



## PRESS RELEASE

*The Board of Directors of Digital Bros Group approved the Interim Report as of March 31<sup>st</sup>, 2023*

### FY2022- 2023 FIRST NINE MONTHS RESULTS:

- REVENUE AT EURO 89.2 MILLION (+7.5% YoY)
- EBITDA AT EURO 30.5 MILLION, 34.2% OF NET REVENUE
- EBIT AT EURO 18 MILLION
- NET PROFIT OF EURO 15.7 MILLION
- NET FINANCIAL POSITION NEGATIVE FOR EURO 21 MILLION
- REVENUE EXPECTED TO INCREASE IN THE NEXT TWO FISCAL YEARS

### FY2022- 2023 THIRD QUARTER RESULTS:

- REVENUE AT EURO 29.4 MILLION (+6.4% YoY)
- EBIT AT EURO 6.6 MILLION

- Consolidated net revenue of Euro 89.2 million, increasing by 7.5%, compared to Euro 82.9 million on March 31<sup>st</sup>, 2022. Crime Boss: Rockay City launched exclusively on Epic Store on March 28<sup>th</sup>, 2023
- EBITDA at Euro 30.5 million compared to Euro 31.5 million on March 31<sup>st</sup>, 2022, 34.2% of the consolidated net revenue
- EBIT at Euro 18 million compared to Euro 19.1 million on March 31<sup>st</sup>, 2022, 20.1% of the consolidated net revenue
- Profit before tax of Euro 21.6 million, compared to Euro 22.4 million on March 31<sup>st</sup>, 2022
- Net profit of Euro 15.7 million unchanged compared to March 31<sup>st</sup>, 2022
- In relation to the significant investments plan, as expected, the net financial position was negative for Euro 21 million (negative for Euro 15.2 million net of IFRS 16 adjustments)
- Revenue expected to increase in the current and in the next two fiscal years as a result of over Euro 80 million investments planned for the current fiscal year
- Q3 EBIT at Euro 6.6 million compared to Euro 6.8 million on March 31<sup>st</sup>, 2022

Milan, May 11<sup>th</sup>, 2023 - The Board of Directors of the Digital Bros Group (DIB:MI), videogames company listed on the Euronext STAR Milan (ISIN: IT0001469995) and part of the FTSE Italia Small Cap index and Euronext Tech Leaders, approved today the Interim Report as of March 31<sup>st</sup>, 2023 (first nine months of the fiscal year from July 1<sup>st</sup>, 2022 to June 30<sup>th</sup>, 2023).

#### FY2022 – 2023 first nine months results (from 01.07.2022 to 31.03.2023)

Euro thousand	March 31 <sup>st</sup> , 2023	March 31 <sup>st</sup> , 2022	Change €	Change %
Net revenue	89,177	82,934	6,243	7.5%
Gross operating margin (EBITDA)	30,470	31,541	(1,071)	-3.4%
Operating margin (EBIT)	17,948	19,064	(1,116)	-5.9%
Profit / (loss) before tax	21,623	22,437	(814)	-3.6%
Net profit / (net loss)	15,711	15,716	(5)	0.0%

Digital Bros Group's key consolidated first nine months results for the fiscal year 2022-2023, together with prior year comparatives, are as follows:

- Consolidated net revenue of Euro 89.2 million, increasing by 7.5%, compared to Euro 82.9 million on March 31<sup>st</sup>, 2022;
- EBITDA of Euro 30.5 million (34.2% of the consolidated net revenue) compared to Euro 31.5 million on March 31<sup>st</sup>, 2022;
- EBIT of Euro 18 million (20.1% of the consolidated net revenue) compared to Euro 19.1 million on March 31<sup>st</sup>, 2022;
- Profit before tax of Euro 21.6 million compared to Euro 22.4 million on March 31<sup>st</sup>, 2022;
- Net profit of Euro 15.7 million unchanged compared to Euro 15.7 million on March 31<sup>st</sup>, 2022.

Digital Bros Group's key consolidated results for the third quarter of the fiscal year 2022-2023, together with prior year comparatives, are as follows:

#### FY2022 – 2023 third quarter results (from 01.01.2023 to 31.03.2023)

Euro thousand	March 31 <sup>st</sup> , 2023	March 31 <sup>st</sup> , 2022	Change €	Change %
Net revenue	29,386	27,609	1,777	6.4%
Gross operating margin (EBITDA)	11,893	11,824	69	0.6%
Operating margin (EBIT)	6,601	6,838	(237)	-3.5%
Profit / (loss) before tax	6,469	7,711	(1,242)	-16.1%
Net profit / (net loss)	4,730	5,326	(596)	-11.2%

- Consolidated net revenue of Euro 29.4 million, increasing by 6.4%, compared to Euro 27.6 million on March 31<sup>st</sup> 2022;
- EBITDA of Euro 11.9 million unchanged compared to Euro 11.8 million on March 31<sup>st</sup>, 2022;
- EBIT of Euro 6.6 million compared to Euro 6.8 million on March 31<sup>st</sup>, 2022;
- Profit before tax of Euro 6.5 million, decreasing by 16.1%, compared to Euro 7.7 million on March 31<sup>st</sup>, 2022;
- Net profit of Euro 4.7 million compared to Euro 5.3 million on March 31<sup>st</sup>, 2022.

#### RESULTS BY OPERATING SEGMENT

Crime Boss: Rockay City arrived on the market on March 28<sup>th</sup> 2023 with the launch of the personal computer version. It is the first of a series of videogames part of the significant investment plan implemented by the Group. First showcased last December during The Game Awards, the personal computer version of Crime Boss is exclusive to Epic Store only and the launch of the console version will follow in the last quarter of the current fiscal year.

Crime Boss is one of the largest investments made by the Group through an internal studio and is a cooperative multiplayer videogame with a cast of outstanding actors. The videogame features enable a recurring drop of additional content, and, to that extent, the Group expects recurring revenue for multiple years to come.

During the reporting period, the Group realized Euro 89.2 million revenues, up by 7.5%, and approximately Euro 18 million EBIT.

Revenue for the period grew benefitting from the Euro 12,746 thousand revenue generated by the newly acquired 505 Go!, consolidated from July 1<sup>st</sup>, 2022. 505 Go! acquisition enabled Free to Play revenue to more than triple while Premium Games revenue decreased by 6.5%.

Premium Games revenue amounted to Euro 69,349 thousand as of March 31<sup>st</sup>, 2023 (77.8% of total consolidated revenue) and was split between several back catalogue products among which the evergreen Assetto Corsa, developed by an internal studio, continuously outperforms, realizing Euro 17.7 million revenue year to date.

Revenues from international markets and digital sales respectively accounted for 97% and 92% of the total net revenue.

A breakdown of net revenue by operating segment for the period ended March 31<sup>st</sup>, 2023 compared to the period ended March 31<sup>st</sup>, 2022 is provided below:

#### Net revenue

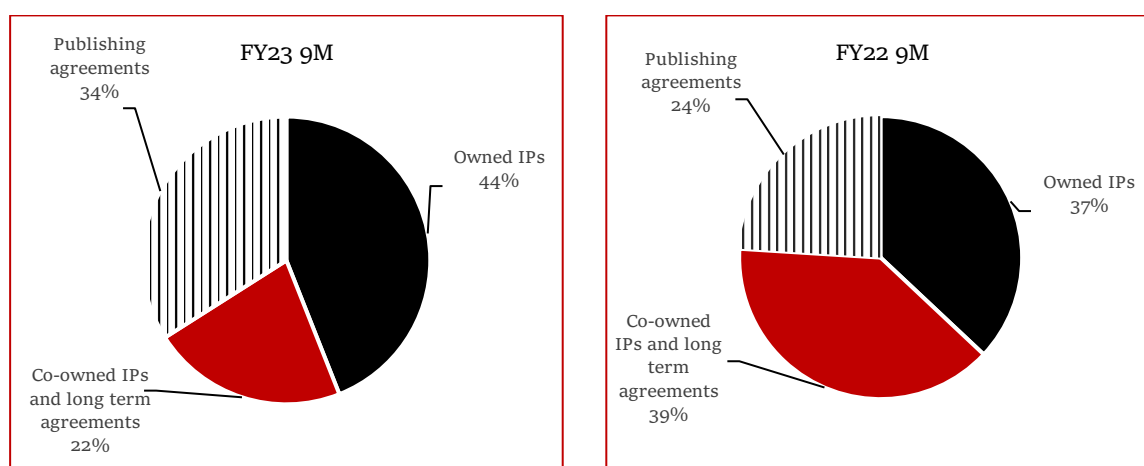
Euro thousand	March 31 <sup>st</sup> , 2023	March 31 <sup>st</sup> , 2022	Change €	Change %
Premium Games	69,349	74,170	(4,821)	-6.5%
Free to Play	17,235	5,441	11,794	n.m.
Italian Distribution	1,888	2,791	(903)	-32.4%
Other Activities	705	532	173	32.5%
Total net revenue	89,177	82,934	6,243	7.5%

The Premium Games operating segment represented 78% of the consolidated net revenue compared to 89% for the previous fiscal year, due to the incremental weight of the Free to Play revenue.

Video games developed by the internal studios and fully owned intellectual properties (IPs) accounted for 44% of the total revenues for the operating segment from 37% as of March 31<sup>st</sup>, 2022.

The promotional activities performed by the Group in the period for Death Stranding were particularly effective thus enabling a significant growth in “publishing agreements” revenue (i.e. products over which the Group holds exclusive rights without IP ownership) compared to the previous fiscal year.

A breakdown of Premium Games revenue by the type of rights held by the Group as of March 31<sup>st</sup>, 2023 is provided below with comparative figures as of March 31<sup>st</sup>, 2022:



The Italian Distribution operating sector revenue decreased by Euro 961 thousand from Euro 2,900 thousand to Euro 1,939 thousand as of March 31<sup>st</sup>, 2023 due to the continuous decline of retail distribution.

Digital Bros Group's revenue and margins by operating segments for the first nine months of fiscal year 2023-2023 are as follows:

Euro thousand	Premium Games	Free to Play	Italian Distrib.	Other Activities	Holding	Total
Net revenue	69,349	17,235	1,888	705	0	89,177
Gross operating margin (EBITDA)	35,398	2,248	(598)	(166)	(6,412)	30,470
Operating margin (EBIT)	24,980	1,202	(721)	(428)	(7,085)	17,948

Total operating costs amounted to Euro 43,725 thousand, increased by 39.2% compared to the previous fiscal year. Payroll costs grew by Euro 7,777 thousand following the acquisition and the incorporation of several new development studios that have significantly increased the Group workforce. Cost for services grew by Euro 4,083 thousand due to marketing activity made by the newly consolidated 505 Go Inc.. and the launch of Crime Boss: Rockay City.

Gross operating margin (EBITDA) for the period amounted to Euro 30,470 thousand, corresponding to 34.2% of the consolidated net revenue, slightly decreasing by Euro 1,071 thousand from the Euro 31,541 thousand realized in the previous fiscal year.

Depreciation and amortization increased by Euro 141 thousand. Asset impairment charge amounted to Euro 580 thousand and reflected the write off of a videogame production for Euro 444 thousand and the difference related to doubtful trade receivables.

Impairment reversal consisted of the difference between the price paid for the acquisition of 505 Go Inc. and the net equity at the moment of acquisition.

Operating margin (EBIT) amounted to Euro 17,948 thousand, corresponding to 20.1% of the consolidated net revenue, compared to Euro 19,064 thousand as of March 31<sup>st</sup>, 2022.

Net interest income was positive by Euro 3,675 thousand compared to Euro 3,373 thousand realized in the previous fiscal year.

Profit before tax for the period ended March 31<sup>st</sup>, 2023 amounted to Euro 21,623 thousand, a Euro 814 thousand decrease compared to profit before tax of Euro 22,437 thousand as of March 31<sup>st</sup>, 2022.

Net profit amounted to Euro 15,711 thousand unchanged compared to Euro 15,716 thousand as of March 31<sup>st</sup>, 2022.

Net profit attributable to the shareholders of the Parent Company was Euro 14,911 thousand. Net profit attributable to non-controlling interests was negative for Euro 310 thousand.

Basic earnings per share and diluted earnings per share respectively were Euro 1.05 and Euro 1.01 compared to Euro 1.09 earnings per share as of March 31<sup>st</sup>, 2022.

## NET FINANCIAL POSITION

As expected, the net financial position decreased by Euro 24,664 thousand from positive Euro 3,707 thousand as of June 30<sup>th</sup>, 2022 to negative Euro 20,957 thousand, due to the significant investment plan implemented by the Group. Prospective free cash flow will enable the Group to maintain balanced the financial structure in the coming fiscal years.

Net of IFRS 16 recognized financial payables, the net financial position amounted to negative Euro 15,221 thousand.

## TREASURY SHARES

As of March 31<sup>st</sup>, 2023, Digital Bros S.p.A. did not hold any treasury shares, and no transactions have been made in the period, in accordance with Art. 2428 paragraph 2.3 of the Italian Civil Code.

## SIGNIFICANT EVENT DURING THE PERIOD

On October 26<sup>th</sup>, 2022, the Shareholders' Meeting of Digital Bros Group approved the Financial Statements for the fiscal year 2021-2022 and a dividend payment of Euro 0.18 per share.

## SIGNIFICANT EVENTS OCCURRED AFTER MARCH 31<sup>ST</sup>, 2023

On April 28<sup>th</sup>, 2023, Starbreeze announced a rights issue of approximately SEK 450 million to be approved by the forthcoming Extraordinary General Meeting convened on May 24<sup>th</sup>, 2023. Digital Bros Group holds 11.96% of the share capital and 29.09% of the voting rights and together with other major shareholders of the Swedish company

have agreed to vote in favor of the rights issue at the Extraordinary General Meeting. Digital Bros Group has committed to underwrite the pro-rata share of the rights issue, corresponding to approximately SEK 54 million, and to an incremental commitment for a maximum undersubscription of SEK 100 million. The payment of the potential incremental subscription will be made through a partial set-off against a credit of SEK 150 million. This credit was part of Starbreeze reconstruction plan and originally amounted to SEK 165 million. The Group has also committed to convert the total outstanding convertible loan of approximately SEK 215 million within 30 days from the last date of the subscription period of the rights issue. The conversion of the convertible loan is conditional upon the positive outcome of the rights issue and will take place only after recalculated the new conversion price (the original conversion price of SEK 2.25 per share had already been recalculated at SEK 1.63 per share due to the share capital increase realized by Starbreeze in September 2020). For further details on Starbreeze AB rights issue, refer to Starbreeze press release available on Starbreeze corporate website [corporate.starbreeze.com/en/press/](https://corporate.starbreeze.com/en/press/).

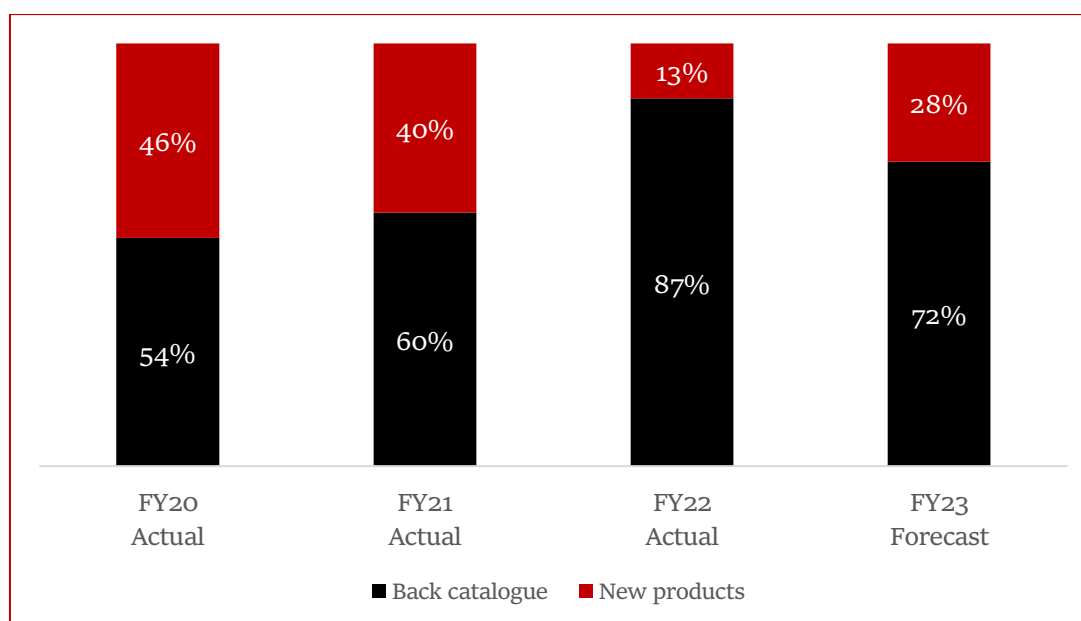
## BUSINESS OUTLOOK

The Group's new releases arrived on the market starting March 28<sup>th</sup>, 2023 with the launch of Crime Boss: Rockay City on personal computer followed by the launch of Crime Boss console versions and Miasma Chronicles on all platforms during the fourth quarter. Revenue for the full fiscal year will also benefit from the revenue realized by the newly acquired 505 Go!. Considering the above, the Group expects increasing consolidated revenue for the entire fiscal year.

The Group has planned to invest more than Euro 80 million in the current fiscal year and, as a result of that, expects increasing revenue for at least the next two fiscal years.

The mix of revenue as of June 30<sup>th</sup>, 2022, made by back catalogue products and Assetto Corsa, enabled a significant EBIT level; this is expected to change when the new releases will arrive to the market. In fact, the launch of new intellectual properties will initially reduce margin percentages on revenue due to the initial marketing and production investments, but the Group do not expect significant change in the consolidated EBIT for the full fiscal year in absolute terms.

A breakdown of back catalogue and new releases of Premium Games' revenue expected for the full fiscal year with previous years comparisons is shown in the chart below. The new launches during the second half of the fiscal year will take the sale of new releases to the 28% of the full year forecast revenues:



In accordance with the significant investments during the period and that will continue into the next fiscal year, the net financial position, positive for Euro 3.7 million as of June 30<sup>th</sup>, 2022, is expected to decrease until the end of the current fiscal year.



## ALTERNATIVE PERFORMANCE RATIOS

The Group continuously applies specific key performance ratios to simplify the comprehension of the consolidated profit and loss statement and balance sheet. The following ratios are directly disclosed in the profit and loss statement:

- Gross profit being the difference between net revenue and total cost of sales;
- EBITDA, being the difference between gross profit, other income and total operating cost plus other income;
- EBIT, being the difference between EBITDA and total depreciation, amortization and impairment adjustments.

ART. 154-BIS OF THE T.U.F.

*As required by paragraph 2, Art. 154-bis of the T.U.F., Digital Bros Group's Chief Financial Officer, Stefano Salbe, declares that the information contained in this press release corresponds to the Group's underlying documents, books and accounting records.*

This press release is available on the websites [www.digitalbros.com](http://www.digitalbros.com) and [www.1info.it](http://www.1info.it).

## DIGITAL BROS GROUP

Listed on the Euronext STAR Milan and part of Euronext Tech Leaders, Digital Bros Group is a global company that has been operating since 1989 as a developer, publisher and distributor of video games through its brand 505 Games. The Group markets its contents on both retail and digital channels. Digital Bros Group is active around the world through its own direct operations in Italy, United States, UK, France, Spain, Germany, Czech Republic, China, Japan, Australia and Canada with 430 employees.

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# DIGITAL BROS GROUP - FINANCIAL STATEMENTS

Consolidated balance sheet as of March 31<sup>st</sup>, 2023

Euro thousand		March 31 <sup>st</sup> , 2023	June 30 <sup>th</sup> , 2022
	Non-current assets		
1	Property, plant and equipment	10,095	10,353
2	Investment properties	0	0
3	Intangible assets	150,163	104,089
4	Equity investments	14,478	7,511
5	Non-current receivables and other assets	17,847	14,072
6	Deferred tax assets	15,297	12,829
7	Non-current financial activities	22,063	18,257
	Total non-current assets	229,943	167,111
	Current assets		
8	Inventories	3,625	4,173
9	Trade receivables	20,717	27,781
10	Tax receivables	2,598	2,926
11	Other current assets	12,976	13,030
12	Cash and cash equivalents	8,117	10,961
13	Other current financial assets	479	329
	Total current assets	48,512	59,200
	<i>TOTAL ASSETS</i>	<i>278,455</i>	<i>226,311</i>
	Shareholders' equity		
14	Share capital	(5,706)	(5,705)
15	Reserves	(26,981)	(22,030)
16	Treasury shares	0	0
17	Retained earnings	(120,498)	(108,160)
	Equity attributable to the shareholders of the Parent Company	(153,185)	(135,895)
	Equity attributable to non-controlling interests	(2,223)	(1,423)
	Total net equity	(155,408)	(137,318)
	Non-current liabilities		
18	Employee benefits	(876)	(761)
19	Non-current provisions	(81)	(81)
20	Other non-current payables and liabilities	(4,901)	(1,954)
21	Non-current financial liabilities	(14,442)	(15,213)
	Total non-current liabilities	(20,300)	(18,009)
	Current liabilities		
22	Trade payables	(51,825)	(52,125)
23	Tax payables	(5,825)	(3,575)
24	Short term provisions	0	0
25	Other current liabilities	(7,923)	(4,657)
26	Current financial liabilities	(37,174)	(10,627)
	Total current liabilities	(102,747)	(70,984)
	<i>TOTAL LIABILITIES</i>	<i>(123,047)</i>	<i>(88,993)</i>
	<i>TOTAL NET EQUITY AND LIABILITIES</i>	<i>(278,455)</i>	<i>(226,311)</i>

Consolidated profit and loss statement for the period ended March 31<sup>st</sup>, 2023

Euro thousand		March 31 <sup>st</sup> , 2023	March 31 <sup>st</sup> , 2022
1	Gross revenue	89,228	83,143
2	Revenue adjustments	(51)	(209)
3	Net revenue	89,177	82,934
4	Purchase of products for resale	(2,176)	(3,920)
5	Purchase of services for resale	(6,814)	(4,894)
6	Royalties	(18,097)	(18,359)
7	Changes in inventories of finished products	(548)	(921)
8	Total cost of sales	(27,635)	(28,094)
9	Gross profit (3+8)	61,542	54,840
10	Other income	12,653	8,122
11	Costs for services	(10,529)	(6,446)
12	Rent and leasing	(449)	(356)
13	Payroll costs	(31,426)	(23,649)
14	Other operating costs	(1,321)	(970)
15	Total operating costs	(43,725)	(31,421)
16	Gross operating margin (EBITDA) (9+10+15)	30,470	31,541
17	Depreciation and amortization	(12,755)	(12,614)
18	Provisions	0	0
19	Asset impairment charge	(580)	(66)
20	Impairment reversal	813	203
21	Total depreciation, amortization and impairment adjustments	(12,522)	(12,477)
22	Operating margin (EBIT) (16+21)	17,948	19,064
23	Interest and financial income	8,583	5,535
24	Interest and financial expenses	(4,908)	(2,162)
25	Net interest income/(expenses)	3,675	3,373
26	Profit/ (loss) before tax (22+25)	21,623	22,437
27	Current tax	(5,724)	(6,935)
28	Deferred tax	(188)	214
29	Total taxes	(5,912)	(6,721)
30	Net profit/loss (26+29)	15,711	15,716
	attributable to the shareholders of the Parent Company	14,911	15,544
	attributable to non-controlling interests	800	172
	Earnings per share:		
33	Basic earnings per share (in Euro)	1.05	1.09
34	Diluted earnings per share (in Euro)	1.01	1.09



Consolidated comprehensive income statement as of March 31<sup>st</sup>, 2023

Euro thousand	March 31 <sup>st</sup> , 2023	March 31 <sup>st</sup> , 2022
Profit (Loss) for the period (A)	15,711	15,716
Actuarial gain (loss)	(3)	(20)
Income tax relating to actuarial gain (loss)	1	5
Changes in the fair value	7,115	(2,776)
Tax effect regarding fair value measurement of financial assets	(1,708)	666
Items that will not be subsequently reclassified to profit or loss (B)	5,405	(2,125)
Exchange differences on translation of foreign operations	(593)	288
Items that will subsequently be reclassified to profit or loss (C)	(593)	288
Total other comprehensive income D= (B)+(C)	4,812	(1,837)
Total comprehensive income (loss) (A)+(D)	20,523	13,879
Attributable to:		
Shareholders of the Parent Company	19,723	13,707
Non-controlling interests	800	(172)

Changes in fair value reflected the changes in third party equity investments that were classified in the consolidated comprehensive income statement and not in the consolidated profit and loss statement.

Consolidated cash flow statement as of March 31<sup>st</sup>, 2023

Euro thousand		March 31 <sup>st</sup> , 2023	March 31 <sup>st</sup> , 2022
A.	Opening net cash/debt	10,961	35,509
B.	Cash flows from operating activities		
	Profit (loss) for the period	15,711	15,716
	<i>Depreciation, amortization and non-monetary costs:</i>		
	Provisions and impairment losses	(580)	(66)
	Amortization of intangible assets	10,775	11,218
	Depreciation of property, plant and equipment	1,980	1,396
	Net change in tax advance	(2,468)	(1,715)
	Net change in employee benefit provisions	115	74
	Net change in other non-current liabilities	4,946	(1,168)
	SUBTOTAL B.	30,479	25,455
C.	Change in net working capital		
	Inventories	548	921
	Trade receivables	7,200	5,118
	Current tax assets	328	(631)
	Other current assets	54	(831)
	Trade payables	(300)	(6,247)
	Current tax liabilities	2,250	(1,271)
	Current provisions	0	(0)
	Other current liabilities	3,266	(4,729)
	Other non-current liabilities	2,947	(1,376)
	Non-current receivables and other assets	(3,775)	(2,361)
	SUBTOTAL C.	12,518	(11,407)
D.	Cash flows from investing activities		
	Net payments for intangible assets	(56,405)	(37,226)
	Net payments for property, plant and equipment	(1,722)	(2,222)
	Net payments for non-current financial assets	(6,967)	2,813
	SUBTOTAL D.	(65,094)	(36,635)
E.	Cash flows from financing activities		
	Capital increases	1	0
	Changes in financial liabilities	25,776	11,014
	Changes in financial assets	(3,956)	(516)
	SUBTOTAL E.	21,821	10,498
F.	Changes in consolidated equity		
	Dividends paid	(2,568)	(2,567)
	Changes in treasury shares held	0	0
	Increases (decreases) in other equity components	0	0
	SUBTOTAL F.	(2,568)	(2,567)
G.	Cash flow for the period (B+C+D+E+F)	(2,844)	(14,656)
H.	Closing net cash/debt (A+G)	8,117	20,853

## Third quarter consolidated profit and loss statement

	Euro thousand	Q3 2022/2023		Q3 2021/2022		Change	
1	Gross revenue	29,391	100.0%	27,625	100.1%	1,765	6.4%
2	Revenue adjustments	(5)	0.0%	(16)	-0.1%	11	-69.1%
3	Net revenue	29,386	100.0%	27,609	100.0%	1,777	6.4%
4	Purchase of products for resale	(638)	-2.2%	(1,116)	-4.0%	478	-42.8%
5	Purchase of services for resale	(2,450)	-8.3%	(1,936)	-7.0%	(514)	26.6%
6	Royalties	(4,233)	-14.4%	(4,666)	-16.9%	432	-9.3%
7	Changes in inventories of finished products	(126)	-0.4%	(207)	-0.8%	82	-39.5%
8	Total cost of sales	(7,447)	-25.3%	(7,925)	-28.7%	478	-6.0%
9	Gross profit (3+8)	21,939	74.7%	19,684	71.3%	2,255	11.5%
10	Other income	4,682	15.9%	2,967	10.7%	1,714	57.8%
11	Costs for services	(3,186)	-10.8%	(2,241)	-8.1%	(944)	42.1%
12	Rent and leasing	(140)	-0.5%	(123)	-0.4%	(16)	13.7%
13	Payroll costs	(10,859)	-37.0%	(8,147)	-29.5%	(2,711)	33.3%
14	Other operating costs	(543)	-1.8%	(316)	-1.1%	(226)	71.8%
15	Total operating costs	(14,728)	-50.1%	(10,827)	-39.2%	(3,902)	36.0%
16	Gross operating margin (EBITDA) (9+10+15)	11,893	40.5%	11,824	42.8%	69	0.6%
17	Depreciation and amortization	(5,292)	-18.0%	(5,023)	-18.2%	(269)	5.4%
18	Provisions	0	0.0%	0	0.0%	0	0.0%
19	Asset impairment charge	0	0.0%	(8)	0.0%	7	-94.9%
20	Impairment reversal	0	0.0%	45	0.2%	(45)	n.m.
21	Total depreciation, amortization and impairment adjustments	(5,292)	-18.0%	(4,986)	-18.1%	(304)	6.1%
22	Operating margin (EBIT) (16+21)	6,601	22.5%	6,838	24.8%	(237)	-3.5%
23	Interest and financial income	1,048	3.6%	1,689	6.1%	(641)	-38.0%
24	Interest and financial expenses	(1,180)	-4.0%	(816)	-3.0%	(364)	44.5%
25	Net interest income/(expenses)	(132)	-0.4%	873	3.2%	(1,005)	n.m.
26	Profit/ (loss) before tax (22+25)	6,469	22.0%	7,711	27.9%	(1,242)	-16.1%
27	Current tax	(1,477)	-5.0%	(2,366)	-8.6%	889	-37.6%
28	Deferred tax	(262)	-0.9%	(19)	-0.1%	(243)	n.m.
29	Total taxes	(1,739)	-5.9%	(2,385)	-8.6%	646	-27.1%
30	Net profit/loss (26+29)	4,730	16.1%	5,326	19.3%	(596)	-11.2%
	attributable to the shareholders of the Parent Company	3,620	12.3%	4,919	17.8%	(1,299)	-26.4%
	attributable to non-controlling interests	1,110	3.8%	407	1.5%	703	n.m.
	Earnings per share:						
33	Basic earnings per share (in Euro)						
34	Diluted earnings per share (in Euro)	0.26		0.34		(0.08)	-23.5%

Consolidated statement of changes in equity as of March 31<sup>st</sup>, 2023

Euro thousand	Share capital (A)	Share premium reserve	Legal reserve	IAS transition reserve	Currency translation reserve	Other reserves	Total reserves (B)	Treasury shares (C)	Retained earnings	Profit (loss) for the year	Total retained earnings (D)	Equity of parent company shareholders (A+B+C+D)	Equity of non-controlling interests	Total equity
Total on July 1 <sup>st</sup> , 2022	5,704	18,486	1,141	1,367	(1,339)	3,361	23,016	0	50,156	32,025	82,181	110,901	890	111,791
Allocation of previous year result							0		32,025	(32,025)	0	0	0	0
Dividend paid									(2,567)		(2,567)	(2,567)		(2,567)
Other changes						247	247				0	247	423	670
Comprehensive income (loss)					288	(2,125)	(1,837)			15,544	15,544	13,707	172	13,879
Total on March 31 <sup>st</sup> , 2022	5,704	18,486	1,141	1,367	(1,051)	1,483	21,426	0	79,614	15,544	95,158	122,288	1,485	123,773
Total on July 1 <sup>st</sup> , 2022	5,705	18,507	1,141	1,367	(611)	1,626	22,030	0	79,614	28,546	108,160	135,895	1,423	137,318
Capital increases	1	21					21				0	22		22
Allocation of previous year result							0		28,546	(28,546)	0	0	0	0
Dividend paid									(2,568)		(2,568)	(2,568)		(2,568)
Other changes						118	118		(5)		(5)	113		113
Comprehensive income (loss)					(593)	5,405	4,812			14,911	14,911	19,723	800	20,523
Total on March 31 <sup>st</sup> , 2023	5,706	18,528	1,141	1,367	(1,204)	7,149	26,981	0	105,587	14,911	120,498	153,185	2,223	155,408

Consolidated profit and loss statement per operating segment as of March 31<sup>st</sup>, 2023

Consolidated amounts in Euro thousand		Premium Games	Free to Play	Italian Distribution	Other Activities	Holding	Total
1	Gross revenue	69,349	17,235	1,939	705	0	89,228
2	Revenue adjustments	0	0	(51)	0	0	(51)
3	Net revenue	69,349	17,235	1,888	705	0	89,177
4	Purchase of products for resale	(864)	0	(1,312)	0	0	(2,176)
5	Purchase of services for resale	(4,041)	(2,773)	0	0	0	(6,814)
6	Royalties	(13,386)	(4,711)	0	0	0	(18,097)
7	Changes in inventories of finished products	(276)	0	(272)	0	0	(548)
8	Total cost of sales	(18,567)	(7,484)	(1,584)	0	0	(27,635)
9	Gross profit (3+8)	50,782	9,751	304	705	0	61,542
10	Other income	9,902	2,751	0	0	0	12,653
11	Costs for services	(5,941)	(2,438)	(194)	(407)	(1,549)	(10,529)
12	Rent and leasing	(90)	(152)	(11)	(3)	(193)	(449)
13	Payroll costs	(18,679)	(7,519)	(664)	(435)	(4,129)	(31,426)
14	Other operating costs	(576)	(145)	(33)	(26)	(541)	(1,321)
15	Total operating costs	(25,286)	(10,254)	(902)	(871)	(6,412)	(43,725)
16	Gross operating margin (EBITDA) (9+10+15)	35,398	2,248	(598)	(166)	(6,412)	30,470
17	Depreciation and amortization	(9,853)	(1,859)	(108)	(262)	(673)	(12,755)
18	Provisions	0	0	0	0	0	0
19	Asset impairment charge	(565)	0	(15)	0	0	(580)
20	Impairment reversal	0	813	0	0	0	813
21	Total depreciation, amortization and impairment adjustments	(10,418)	(1,046)	(123)	(262)	(673)	(12,522)
22	Operating margin (EBIT) (16+21)	24,980	1,202	(721)	(428)	(7,085)	17,948