



SOZAP



# INTERIM REPORT JAN-JUN 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.*

## APRIL – JUNE 2024

- Net revenue amounted to MSEK 4.7(3.8), an increase of 24 percent, and an increase of 24 percent in comparable currency.
- EBITDA amounted to MSEK 0.2 MSEK (-0.7).
- Operating result, EBIT, amounted to MSEK -2.7 (-2.1).
- Result for the quarter amounted to MSEK -2.7 (-2.1).
- Earnings per share were SEK -0.21(-0.24) before and after dilution.
- Cash flow from operating activities was MSEK 1.8 (0.4).
- Cash and cash equivalents amounted to MSEK 8.8 (3.4).
- Average Revenue Per Daily Active User (ARPDau) amounted to USD 0.100 (0.059), an increase of 69 percent compared to the previous year.
- Unique Monthly Active Users (MAU) during the quarter amounted to 0.8 million (0.8).
- The number of outstanding shares at the end of the period was 22 238 212, an increase of 10 877 092 as a result of the new issue that was registered in June.
- The number of subscription warrants issued at the end of the period was 120 000, a decrease of 130 000 during the quarter due to the fact that subscription warrants issued to personnel and the Board of Directors expired without having been exercised.

## JANUARY – JUNE 2024

- Net revenue amounted to MSEK 9.4 (7.1), an increase of 33 percent, and an increase of 32 percent in comparable currency.
- EBITDA amounted to MSEK -1.0 MSEK (-1.3).
- Operating result, EBIT, amounted to MSEK -6.6 (-3.9).
- Result for the period amounted to MSEK -6.6 (-3.9).
- Earnings per share were SEK -0.54 (-0.46) before and after dilution.
- Cash flow from operating activities was MSEK -0.0 (-1.3).

- Cash and cash equivalents amounted to MSEK 8.8 (3.4).
- Average Revenue Per Daily Active User (ARPDau) amounted to USD 0.091(0.058), an increase of 57 percent compared to the previous year.
- Unique Monthly Active Users (MAU) during the quarter amounted to 0.8 million (0.8).

## SIGNIFICANT EVENTS DURING THE PERIOD

**April 9:** SOZAP's Board of Directors decided to carry out a rights issue, subject to the subsequent approval of the Annual General Meeting, which was given on May 14. The issue was subscribed to 72 percent, which provided the Company with MSEK 7.8, after deducting issue costs. Through the rights Issue, the Company shall fulfill the following two main objectives: a) complete and launch Fishing Tour, and b) achieve a positive operating cash flow.

**May 14:** SOZAP held its Annual General Meeting at the Company's premises in Nyköping. For more information, please see the minutes of the Annual General Meeting, which can be found at [www.sozap.com/ir/general-meetings](http://www.sozap.com/ir/general-meetings).

## 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

Amounts in TSEK, unless otherwise specified (Definitions can be found at the end of the report)	Quarter April - June		Period January - June		Financial Year Jan - Dec
	2024	2023	2024	2023	2023
Net revenue	4 706	3 781	9 387	7 078	14 964
Net revenue growth %	24%	-16%	33%	-22%	-10%
Net revenue - comparable currency	4 676	3 738	9 335	6 895	14 781
Net revenue growth % - comparable currency	24%	-17%	32%	-24%	-11%
EBITDA	207	-670	-974	-1 269	-2 999
EBITDA %	4%	-18%	-10%	-18%	-20%
Operating result, EBIT	-2 702	-2 058	-6 580	-3 933	-8 940
Operating result, EBIT %	-57%	-54%	-70%	-56%	-60%
Balance sheet total	35 305	38 403	35 305	38 403	33 323
MAU; average during the period (number in 000s)	755	773	842	839	825
DAU; average during the period (number in 000s)	50	53	56	57	56
ARPDau (total); average during the period (USD)	0,100	0,059	0,091	0,058	0,070
Total number of employees; average during the period	22	33	27	33	33
Of which are game developers/designers	20	31	25	31	31
Number of game development projects live	2	1	2	1	2
Number of game development projects in the process of development	1	2	1	2	1
Earnings per share before dilution (SEK)	-0,21	-0,24	-0,54	-0,46	-0,91
Earnings per share after dilution (SEK)	-0,21	-0,24	-0,54	-0,46	-0,91
Average number of shares before dilution	13 173 969	8 520 840	12 267 544	8 520 840	9 822 635
Average number of shares after dilution	13 358 969	9 305 840	12 485 044	9 305 840	10 607 635
Number of outstanding shares at the end of the period	22 238 212	11 361 120 <sup>1)</sup>	22 238 212	11 361 120 <sup>1)</sup>	11 361 120

1) Including not yet registered new share issue of 2 840 280 shares.

# A FEW WORDS FROM OUR CEO

The second quarter of 2024 has been both eventful and motivating for us at SOZAP. Revenue during the quarter amounted to MSEK 4.7 (3.8), an increase of 24 percent, primarily driven by the ongoing global launch of Questopia. During the same period, we carried out a rights issue that provided the Company with MSEK 7.8, which has secured the capital necessary to continue developing and launching Fishing Tour.

In the second quarter we implemented the new user interface in Fishing Tour, which allows for regular updates to the game, with new game modes, live-ops and content. In the coming quarters, we will continue to update the game with new features and content. Our goal with these updates is to create the conditions to transition from an intensive development phase to one focusing on live-ops and full-scale global launch.

This will not only give us a full version of Fishing Tour, but also provide us with the flexibility necessary to ensure the Company achieves its financial target in the fourth quarter.

The development of Questopia continues, with new features and more playable content. The update launched in April has improved user retention and the average revenue per user. We launched another update with more playable content in July, and we plan to release several major updates in the coming quarter.

Our investments in user acquisition campaigns during the period have been positive, with an average payback time of 30 days. We expect the coming updates, where the focus will be on expanded playable content, to enable increased investment and attain the levels required to achieve the Company's financial goals in the fourth quarter.

Our collaboration with Voodoo in the Chinese market has not attained the levels we had aimed for, which has resulted in a mutual decision to terminate the publishing agreement. We are now opting to focus our internal resources on the markets where we have successfully launched, at the same time as exploring new opportunities to introduce Questopia to other markets and expand our user acquisition campaigns on more ad networks.

ARMED HEIST continues to see solid organic traffic on both the App Store and Google Play, with revenue and daily active users (DAU) in line with our expectations. During the quarter, we updated ARMED HEIST with our proprietary data processing and user monetization system, AGIM, and are continuing to optimize the game title with the aim of increasing net revenue.

The cost savings program continues to produce results. The saving during the second quarter was equivalent to MSEK 7 on an annual basis. We are continuing to adapt our organization to our two main goals: to launch a scalable version of Fishing Tour, and to become a 'cash flow neutral' company in the fourth quarter, calculated before investments in marketing for the growth of the game portfolio. Given that the positive development of Questopia continues, I believe that we have all the conditions in place to be able to achieve our financial goals during the fourth quarter.



Rade Prokopovic  
Founder and CEO



# FINANSIELLA KOMMENTARER

## NET REVENUE AND RESULT

Net revenue during the second quarter amounted to MSEK 4.7(3.8), an increase of 24 percent, and an increase of 24 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 second quarter amounted to MSEK 10.1(9.7). Depreciation increased by 1.5 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, which took full effect from the second quarter of 2024. In the second quarter, the savings amounted to MSEK 1.7. 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 -2.7(-2.1).

The result for the period during the second quarter amounted to MSEK 2.7(-2.1).

## BALANCE SHEET ITEMS

The Company's fixed assets, consisting of intangible, tangible, and financial fixed assets, amounted to MSEK 23.2(20.7) on June 30. The increase consists of investments in existing and new games. 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 12.1(6.4) on June 30. Cash and cash equivalents as of June 30 amounted to MSEK 8.8(3.4), following the rights issue carried out in June which provided the Company with MSEK 7.8, after deducting issue costs.

The Group's equity amounted to MSEK 31.2(35.6) on June 30.

The Company's short-term liabilities, consisting of the items accounts payable, other liabilities, and accrued expenses and prepaid income, amounted to MSEK 4.1(2.8) on June 30.

## CASH FLOW

Cash flow from operating activities in the second quarter amounted to MSEK 1.8(0.4). The improved cash flow is, to a greater extent, a result of the cost-saving program that was introduced, and, to a lesser extent, temporary positive effects from changes in accounts receivable.

Cash flow from investment activities amounted to MSEK -2.5(-3.6) in the second quarter, mainly related

to intangible assets; i.e., the ongoing investment in new game development.

Cash flow from financing activities amounted to MSEK 7.8 (-0.2) in the second quarter, as a result of the new issue that was carried out in June.

Cash flow for the period for second quarter amounted to MSEK 7.1 (-3.5).

## 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 June 30 was 22 (33), as well as two positions on a consulting basis (1).

## THE PARENT COMPANY

Sozap AB's net revenue for the second quarter amounted to MSEK 4.7 (3.8), with an operating result and result after tax of MSEK -2.5 (-2.0).

The Parent Company's fixed assets, consisting of intangible, tangible, and financial fixed assets, amounted to MSEK 23.0 (20.4) as of June 30.

The Parent Company's cash and cash equivalents as of June 30 amounted to MSEK 8.0 (2.8).

## SIGNIFICANT EVENTS DURING THE PERIOD

**April 9:** SOZAP's Board of Directors decided to carry out a rights issue, subject to the subsequent approval of the Annual General Meeting, which was given on May 14. The issue was subscribed to 72 percent, which provided the Company with MSEK 7.8, after deducting issue costs. Through the rights Issue, the Company shall fulfill the following two main objectives: a) complete and launch Fishing Tour, and b) achieve a positive operating cash flow.

**May 14:** SOZAP held its Annual General Meeting at the Company's premises in Nyköping. For more information, please see the minutes of the Annual General Meeting, which can be found at [www.sozap.com/ir/general-meetings](http://www.sozap.com/ir/general-meetings).

## 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>

- **Interim Report, Q3 2024:** Nov 14, 2024
- **Year-end Report 2024:** Feb 14, 2025
- **Annual Report 2024:** Apr 2, 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, August 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 April - June		Period January - June		Financial Year Jan - Dec
	2024	2023	2024	2023	2023
Net revenue	4 706	3 781	9 387	7 078	14 964
Capitalized production	2 549	3 646	5 227	7 057	13 274
Other operating income	168	213	388	252	1 052
	<b>7 422</b>	<b>7 640</b>	<b>15 002</b>	<b>14 387</b>	<b>29 290</b>
<b>Operating expenses</b>					
Services purchased	-467	-389	-930	-726	-1 496
Other external expenses	-4 194	-4 197	-9 979	-7 888	-16 738
Personnel costs	-2 289	-3 722	-4 660	-7 152	-13 336
Depreciation and impairment of tangible and intangible assets	-2 910	-1 387	-5 606	-2 664	-5 941
Other operating expenses	-264	-2	-406	111	-719
<b>Total operating expenses</b>	<b>-10 125</b>	<b>-9 698</b>	<b>-21 582</b>	<b>-18 320</b>	<b>-38 230</b>
<b>Operating result</b>	<b>-2 702</b>	<b>-2 058</b>	<b>-6 580</b>	<b>-3 933</b>	<b>-8 940</b>
<b>Result from financial items</b>					
Interest income and similar profit and loss items	0	0	1	0	37
Interest costs and similar profit and loss items	0	-1	-1	-2	-5
<b>Total financial items</b>	<b>0</b>	<b>-1</b>	<b>1</b>	<b>-2</b>	<b>32</b>
<b>Result after financial items</b>	<b>-2 702</b>	<b>-2 059</b>	<b>-6 579</b>	<b>-3 935</b>	<b>-8 908</b>
<b>Result before tax</b>	<b>-2 702</b>	<b>-2 059</b>	<b>-6 579</b>	<b>-3 935</b>	<b>-8 908</b>
Tax on the result for the period	0	0	0	0	-35
<b>Result for the period</b>	<b>-2 702</b>	<b>-2 059</b>	<b>-6 579</b>	<b>-3 935</b>	<b>-8 944</b>
Earnings per share (before and after dilution), SEK	-0,21	-0,24	-0,54	-0,46	-0,91

## BALANCE SHEET - THE GROUP

Amounts in TSEK	2024-06-30	2023-06-30	2023-12-31
<b>ASSETS</b>			
<b>Subscribed but not paid-up capital</b>	-	11 361	-
Subscribed but not paid-up capital	-	<b>11 361</b>	-
<b>Fixed assets</b>			
<i>Intangible fixed assets</i>			
Capitalized expenses for development work and similar items	22 544	19 665	22 766
	<b>22 544</b>	<b>19 665</b>	<b>22 766</b>
<i>Tangible fixed assets</i>			
Equipment, tools and fittings	653	1 006	800
	<b>653</b>	<b>1 006</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>23 204</b>	<b>20 677</b>	<b>23 572</b>
<b>Current assets</b>			
<i>Short-term receivables</i>			
Accounts receivable	1 900	1 656	2 289
Current tax assets	100	67	95
Other receivables	332	499	288
Prepaid expenses and accrued income	923	767	779
Cash and cash equivalents	8 847	3 376	6 300
<b>Total current assets</b>	<b>12 101</b>	<b>6 365</b>	<b>9 752</b>
<b>TOTAL ASSETS</b>	<b>35 305</b>	<b>38 403</b>	<b>33 323</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	2 224	852	1 136
Not registered share issue		11 361	
Other contributed capital	73 763	56 492	67 040
Other equity, including the result for the year	-44 759	-33 124	-38 233
<b>Total equity (attributable to the Parent Company's owners)</b>	<b>31 227</b>	<b>35 581</b>	<b>29 943</b>
<b>Short-term liabilities</b>			
Accounts payable	2 556	1 133	1 551
Other liabilities	529	225	435
Accrued expenses and prepaid income	993	1 464	1 394
<b>Total short-term liabilities</b>	<b>4 078</b>	<b>2 822</b>	<b>3 380</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>35 305</b>	<b>38 403</b>	<b>33 323</b>

## CHANGES IN EQUITY - THE GROUP

Amounts in TSEK	Share capital	Not registered share issue	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>-</b>	<b>56 722</b>	<b>-29 115</b>	<b>28 459</b>
Not registered share issue		11 361			11 361
Issue costs			-230		-230
Translation difference				-74	-74
Result for the period				-3 935	-3 935
<b>Equity 2023-06-30</b>	<b>852</b>	<b>11 361</b>	<b>56 492</b>	<b>-33 124</b>	<b>35 581</b>
<b>Equity 2023-07-01</b>	<b>852</b>	<b>11 361</b>	<b>56 492</b>	<b>-33 124</b>	<b>35 581</b>
Not registered share issue		-11 361			-11 361
New share issue	284		11 077		11 361
Issue costs			-529		-529
Translation difference				-100	-100
Result for the period				-5 009	-5 009
<b>Equity 2023-12-31</b>	<b>1 136</b>	<b>-</b>	<b>67 040</b>	<b>-38 233</b>	<b>29 943</b>
<b>Equity 2024-01-01</b>	<b>1 136</b>	<b>-</b>	<b>67 040</b>	<b>-38 233</b>	<b>29 943</b>
New share issue	1 088		7 070		8 158
Issue costs			-347		-347
Translation difference				52	52
Result for the period				-6 579	-6 579
<b>Equity 2024-06-30</b>	<b>2 224</b>	<b>0</b>	<b>73 763</b>	<b>-44 760</b>	<b>31 227</b>

## CASH FLOW - THE GROUP

Amounts in TSEK	Quarter April - June		Period January - June		Financial Year Jan - Dec
	2024	2023	2024	2023	2023
<b>Cash flow from operating activities</b>					
Result before financial items	-2 702	-2 058	-6 580	-3 946	-8 940
Adjustments for items not included in the cash flow	2 910	1 387	5 606	2 664	5 941
Interest received	0	-	1	-	37
Interest paid	0	-1	-1	-2	-5
Tax paid and received	-	-14	-	5	-35
<b>Cash flow from operating activities, before changes in working capital</b>	<b>207</b>	<b>-685</b>	<b>-973</b>	<b>-1 279</b>	<b>-3 003</b>
<b>Cash flow from changes in working capital</b>					
Changes in operating receivables	1 393	794	816	25	-973
Changes in operating liabilities	199	256	131	-78	969
<b>Cash flow from changes in working capital</b>	<b>1 592</b>	<b>1 049</b>	<b>947</b>	<b>-52</b>	<b>-4</b>
<b>Cash flow from operating activities</b>	<b>1 800</b>	<b>364</b>	<b>-26</b>	<b>-1 331</b>	<b>-3 007</b>
<b>Investment activities</b>					
Investments in intangible fixed assets	-2 549	-3 646	-5 227	-7 057	-13 274
Investments and divestments in tangible fixed assets	2	0	2	-313	-277
Investments and divestments in financial fixed assets	-	-	-	-	50
<b>Cash flow from investment activities</b>	<b>-2 548</b>	<b>-3 646</b>	<b>-5 225</b>	<b>-7 370</b>	<b>-13 502</b>
<b>Financing activities</b>					
New share issues	8 158	-	8 158	-	11 361
Issue costs	-347	-230	-347	-230	-759
<b>Cash flow from financing activities</b>	<b>7 810</b>	<b>-230</b>	<b>7 810</b>	<b>-230</b>	<b>10 602</b>
<b>Cash flow for the period</b>	<b>7 062</b>	<b>-3 511</b>	<b>2 559</b>	<b>-8 931</b>	<b>-5 907</b>
Cash and cash equivalents at the beginning of the period	1 787	6 806	6 300	12 289	12 289
Exchange rate difference in cash and cash equivalents	-2	80	-12	17	-82
<b>Cash and cash equivalents at the end of the period</b>	<b>8 847</b>	<b>3 375</b>	<b>8 847</b>	<b>3 375</b>	<b>6 300</b>

## INCOME STATEMENT - THE PARENT COMPANY

Amounts in TSEK	Quarter April - June		Period January - June		Financial Year Jan - Dec
	2024	2023	2024	2023	2023
Net revenue	4 706	3 781	9 387	7 078	14 964
Capitalized production	2 549	3 646	5 227	7 057	13 274
Other operating income	168	178	388	182	907
	<b>7 422</b>	<b>7 605</b>	<b>15 002</b>	<b>14 317</b>	<b>29 145</b>
<b>Operating expenses</b>					
Services purchased	-467	-389	-930	-726	-1 496
Other external expenses	-5 287	-5 557	-12 059	-10 747	-22 791
Personnel costs	-1 122	-2 085	-2 456	-3 970	-7 477
Depreciation and impairment of tangible and intangible assets	-2 880	-1 371	-5 547	-2 642	-5 821
Other operating expenses	-206	-160	-383	-247	-630
<b>Total operating expenses</b>	<b>-9 962</b>	<b>-9 563</b>	<b>-21 374</b>	<b>-18 333</b>	<b>-38 215</b>
<b>Operating result</b>	<b>-2 540</b>	<b>-1 958</b>	<b>-6 372</b>	<b>-4 016</b>	<b>-9 070</b>
<b>Result from financial items</b>					
Interest income and similar profit and loss items	0	0	1	0	37
Interest costs and similar profit and loss items	0	-1	-1	-2	-5
<b>Total financial items</b>	<b>0</b>	<b>-1</b>	<b>1</b>	<b>-2</b>	<b>32</b>
<b>Result after financial items</b>	<b>-2 540</b>	<b>-1 959</b>	<b>-6 371</b>	<b>-4 017</b>	<b>-9 038</b>
<b>Result before tax</b>	<b>-2 540</b>	<b>-1 959</b>	<b>-6 371</b>	<b>-4 017</b>	<b>-9 038</b>
<b>Result for the period</b>	<b>-2 540</b>	<b>-1 959</b>	<b>-6 371</b>	<b>-4 017</b>	<b>-9 038</b>

## BALANCE SHEET - THE PARENT COMPANY

Amounts in TSEK	2024-06-30	2023-06-30	2023-12-31
<b>ASSETS</b>			
<b>Subscribed but not paid-up capital</b>	-	11 361	-
Subscribed but not paid-up capital	-	<b>11 361</b>	-
<b>Fixed assets</b>			
<i>Intangible fixed assets</i>			
Capitalized expenses for development work and similar items	22 544	19 665	22 766
	<b>22 544</b>	<b>19 665</b>	<b>22 766</b>
<i>Tangible fixed assets</i>			
Equipment, tools and fittings	479	638	576
	<b>479</b>	<b>638</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>23 029</b>	<b>20 360</b>	<b>23 349</b>
<b>Current assets</b>			
<i>Short-term receivables</i>			
Accounts receivable	1 900	1 656	2 289
Current tax assets	100	67	95
Other receivables	326	499	280
Prepaid expenses and accrued income	923	767	779
Cash and cash equivalents	8 010	2 849	6 140
<b>Total current assets</b>	<b>11 258</b>	<b>5 865</b>	<b>9 583</b>
<b>TOTAL ASSETS</b>	<b>34 288</b>	<b>37 586</b>	<b>32 931</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital	2 224	852	1 136
Not registered share issue		11 361	
Development expenditure fund	22 544	19 665	22 766
	<b>24 768</b>	<b>31 878</b>	<b>23 902</b>
<i>Unrestricted equity</i>			
Free share premium fund	78 958	60 810	71 887
Balanced profit or loss	-66 701	-53 907	-57 537
<b>Result for the year</b>	<b>-6 371</b>	<b>-4 017</b>	<b>-9 038</b>
	<b>5 885</b>	<b>2 886</b>	<b>5 312</b>
<b>Total equity</b>	<b>30 653</b>	<b>34 764</b>	<b>29 214</b>
<b>Short-term liabilities</b>			
Accounts payable	2 512	1 069	1 539
Liabilities to Group companies	-	84	552
Other liabilities	129	205	232
Accrued expenses and prepaid income	993	1 464	1 394
<b>Total short-term liabilities</b>	<b>3 635</b>	<b>2 822</b>	<b>3 717</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>34 288</b>	<b>37 586</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.

## DEFINITIONSLISTA

<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>ARPPDAU</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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