



5th Planet Games A/S

INTERIM BALANCE SHEET at 31 December 2024



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Management's Statement

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Management's Statement

The Board of Directors and the Executive Board have today considered and adopted the Interim Balance Sheet at 31 December 2024 of 5th Planet Games A/S.

The Interim Balance Sheet has been prepared for the purpose of, together with other information, forming the basis of a decision of a group internal merger. The proposed merger is between 5th Planet Games A/S and its wholly owned subsidiary 5th Planet Games Development ApS. 5th Planet Games A/S will be the continuing company, while 5th Planet Games Development ApS will be dissolved without liquidation by transferring its assets and liabilities as a whole to 5th Planet Games A/S

In our opinion, the Interim Balance Sheet gives a true and fair view of the assets, liabilities and the financial position at 31 December 2024 of the company. Accordingly, the Interim Balance Sheet reflects the distributable reserves available for the distribution of dividend. The Interim Balance Sheet is prepared in accordance with the accounting policies described in the note Accounting policies.

No events have occurred after 31 December 2024 which have a material effect on the financial position of the company at 31 December 2024.

2/23/2025

Executive Management

Signed by:



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Mark Stanger

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Board of Directors:

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Jon Goldman
Chairman


DocuSigned by:


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David Albert

Signed by:


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Henrik Nielsen

DocuSigned by:


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Søren Kokbøl Jensen

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To the of 5th Planet Games A/S

Opinion

We have audited the interim balance sheet of 5th Planet Games A/S for the financial year 1 January - 31 December 2024, which comprise a summary of significant accounting policies, balance sheet and notes, for the Company. The interim balance sheet are prepared under the Danish Financial Statements Act.

In our opinion, the interim balance sheet give a true and fair view of the financial position of the Company at 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for conclusion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the Interim Balance Sheet" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group and parent company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark. We have also fulfilled our other ethical responsibilities in accordance with the IESBA Code.

To the best of our knowledge, we have not provided any prohibited non-audit services as described in article 5(1) of Regulation (EU) no.537/2014.

Management's Responsibilities for the Interim Balance Sheet

Management is responsible for the preparation of the interim balance sheet that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of the interim balance sheet that are free from material misstatement, whether due to fraud or error.

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In preparing the interim balance sheet, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the interim balance sheet unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the Interim Balance Sheet

Our objectives are to obtain reasonable assurance about whether the interim balance sheet as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this interim balance sheet.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the interim balance sheet, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the interim balance sheet and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the interim balance sheet or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and contents of the interim balance sheet, including the disclosures, and whether the interim balance sheet represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the interim balance sheet does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the interim balance sheet, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the interim balance sheet or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the interim balance sheet and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, February 24, 2025

Grant Thornton

Certified Public Accountants

Company reg. no. 34 20 99 36

Signed by:



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Michael Winther Rasmussen

State Authorised Public Accountant

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DKK '000	Note	2024
Equity investments in group companies	2	20 084
Other investments	3	21 379
Receivables from group companies		2 724
Total non-current assets		44 187
Current Assets:		
Receivables from group companies		31 007
Trade receivables		202
Other receivables		289
Total receivables		31 498
Cash		6 165
Total current assets		37 663
Total assets		81 850
EQUITY AND LIABILITIES		
DKK '000	Note	2024
Equity:		
Share Capital		13 419
Reserves		0
Retained earnings		67 308
Total equity		80 727
Current liabilities:		
Payable to group companies		143
Trade payables		647
Other payables		334
Total current liabilities		1 124
Total Liabilities		1 124
Total equity and liabilities		81 850
Contingent liabilities	4	
Security provided	5	

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Statement of Changes in Equity

DKK '000	Share capital	Share premium	Retained earnings	Total equity
Equity as at 01.01.2024	13 404	0	72 017	85 421
Capital increase	15	97	0	112
Costs related to capital increase	0	0	0	0
Transfer of reserves	0	-97	97	0
Share-based payments	0	0	130	130
Proposed distribution of net profit	0	0	-4 936	-4 936
Equity as at 31.12.2024	13 419	0	67 308	80 727
Equity as at 01.01.2023	10 398	0	18 488	28 886
Capital increase	3 006	28 051	0	31 057
Costs related to capital increase	0	-164	0	-164
Transfer of reserves	0	-27 887	27 887	0
Share-based payments		0	1 099	1 099
Proposed distribution of net profit	0	0	24 543	24 543
Equity as at 31.12.2023	13 404	0	72 017	85 421



Notes to the Financial Statements

1. Basis of preparation

The interim Balance Sheet at 31 December 2024 for 5th Planet Games A/S has been prepared in accordance with the recognition and measurement criteria of the International Financial Reporting Standards as adopted by the EU and the disclosure and presentation requirements established by the Board of Directors.

The accounting policies adopted in the preparation of the interim report are consistent with those followed in the preparation of the Group's annual consolidated financial statements for the year ended 31 December 2023.

Significant accounting estimates and judgments

The most significant accounting estimates and judgments in the interim consolidated financial statements remain unchanged compared to those used in Annual Report 2023. The principles and key assumptions are described in the Annual Report 2023 in note 2.

Uncertainties concerning recognition and measurement

In the 2024 financial statements of 5th Planet Games Development ApS, Development Projects in Progress amount to DKK 41.2m and comprise investment in the development and co-publishing of new games, for which the future economic benefits are uncertain. As 5th Planet Games Development ApS is included as an investment using the equity method, the uncertainty has a direct impact on the uncertainty for the Investments in Group Companies currently recognized at DKK 20.1m.

An impairment test has been performed for the development projects in progress. Management's estimates are based on projected performance of the development project (game) using comparable title performance from Skybound and publicly available data from unrelated third party publishers. The physical and digital game market is rapidly changing due to technology innovations (artificial intelligence), business model evolutions (free to play games), consumer preferences (new games versus legacy franchises). Video games, historically, are a hit driven business. The best performing games will exceed average or above average benchmark performance data and poorly performing games will come in under those averages.

Management has assessed the projections used in arriving at the carrying value of the capitalized balances of the games in development. On the basis of its best judgement, Management believes that those projections reflect the most reasonable outcome based on the information and business knowledge at this time. Management continues to monitor the development milestones for the games and pre-launch market developments and will update its judgement as circumstances require.

Management can not reliably estimate the future economic benefits until the games are published to market and as such it is uncertain if or if not, an impairment should be recognized in the financial statements for 2024 for 5th Planet Games Development ApS.

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2. Investments in group companies

DKK ' 000	2024
Costs at 01/01 2024	121 229
Additions during the year	0
Subsidy to Group company	0
Disposals during the year	0
Costs at 31/12 2024	121 229
Value adjustments as at 01/01 2024	-99 524
Share of profit before amortisation of goodwill during the year	-1 621
Foreign exchange loss investments group companies	0
Disposals during the year	0
Value adjusted as at 31/12 2024	-101 145
Carrying amount as at 31/12 2024	20 084
Group companies with negative equity	0
Group companies with positive equity	20 084

The group companies are:

DKK ' 000	Owner-ship	Municipality of registred office	Equity 31.12. 2024	Result 2024
5th Planet Games Development ApS	100%	København K	20 084	-1 960
*5th Planet Games GmbH	100%	Berlin	0	339
*Under Liquidation				

3. Other Investments

DKK ' 000	2024
Costs as at 01.01.2024	21 329
Additions	50
Transfer	0
Cost as at 31.12.2024	21 379
Value adjustment at 01.01.2024	0
Value adjustment during the year, unrealised	0
Value adjustment at 31.12.2024	0
Carrying amount as at 31.12.2024	21 379
The investments relates to:	
Skybound LLC	3 500
Sagafilm ehf.	17 829
Games Denmark	50
Value adjustment at 31.12.2024	21 379

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4. Contingent liabilities

Based on management's assessment the company is not involved in any lawsuits, arbitration cases or other matters which could have a material impact on the company's financial position or results of operations.

As part of the investment agreement, 5th Planet Games has provided certain representations and warranties to Skybound Games. Should Skybound Games suffer a loss due to certain specific warranties not being true, accurate and not misleading, Skybound Games will, at its own discretion, have the option of being indemnified from its loss by exercising up to 2,200,000 warrants (depending on the loss), each warrant entitling Skybound Games to subscribe for 1 share of nominal DKK 0.05 at par value (the "Indemnification Warrants"). The potential loss from this warranty is estimated to be insignificant.

5. Security provided

None.

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5th Planet Games A/S

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