 446	1 394
<b>Total short-term liabilities</b>	<b>2 648</b>	<b>4 283</b>	<b>3 380</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>31 232</b>	<b>37 717</b>	<b>33 323</b>

## CHANGES IN EQUITY - THE GROUP

Amounts in TSEK	Share capital	Other contributed capital	Other equity, including the result for the period	Equity attributable to the Parent Company's shareholders
<b>Equity 2023-01-01</b>	<b>852</b>	<b>56 722</b>	<b>-29 115</b>	<b>28 459</b>
Share issue	284	11 077		11 361
Issue costs		-759		-230
Translation difference			-58	-58
Result for the period			-5 570	-5 570
<b>Equity 2023-09-30</b>	<b>1 136</b>	<b>67 040</b>	<b>-34 743</b>	<b>33 433</b>
<b>Equity 2023-10-01</b>	<b>1 136</b>	<b>67 040</b>	<b>-34 743</b>	<b>33 433</b>
Translation difference			-116	-116
Result for the period			-3 374	-3 374
<b>Equity 2023-12-31</b>	<b>1 136</b>	<b>67 040</b>	<b>-38 233</b>	<b>29 943</b>
<b>Equity 2024-01-01</b>	<b>1 136</b>	<b>67 040</b>	<b>-38 233</b>	<b>29 943</b>
New share issue	1 088	7 070		8 158
Issue costs		-530		-530
Translation difference			28	28
Result for the period			-9 016	-9 016
<b>Equity 2024-09-30</b>	<b>2 224</b>	<b>73 580</b>	<b>-47 220</b>	<b>28 584</b>

## CASH FLOW - THE GROUP

Amounts in TSEK	Quarter July - September		Period January - September		Financial Year Jan - Dec
	2024	2023	2024	2023	2023
<b>Cash flow from operating activities</b>					
Result before financial items	-2 389	-1 593	-8 969	-5 539	-8 940
Adjustments for items not included in the cash flow	2 892	1 448	8 498	4 112	5 941
Interest received	1	-	2	-	37
Interest paid	0	-2	-1	-4	-5
Tax paid and received	-49	-54	-49	-49	-35
<b>Cash flow from operating activities, before changes in working capital</b>	<b>455</b>	<b>-201</b>	<b>-517</b>	<b>-1 479</b>	<b>-3 003</b>
<b>Cash flow from changes in working capital</b>					
Changes in operating receivables	380	-575	1 196	-550	-973
Changes in operating liabilities	-1 426	1 431	-1 295	1 353	969
<b>Cash flow from changes in working capital</b>	<b>-1 046</b>	<b>856</b>	<b>-99</b>	<b>804</b>	<b>-4</b>
<b>Cash flow from operating activities</b>	<b>-591</b>	<b>655</b>	<b>-616</b>	<b>-676</b>	<b>-3 007</b>
<b>Investment activities</b>					
Investments in intangible fixed assets	-2 348	-3 219	-7 576	-10 277	-13 274
Investments and divestments in tangible fixed assets	-3	-7	-1	-320	-277
Investments and divestments in financial fixed assets	-	-	-	-	50
<b>Cash flow from investment activities</b>	<b>-2 351</b>	<b>-3 226</b>	<b>-7 576</b>	<b>-10 596</b>	<b>-13 502</b>
<b>Financing activities</b>					
New share issues	0	11 361	8 158	11 361	11 361
Issue costs	-183	-529	-530	-759	-759
<b>Cash flow from financing activities</b>	<b>-183</b>	<b>10 832</b>	<b>7 627</b>	<b>10 602</b>	<b>10 602</b>
<b>Cash flow for the period</b>	<b>-3 125</b>	<b>8 261</b>	<b>-565</b>	<b>-670</b>	<b>-5 907</b>
Cash and cash equivalents at the beginning of the period	8 847	3 375	6 300	12 289	12 289
Exchange rate difference in cash and cash equivalents	-1	-36	-13	-19	-82
<b>Cash and cash equivalents at the end of the period</b>	<b>5 722</b>	<b>11 600</b>	<b>5 722</b>	<b>11 600</b>	<b>6 300</b>

## INCOME STATEMENT - THE PARENT COMPANY

Amounts in TSEK	Quarter July-September		Period January - September		Fiencial Year Jan - Dec
	2024	2023	2024	2023	2023
Net revenue	3 812	3 150	13 199	10 228	14 964
Capitalized production	2 348	3 219	7 576	10 277	13 274
Other operating income	122	526	511	708	907
	<b>6 282</b>	<b>6 895</b>	<b>21 285</b>	<b>21 213</b>	<b>29 145</b>
<b>Operating expenses</b>					
Services purchased	-382	-324	-1 312	-1 050	-1 496
Other external expenses	-4 709	-5 019	-16 768	-15 766	-22 791
Personnel costs	-1 010	-1 667	-3 466	-5 637	-7 477
Depreciation and impairment of tangible and intangible assets	-2 862	-1 431	-8 409	-4 073	-5 821
Other operating expenses	-144	-167	-527	-413	-630
<b>Total operating expenses</b>	<b>-9 107</b>	<b>-8 607</b>	<b>-30 481</b>	<b>-26 940</b>	<b>-38 215</b>
<b>Operating result</b>	<b>-2 824</b>	<b>-1 712</b>	<b>-9 197</b>	<b>-5 727</b>	<b>-9 070</b>
<b>Result from financial items</b>					
Interest income and similar profit and loss items	1	0	2	0	37
Interest costs and similar profit and loss items	0	-2	-1	-4	-5
<b>Total financial items</b>	<b>1</b>	<b>-2</b>	<b>2</b>	<b>-4</b>	<b>32</b>
<b>Result after financial items</b>	<b>-2 824</b>	<b>-1 714</b>	<b>-9 195</b>	<b>-5 731</b>	<b>-9 038</b>
<b>Result before tax</b>	<b>-2 824</b>	<b>-1 714</b>	<b>-9 195</b>	<b>-5 731</b>	<b>-9 038</b>
<b>Result for the period</b>	<b>-2 824</b>	<b>-1 714</b>	<b>-9 195</b>	<b>-5 731</b>	<b>-9 038</b>

## BALANCE SHEET - THE PARENT COMPANY

Amounts in TSEK	2024-09-30	2023-09-30	2023-12-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
<i>Intangible fixed assets</i>			
Capitalized expenses for development work and similar items	22 079	21 520	22 766
	<b>22 079</b>	<b>21 520</b>	<b>22 766</b>
<i>Tangible fixed assets</i>			
Equipment, tools and fittings	430	572	576
	<b>430</b>	<b>572</b>	<b>576</b>
<i>Financial fixed assets</i>			
Interests in Group companies	0	50	0
Other long-term receivables	7	7	7
	<b>7</b>	<b>57</b>	<b>7</b>
<b>Total fixed assets</b>	<b>22 516</b>	<b>22 149</b>	<b>23 349</b>
<b>Current assets</b>			
<i>Short-term receivables</i>			
Accounts receivable	1 500	1 528	2 289
Current tax assets	127	81	95
Other receivables	382	372	280
Prepaid expenses and accrued income	835	981	779
Cash and cash equivalents	4 730	11 091	6 140
<b>Total current assets</b>	<b>7 573</b>	<b>14 053</b>	<b>9 583</b>
<b>TOTAL ASSETS</b>	<b>30 088</b>	<b>36 202</b>	<b>32 931</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital	2 224	1 136	1 136
Development expenditure fund	22 079	21 520	22 766
	<b>24 303</b>	<b>22 657</b>	<b>23 902</b>
<i>Unrestricted equity</i>			
Free share premium fund	78 958	71 887	71 887
Balanced profit or loss	-66 419	-56 292	-57 537
Result for the year	-9 195	-5 731	-9 038
	<b>3 344</b>	<b>9 864</b>	<b>5 312</b>
<b>Total equity</b>	<b>27 647</b>	<b>32 521</b>	<b>29 214</b>
<b>Short-term liabilities</b>			
Accounts payable	1 174	1 986	1 539
Liabilities to Group companies	0	-	552
Other liabilities	157	248	232
Accrued expenses and prepaid income	1 110	1 446	1 394
<b>Total short-term liabilities</b>	<b>2 441</b>	<b>3 681</b>	<b>3 717</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>30 088</b>	<b>36 202</b>	<b>32 931</b>

# ACCOUNTING PRINCIPLES AND LIST OF DEFINITIONS

The interim report has been prepared in accordance with the Swedish Annual Accounts Act and BFNAR 2012:1 Annual report and consolidated accounts (K3). The accounting principles are unchanged since the most recently issued annual report. For a more detailed description of the accounting principles, see SOZAP AB (publ.) Annual Report for 2023, pages 19-24.

## LIST OF DEFINITIONS

<b>Number of employees</b>	Number of employees with a position at SOZAP, at the end of the period.
<b>Number of employees, average for the period</b>	Average of the number of employees at the end of the period and the number of employees at the end of the previous period.
<b>ARPDUA</b>	Average Revenue Per Daily Active User (total); The average revenue per daily, unique, active user/player, including in-app purchases and advertising revenue.
<b>Daily Unique Spenders</b>	The number of daily unique players who have made purchases of virtual products via Apple, Google or another platform.
<b>DAU</b>	Daily Active Users; i.e., daily, unique, active user/players.
<b>EBIT</b>	Operating result, before financial items and tax.
<b>EBIT margin (%)</b>	The result before financial items and tax, as a percentage of net revenue.
<b>EBITDA</b>	The result before depreciation of tangible and intangible fixed assets.
<b>EBITDA margin (%)</b>	The result before depreciation of tangible and intangible fixed assets, as a percentage of net revenue.
<b>Free-to-play (FTP)</b>	A revenue model where players gain access to part of the content without payment.
<b>Global launch</b>	A commercial launch to a wide audience.
<b>In-app purchases (IAP)</b>	Microtransactions within the game in order to access virtual goods and content.
<b>In-ad revenues (IAD)</b>	Advertising revenue from third parties for advertisements shown to players.
<b>Live-ops</b>	Changes/improvements in games after launch.
<b>Monthly Active Users (MAU)</b>	Active, unique, monthly players/users as of the last day of the period.
<b>Revenue growth</b>	Difference in revenue from the previous period (comparative period).
<b>Soft launch</b>	A 'soft launch' to a specific audience in order to test game methodology, graphics, etc.
<b>Equity/assets ratio</b>	Proportion of total assets financed with equity.

# CREATIVELY TOGETHER STRONG

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