



JUMPGATE

Interim Report for January 1, 2023 to September 30, 2023

- Net turnover in the period amounted to 57 102 TSEK (20 246 TSEK). Net turnover in the third quarter amounted to 17 968 TSEK (7 103 TSEK).
- Earnings before interest and taxes (EBIT) amounted to -6 660 TSEK (-13 805 TSEK). Earnings before interest and taxes (EBIT) in the third quarter amounted to -2 439 TSEK (-3 641 TSEK)
- The result after financial items amounted to -12 285 TSEK (-17 453 TSEK). The result after financial items in the third quarter amounted to -4 008 TSEK (-4 877 TSEK).
- The result per share amounted to -0,027 SEK (- 0,12 SEK) in the period. The result per share in the third quarter amounted to -0,009 SEK (-0,034 SEK).
- On August 9 it was announced that share issues had been made to the sellers of Nukklear and Funatics for the parts of the respective considerations to be paid in equity. In total 39 775 118 new shares were issued and the registered share capital was increased with 1 095 397,59 SEK.
- On August 9 it was announced that gameXcite had received 1,2 million Euro in financing from the German Federal Ministry for Transport and Digital Infrastructure ("BMVI") for Galactic Journeys. The budget of the game amounts to ca 26,7 MSEK (2,4 MEUR) of which half is attributable to the publisher Daedalic and half is attributable to the German grant programme for game development. The Development Budget will be paid out at achieved milestones during the project until launch. The game revenue will be distributed among the parties pursuant to a contractual allocation principle, giving Jumpgate a significant upside.
- After the period on October 3, it was announced that gameXcite had entered into a licensing agreement with Paramount Consumer Products for the use of Star Trek: The Next Generation, Star Trek: Deep Space Nine and Star Trek: Voyager for a coming PC- and console game.
- After the period on October 5, it was announced that Asterix & Obelix: Heroes, a multi-platform card collector game with roleplaying game mechanics developed by gameXcite and published by NACON had been released globally for Playstation 4 & 5, Xbox, Nintendo Switch and PC.
- After the period on November 16, it was announced that Horse Village: Wildshade had been soft launched for iOS and Android. The game is externally developed and published by Tivola Games.
- After the period on November 16, it was announced that Animal Hospital had been released for Playstation 4 & 5, Xbox, PC and Nintendo Switch. The game has been developed by Tivola Games and published by NACON.
- After the period on November 16, it was announced that Wildshade: Unicorn Champions had been released for Playstation 4 & 5, Xbox and PC. The game has been developed by Tivola Games and published by NACON.

The "Company" or "Jumpgate" means Jumpgate AB with corporate registration number 556842-4062. Information in parentheses relate to the previous year.

Comment to the Interim Report

Worldclass IP and financing in place for Galactic Journey

The big highlight during the autumn is that we now have the right to use Star Trek, a world class IP for Jumpgate's largest initiative so far, gameXcite's coming PC and console game with the working title Galactic Journey. It was a great pleasure to finally announce the license deal with Paramount for the use of Star Trek: The Next Generation, Star Trek: Deep Space Nine and Star Trek: Voyager for the game. With the German public grant for the development budget, the final piece of the puzzle for the financing of the game is also in place. Consequently, we have an externally financed budget of 2.4 million EUR through a publishing deal with Daedalic complemented with the grant. In this way, we cover the development costs with a substantial margin, while at the same time the deal structure allows us to retain significant upside at a successful launch.

With this, we validate our strategy to move towards larger projects applying this very attractive model. We follow up with three additional internally developed projects, where we're discussing potential collaborations with publishers. One of the projects is Battle Castles, for which Funatics has already received a public grant to develop a prototype for the game.

Significantly increased turnover also in the third quarter and notably improved results

The significant increase in turnover compared with the previous year, mainly attributable to the acquisition of Nukklear, continues also in the third quarter. Earnings before interest and taxes in the period improved with ca 33 % compared with the previous year while the result after financial items improved with ca 18 %. Also compared with the previous quarter the result is notably improved with ca 29 % improved earnings before interest and taxes and ca 35 % improved result after financial items.

The releases of the Autumn are being executed

After the successful launch of Cat Rescue Story for mobile, with more than one million downloads and very high rating on Appstore and Google Play Store, we are now in the process of completing the extensive releases of the autumn. Horse Village: Wildshade from Tivola Games has been soft launched in the quarter. The game has encountered some technical issues that are now solved, and the team is looking at the possibilities for limited user acquisition (UA) to scale the game further. In October gameXcite's Asterix & Obelix: Heroes and Tivola's Animal Hospital were released in collaboration with NACON. In November, Wildshade: Unicorn Champions from Tivola and NACON has been released. The collaboration with NACON has worked out very well. As retail sales is the most important distribution channel for the games that are released together with NACON, the emphasis of the marketing of the games is the Christmas shopping, and we'll receive the first sales numbers from the releases in the first quarter next year.

Still demanding market conditions is a challenge for business development

Besides the positive news regarding Galactic Journey/Star Trek, a lot of focus is on signing one or two additional larger game projects. The business situation in the gaming market is demanding, with leading publishers to a large extent cancelling or postponing game projects. This has led to longer time than normal needed to close new deals and has made us unable to sign expected new development agreements in the period. Despite this, we have a strong business development pipeline and a positive view towards adding additional externally financed game projects to the portfolio.

Continued focus on profitable growth and decreasing the debt

With the third quarter we have taken a significant step towards profitability, which is pleasing, and we have also strengthened the balance sheet by paying 12 MSEK in obligations to the sellers of Nukklear and Funatics by directed share issues. At the same time, it is disappointing not to have reached a positive EBIT. We continue to work purposefully with increasing the revenue, mainly by adding additional larger game projects with external financing, while being diligent on costs. The key acquisition Nukklear continues to perform, which is central for us to be able to deliver profitable growth to our shareholders and continue to reduce the debt of the company.

Harald Riegler

VD, Jumpgate AB

About the Company

Jumpgate AB is an independent group of game developers founded in 2011 and comprising five game studios: Nukklear (Hannover), Tivola Games (Hamburg), gameXcite (Hamburg), Funatics (Düsseldorf) and Tableflip Entertainment (Visby).

The group develops and publishes its own games and develop games and other digital products for other external companies. The companies of the group have established collaborations with strong industry partners and exciting product portfolios with large potential. The group is active on the global market, distributes its games on a worldwide basis and has an extensive international network. För mer information se: www.jumpgategames.se

This information is information that Jumpgate AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, on November 16, 2023 07:30 CET.

[Jumpgate AB Interim Report Q3 2023](#)