



MINDARK PE AB (PUBL)
INTERIM REPORT Q1 2024



Q1 SUMMARIZED

1 JANUARY – 31 MARCH 2024

Group figures. Comparative figures in parentheses refer to the same period last year.

- » Turnover amounted to 20.7 MSEK (26.5 MSEK)
- » Work in progress amounted to 5 MSEK (7.7 MSEK)
- » Operating profit amounted to 1.1 MSEK (4.2 MSEK)
- » Profit before tax amounted to 88 TSEK (4.5 MSEK)
- » Cash & cash equivalents including short-term investments 38.3 MSEK
- » No interest-bearing liabilities
- » Provision for unspent user funds 35.6 MSEK
- » Earnings per share for the period amounted to -0.07 SEK (0.11 SEK)

TURNOVER Q1 2024
20.7 MSEK
(26.5 MSEK)

OPERATING PROFIT Q1 2024
1.1 MSEK
(4.2 MSEK)

SIGNIFICANT EVENTS

FIRST QUARTER 2024

 Henrik Nel Jerkrot steps down as CEO in March 2024 after six years in the position. Leif Evander Andersson, who has been a member of the Board since May 2023, takes over as acting CEO.

AFTER THE END OF THE Q1 PERIOD

 In April 2024, MindArk terminated the agreement with Pareto Securities AB, the liquidity provider for MindArk's shares. MindArk's Board of Directors concludes that the service is no longer necessary.

GROUP SALES AND PROFIT IN SUMMARY

	Q1 2024	Q1 2023	2023	2022
(in KSEK)	January - March	January - March	January- December	January- December
Total operating income	26 078	34 444	150 206	124 642
Total operating expenses	-24 943	-30 233	-129 743	-103 286
Profit before tax	88	4 537	19 274	12 045
Earnings per share for the period, parent company	-0,07 SEK	0,11 SEK	0,56 SEK	0,23 SEK

This information is information that MindArk PE AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication 08:00 CEST on May 15, 2024.

COMPANY DESCRIPTION

ABOUT MINDARK

MindArk PE AB (publ) develops, operates and markets Entropia Universe and the Entropia Platform. Entropia Universe is a virtual universe with a unique integrated economic system and stunning graphics. The client software is free-of-charge and available to anyone with internet access. The Entropia Platform is a secure entertainment and business platform, enabling companies and organizations all over the world to build content on themed planets inside the Entropia Universe.

REVENUE MODEL

Entropia Universe is a so-called “free-to-play” game, which means that the game is free to download and there is no monthly fee or initial cost. Instead, MindArk’s revenue is generated by microtransactions that occur when users choose to use various items or features in Entropia Universe. Like the real world, almost all types of activities in Entropia Universe are resource intensive. Users switch from different currencies to Entropia Universe’s own internal currency, PED (PED has a fixed exchange rate against the USD, where 1 USD = 10 PED). The user then receives a corresponding amount of PED, calculated via the European Central Bank’s daily USD exchange rate, into their Entropia Universe account, which they can use to purchase digital items such as weapons, vehicles, or real estate.

MindArk generates revenue through usage, wear and tear, auction fees (when items are purchased and sold between users) and

through direct sales (which include the sale of virtual items and properties, usually via auctions in Entropia Universe). MindArk also charges a withdrawal fee of 1% on all withdrawals (i.e. payment of local currency into the user’s bank account). The minimum withdrawal amount is 1000 PED, which is equivalent to 100 USD. On average, each user generates 1.3 USD in revenue per hour spent in Entropia Universe. This revenue per user has remained relatively stable over the last 10 years.

Users are engaged not only by traditional computer game entertainment but also by the potential to earn money through revenue-generating activities. This further contributes to increased activity in Entropia Universe and increased revenues for MindArk.

MINDARK AND ITS AFFILIATES

MindArk is the parent company of a group with three subsidiaries, Euso AB, ARP Universe AB (publ) and Green Fund Finance Sweden AB. All companies are based in Gothenburg. No activities are carried out in the subsidiaries and the companies are in liquidation.

MESSAGE FROM THE CEO

In the first quarter of 2024, MindArk continued its efforts to deepen AI integration across the organization. This work is a continuous process that evolves as the technological horizon expands. We have already started to see these investments pay off through more efficient processes, faster development and more nuanced data processing that will improve our strategic decisions.

The financial overview in this quarter shows a turnover of 20.7 million SEK, a decrease compared to the same period last year, mainly due to lower consumption in Entropia Universe. However, it is important to note that the first quarter of 2023 was exceptionally strong, largely due to our 20th anniversary Entropia Universe events launched then. These events contribute significantly to player engagement, and we recognize the importance of balancing these activities to maintain long-term excitement in the universe.

Our commitment to constantly improving and evolving both Entropia Universe and our internal systems remains unchanged. At the end of March, we revived our popular “Easter

Mayhem” event and introduced a new user interface that was well received by our users.

We continue to incrementally leverage AI to accelerate processes to reach our goal of including Unreal 5 as the dominant graphics engine, marking a significant step forward in improving and future-proofing the user experience.

We remain committed to staying at the forefront of technology, especially in AI and reinforcement learning. Through improved data processing, we are confident that our decisions will become wiser, which in turn will lead to more captivating and entertaining content. This will not only increase engagement among our users but also simplify the understanding and use of our product, thereby increasing the potential target audience, all with the aim of generating additional shareholder value.



LEIF EVANDER ANDERSSON

Acting CEO of MindArk PE AB (publ)



TECHNICAL DEVELOPMENT OF ENTROPIA UNIVERSE Q1 2024

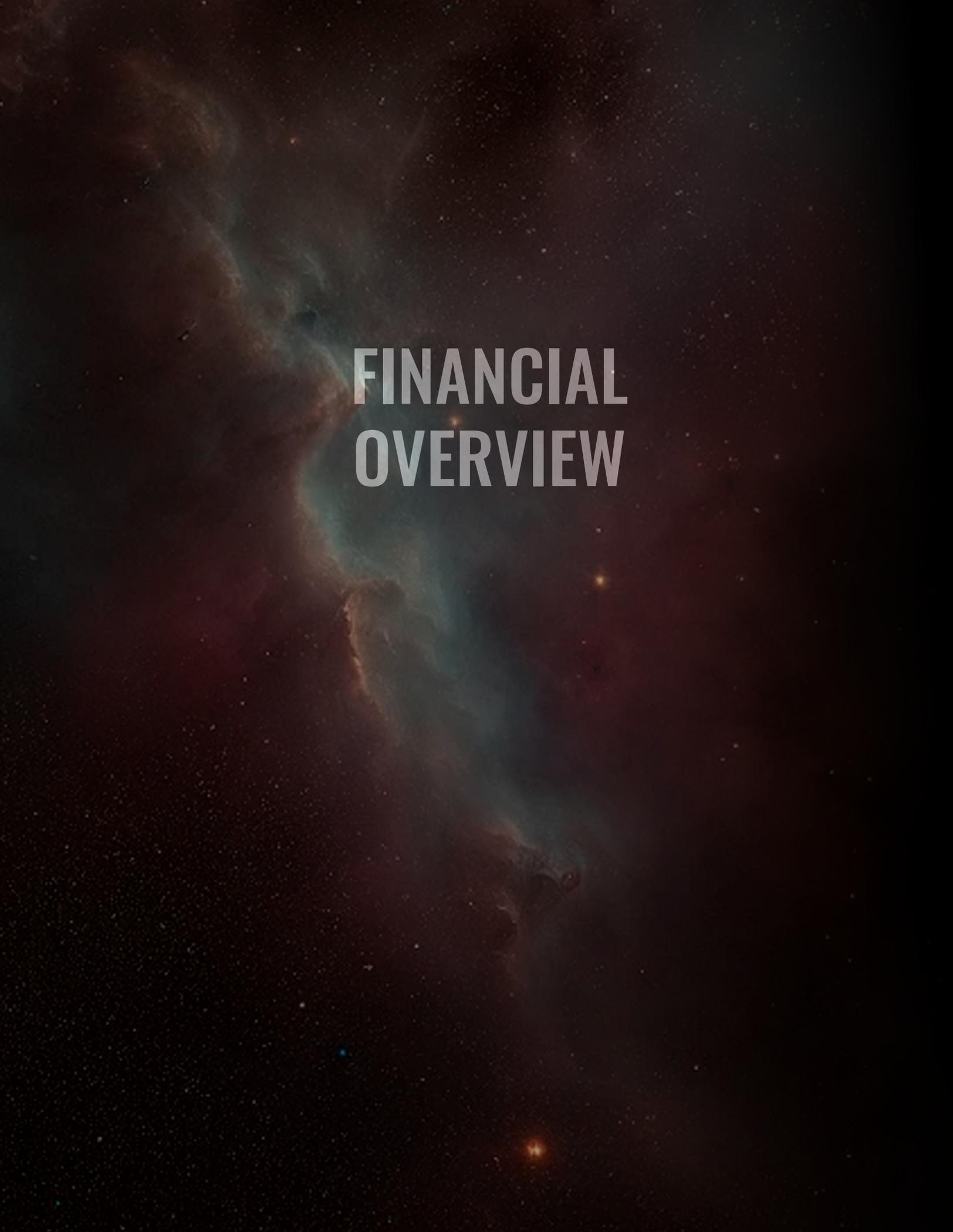
During the first quarter of 2024, the Entropia Universe team has been working hard to continue delivering exciting and engaging experiences to players. “TWIN”, an event that started last year is set to end early in the second quarter. The annual recurring “Easter Mayhem” was activated during the Easter weekend, where small but significant adjustments were implemented to ensure the success of the event.

On the graphical front, MindArk has implemented several upgrades. A large number of armor pieces in the game have received a major visual update, created using the updated graphics production pipeline, improving not only the aesthetics but also the gameplay experience. The company has also updated many of Entropia’s terrain textures, improving their pixel density and implementing additional detail maps to improve the visual complexity of the game’s environments. Vegetation and creatures have also been updated to meet modern Physically Based Rendering standards. These changes contribute to a more realistic and visually appealing environment for players to explore and allow for easier conversion to Unreal Engine 5.

Technical developments during the quarter included a comprehensive update of the game’s Heads-Up Display (HUD) and User Interface (UI). These changes have not only introduced new features and improved functionality but also significantly increased performance. This project has resulted in a more unified design and technical improvement, significantly reducing development time for future updates.

Work has continued on developing the Unreal Engine 5 client to run the current Entropia Universe and its content. The next phase of development is scheduled to begin soon.

Improvements have also been made in the management of the game’s existing server infrastructure, including optimized startup and shutdown. Finally, the quarter has also been characterized by the continued use and integration of AI tools, in particular ChatGPT-4, to increase efficiency in daily work. This is part of a broader effort to use advanced technology to reduce development time and improve internal processes.



FINANCIAL OVERVIEW

CONSOLIDATED INCOME STATEMENT

(in KSEK)	2024-01-01 - 2024-03-31	2023-01-01 - 2023-03-31	2023-01-01 - 2023-12-31
Net sales	20 724	26 531	121 956
Capitalized work	5 009	7 737	26 205
Other income	345	176	2 045
Total income	26 078	34 444	150 206
<i>Operating expenses</i>			
Other external costs	-11 142	-13 647	-51 064
Personnel costs	-9 612	-13 387	-63 884
Amortization and depreciation	-4 189	-3 199	-14 795
Total operating expenses	-24 943	-30 233	-129 743
Operating profit	1 135	4 211	20 463
<i>Financial items</i>			
Profit from other securities and receivables accounted for as non-current assets	882	167	-1 068
Other interest income and similar items	40	10	155
Interest cost and similar items	0	-1	-85
Exchange rate differences	-1 969	150	-192
Total financial items	-1 047	326	-1 190
Profit after financial items	88	4 537	19 273
Profit before tax	88	4 537	19 273
Income tax	-2 385	-935	-4 312
Net profit	-2 297	3 602	14 961
Attributable to owners of the parent	-2 297	3 602	14 961

CONSOLIDATED BALANCE SHEET

(in KSEK)	2024-03-31	2023-12-31
ASSETS		
Non-current assets		
<i>Intangible assets</i>		
Entropia Platform and Entropia Universe	99 877	98 515
Other intangible assets	3 981	4 232
Total intangible assets	103 858	102 747
<i>Tangible assets</i>		
Equipment and computer hardware	2 709	2 934
Total tangible assets	2 709	2 934
<i>Financial assets</i>		
Other long-term securities	202	202
Total financial assets	202	202
Total non-current assets	106 769	105 883
Current assets		
<i>Stock-in-trade etc</i>		
Commercial goods	96	100
Total stock-in-trade etc	96	100
<i>Short-term receivables</i>		
Account receivables	390	388
Receivables from payment providers	2 562	2 165
Current tax assets	1 175	0
Other receivables	3 502	3 192
Prepaid expenses and accrued income	2 718	2 901
Total short-term receivables	10 347	8 646
<i>Short-term investments</i>		
Other short-term investments	7 390	9 595
<i>Cash and bank balances</i>	30 920	27 030
Total current assets	48 753	45 371
TOTAL ASSETS	155 522	151 254

CONSOLIDATED BALANCE SHEET

(in KSEK)	2024-03-31	2023-12-31
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital	1 576	1 576
Other contributed capital	33 951	33 951
Other equity incl. profit for the period	49 188	51 485
Equity attributable to owners of the parent	84 715	87 012
Non-controlling interests		
Non-controlling interests	6	6
Total equity	84 721	87 018
Allocations		
Allocation unconsumed user holdings	35 639	33 003
Estimated deferred tax	12 264	9 897
Total allocations	47 903	42 900
Long-term liabilities		
Other liabilities	45	44
Total long-term liabilities	45	44
Short-term liabilities		
Accounts payable	2 648	2 739
Current tax liabilities	0	110
Other liability	3 317	4 405
Accrued expenses and prepaid income	16 888	14 038
Total short-term liabilities	22 853	21 292
TOTAL EQUITY AND LIABILITIES	155 522	151 254

CONSOLIDATED STATEMENT OF CASH FLOWS

(in KSEK)	2024-01-01 - 2024-03-31	2023-01-01 - 2023-03-31	2023-01-01 - 2023-12-31
Operating profit before financial items			
Operating profit before financial items	1 135	4 211	20 462
Adjustment for depreciation	4 189	3 198	14 796
Adjustment for other non-cash items, etc.	-5 133	-7 726	-40 178
	191	-317	-4 920
Interest received	40	10	156
Interest paid	0	-1	-70
Income tax paid	-1 302	-5 226	-5 516
	-1 071	-5 534	-10 350
Increase/decrease in inventories	4	18	56
Increase/decrease in trade receivables	-2	2	1 106
Increase/decrease in other current receivables	-524	3 261	4 711
Increase/decrease in trade payables	-92	-1 415	-1 418
Increase/decrease in other current operating liabilities	1 762	-389	1 960
Cash flow from operating activities	77	-4 057	-3 935
Investing activities			
Purchase of intangible assets	0	0	-207
Purchase of equipment	-66	-485	-770
Sale/amortization of other financial assets	0	4	4
Increase/decrease in short-term financial investments and receivables	3087	-215	-625
Cash flow from investing activities	3 021	-696	-1 598
Financing activities			
Dividends paid	0	0	0
Cash flow from financing activities	0	0	0
Cash flow for the period	3 098	-4 753	-5 534
Ingoing cash and bank balances	27 030	32 797	32 797
Exchange rate differences in cash and bank balances	791	-168	-233
Outgoing cash and bank balances	30 919	27 876	27 030

PARENT COMPANY'S INCOME STATEMENT

(in KSEK)	2024-01-01 - 2024-03-31	2023-01-01 - 2023-03-31	2023-01-01 - 2023-12-31
Net sales	20 724	26 531	121 956
Capitalized work	5 009	7 737	26 205
Other income	345	176	1 858
Total income	26 078	34 444	150 019
<i>Operating expenses</i>			
Other external costs	-11 142	-13 645	-51 055
Personnel costs	-9 612	-13 387	-63 884
Amortization and depreciation	-4 189	-3 199	-14 796
Total operating expenses	-24 943	-30 231	-129 735
Operating profit	1 135	4 213	20 284
<i>Financial items</i>			
Profit from participations in group companies	0	0	97
Profit from other securities and receivables accounted for as non-current assets	882	167	-1 068
Other interest income and similar items	40	10	155
Interest cost and similar items	0	-1	-85
Exchange rate differences	-1 969	150	-192
Total financial items	-1 047	326	-1 093
Profit after financial items	88	4 539	19 191
Transfers to/from untaxed reserves	0	0	5 162
Net profit before tax	88	4 539	24 353
Income tax	-2 385	-935	-5 384
Net profit	-2 297	3 604	18 969

PARENT COMPANY'S BALANCE SHEET

(in KSEK)	2024-03-31	2023-12-31
ASSETS		
Non-current assets		
<i>Intangible assets</i>		
Entropia Platform and Entropia Universe	99 877	98 515
Other intangible assets	3 981	4 231
Total intangible assets	103 858	102 746
<i>Tangible assets</i>		
Equipment and computer hardware	2 709	2 934
Total tangible assets	2 709	2 934
<i>Financial assets</i>		
Shares in subsidiaries	1 142	1 143
Other long-term securities	202	202
Total financial assets	1 344	1 345
Total non-current assets	107 911	107 025
Current assets		
<i>Stock-in-trade etc</i>		
Commercial goods	96	100
Total stock-in-trade etc	96	100
<i>Short-term receivables</i>		
Account receivables	390	389
Receivables from payment providers	2 562	2 166
Current tax assets	1 175	0
Other receivables	3 502	3 191
Prepaid expenses and accrued income	2 718	2 901
Total short-term receivables	10 347	8 647
<i>Short-term investments</i>		
Other short-term investments	7 390	9 594
<i>Cash and bank balances</i>	30 878	26 989
Total current assets	48 711	45 330
TOTAL ASSETS	156 622	152 355

PARENT COMPANY'S BALANCE SHEET

(in KSEK)	2024-03-31	2023-12-31
EQUITY AND LIABILITIES		
Equity		
Restricted equity		
Share capital	1 576	1 576
Revaluation reserve	18 115	18 786
Restricted reserves	50	50
Fund for development	73 577	71 370
Total restricted equity	93 318	91 782
Non-restricted equity		
Share premium reserve	33 951	33 951
Profit brought forward	-40 250	-57 683
Net profit	-2 297	18 969
Total non-restricted equity	-8 596	-4 763
Total equity	84 722	87 019
Untaxed reserves	0	0
Allocations		
Allocation unconsumed user holdings	35 639	33 003
Estimated deferred tax	12 264	9 897
Total allocations	47 903	42 900
Long-term liabilities		
Other liabilities	45	45
Total long-term liabilities	45	45
Short-term liabilities		
Accounts payable	2 648	2 739
Liabilities group companies	1 100	1 100
Current tax liabilities	0	110
Other liability	3 317	4 405
Accrued expenses and prepaid income	16 887	14 038
Total short-term liabilities	23 952	22 392
TOTAL EQUITY AND LIABILITIES	156 622	152 356

PARENT COMPANY'S STATEMENT OF CASH FLOWS

(in KSEK)	2024-01-01 - 2024-03-31	2023-01-01 - 2023-03-31	2023-01-01 - 2023-12-31
Operating profit before financial items			
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Income tax paid	-1 302	-5 226	-5 516
	-1 071	-5 532	-10 528
Increase/decrease in inventories	4	18	56
Increase/decrease in trade receivables	-2	2	21
Increase/decrease in other current receivables	-524	3 262	4 871
Increase/decrease in trade payables	-92	-1 415	-1 418
Increase/decrease in other current operating liabilities	1 762	-390	3 068
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Investing activities			
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Increase/decrease in short-term financial investments and receivables	3 087	-215	-625
Cash flow from investing activities	3 021	-696	-1 598
Financing activities			
Dividends paid	0	0	0
Cash flow from financing activities	0	0	0
Cash flow for the period	3 098	-4 751	-5 529
Ingoing cash and bank balances	26 989	32 750	32 750
Exchange rate differences in cash and bank balances	791	-168	-233
Outgoing cash and bank balances	30 878	27 831	26 989

COMMENTS ON THE FINANCIAL OVERVIEW

UNCONSUMED USER HOLDINGS IN Q1 2024

All users in Entropia Universe have an in-game account where cash in the form of the virtual in-game currency PED or digital items are placed. The sum of these cash funds and digital items is the user's unconsumed user holdings.

Unconsumed user holdings have somewhat increased during the first quarter, from 140.5 million PED to 141.7 million PED, an increase of 1.2 million PED. However, the total amount increased significantly more in SEK as the SEK/USD exchange rate has increased from 10.04 SEK/USD at the end of December 2023 to 10.66 SEK/USD at the end of March 2024 (10 PED=1 USD). This resulted in an increase of 10 million in SEK, from 141.1 million SEK to 151 million SEK.

With the closing of the financial year 2023, the company has implemented a new policy to calculate and report the allocation for unconsumed user holdings on the company's balance sheet.

Previous methodology: Historically, the company has calculated the allocation for unconsumed user holdings by looking at all previous years since the launch of the game 20 years ago and considering the years when withdrawals were high. This methodology has provided the company with a comprehensive overview of users' behavior over time.

New policy: With the new policy, the company now focuses on the last five years of data to better reflect current user behavior and economic trends. The average of withdrawals over the last five years stands at 23.6%. This change aims to provide a more current and relevant picture of the company's allocation needs for unconsumed user holdings in Entropia Universe.

As of March 31, 2024, the total liability for unconsumed user holdings amounted to 141.7 million PED. According to the new calculation methodology based on the new five-year average figure of 23.6%, the company estimates the real debt at the end of March 2024 to be 33.4 million PED which is equivalent to 35.6 million SEK. This policy change also reflects the company's continuous efforts to improve financial processes and at the same time ensure that the item of unconsumed user holdings is reflected in a sustainable and responsible manner.

OPERATIONS DURING JANUARY - MARCH 2024, PARENT AND GROUP

Net sales for the first quarter amounted to 20.7 million SEK (26.5 m SEK). The decrease in sales is due to several factors. Usage inside Entropia Universe during the first quarter decreased by 12% compared to the same period last year. The average dollar exchange rate during the quarter has been approximately the same as in Q1 last year (10.39 SEK/USD versus 10.42 SEK/USD in Q1 last year), which means that the decrease in Entropia converted to SEK is equivalent. In addition to the decrease in revenue in Entropia Universe, the allocation for unconsumed user holdings has resulted in 2.9 million SEK lower revenue in Q1 this year compared to last year and revenue from inactive user accounts has resulted in 300 thousand SEK lower revenue in Q1 this year compared to last year. This gives a total revenue decrease of 21.9%.

Capitalization of development costs during the first quarter amounts to 5 million SEK (7.7 m SEK). Other operating income amounts to 345 thousand SEK (176 t SEK) and total revenue amounts to 26.1 million SEK (34.4 m SEK).

Operating expenses for the first quarter ended at 24.9 million SEK (30.2 m SEK). This reduction

can primarily be attributed to lower personnel costs compared to the same quarter of the previous year, reflecting the comprehensive impact of the company's recent reorganization. The company also has lower external costs for consultants, marketing, and other premises costs. However, there has been an uptick in depreciation expenses. This is consequent to an increase in capitalized development costs by 23.5 million SEK during the last twelve months which in turn has precipitated a rise in the depreciation expenses by 1 million SEK for the first quarter, when compared to the corresponding quarter of the previous year.

Operating profit for the quarter stands at 1.1 million SEK (4.2 m SEK). Financial items amount to -1 million SEK (326 t SEK). Result before tax ends at 88 thousand SEK (4.5 m SEK). Tax on the result for the period consists mainly of the period's changes in deferred tax liabilities, which at the end of the period are entirely attributable to temporary differences between the book and tax values of the Group's assets, and tax on profit for the year.



Earnings per share

Result after tax for the parent company for the first quarter amounts to -2.3 million SEK. When divided by 31.5 million shares (the number of shares after reverse split), earnings per share amounts to -0.07 SEK per share (0.11 SEK per share, divided by the same number of shares).

Investments for parent company and group

The capitalization in the balance sheet of salary and consultancy costs for the development of Entropia Universe for the first quarter amounts to 5 million SEK (7.7 m SEK). The capitalized amounts are reported under the heading of fixed assets in the balance sheet and total revenue in the income statement. Other investments during the quarter of 66 thousand SEK (485 t SEK) are related to investments in mainly computers.

MindArk's currency exposure

All financial transactions within Entropia Universe are denominated in the virtual in-game currency PED. All exchange transactions to and from the PED are controlled by MindArk. Furthermore, MindArk repurchases PED at a fixed exchange rate against the USD (10 PED = 1 USD). The exchange rate between USD and

MindArk's accounting currency SEK has fluctuated during first quarter of 2024, between 10.09 SEK per USD to a maximum of 10.66 SEK per USD.

Deposits to MindArk's bank accounts (directly or through payment providers) in foreign currencies, mainly USD, are exchanged into SEK at the current daily exchange rate. The company's income in PED is converted via USD to SEK at the average monthly USD exchange rate. Assets and liabilities in foreign currencies are converted at the exchange rate on March 31, 2024, which amounts to 10.66 SEK/USD. When large fluctuations in the exchange rate between SEK and USD occur, it results in large fluctuations in MindArk's reported income. The company forward-hedges 50% of the USD foreign exchange inflow to be converted into SEK six months in advance, i.e. when expenses and withdrawals in USD have been paid. This policy means that the Group significantly reduces its currency exposure.



Parent company's equity

MindArk's adjusted equity amounted to 84.7 million SEK at the end of the period, divided into 31.5 million shares. The adjusted equity per share amounted to 2.69 SEK per share (2.40 SEK per share).

At the extraordinary general meeting on November 15, 2021, the meeting resolved on a directed new issue of a maximum of 7,881,156 warrants (warrants Series 2 2021/2025) to the Company's employees as an incentive program. In the event of full exercise of the options to subscribe for new shares, the share capital will increase by 78,811.56 SEK and the dilution of existing shares and votes will be 4.8 percent. The options expire in 2025 and the exercise price is SEK 15 per share. The company has no other outstanding option programs or securities that can lead to dilution effects for shareholders.

Pledged assets

The parent company has a corporate mortgage of 3 million SEK for an unutilized overdraft facility with SEB.

Employees

At the end of the period, the group employed a total of 37 (62) people, including 10 (11) women. All are employees in the parent company.

Reporting period

The report covers the period January 1 – March 31, 2024.

Rounding

All amounts in the report are stated in thousands of SEK unless otherwise stated. Rounding errors may occur in tables that sum multiple amounts.



SHARES & SHAREHOLDERS

Ownership structure as of March 31, 2024

MindArk PE AB (publ), reg. no. 556640-4769 is a public company listed on the Spotlight Stock Market. The share has the ISIN code SE0019354358 and is traded under the ticker MNDRK. Ownership overview shows the situation as of March 31, 2024. The information is obtained from Euroclear Sweden who manages the Company's share register.

Shareholder	Shares	Votes
Tetiana Karunna*	34.89%	34.89%
Fam. Bothén**	17.48%	17.48%
Futur Pension	5.33%	5.33%
Nordic Tender Holdings	3.49%	3.49%
Megetgod Invest APS	2.19%	2.19%
The Bank of NY Mellon/Fam. Tullet	2.02%	2.02%
Mindarkkoncernens Vinstandelsstiftelse	1.89%	1.89%
Kronboken	1.41%	1.41%
Lars Hammarström	1.26%	1.26%
<i>Other (about 900 shareholders)</i>	<i>30.04%</i>	<i>30.04%</i>
Total	100%	100%

* Close relative to founder Jan Welter Timkrans

** In person & via company

Number of shares

Number of shares MindArk PE AB (publ) had 157 623 125 shares outstanding as of December 31, 2022. In January 2023, a reverse split of 1:5 was carried out, upon which the company had 31 524 625 shares. The number of shares remains unchanged at the end of Q1 2024.

OTHER INFORMATION

Accounting principles

The annual report has been prepared in accordance with the Swedish Annual Accounts Act. The accounting principles applied conform with the Annual Accounts Act as well as recommendations and comments from the Accounting Standard Committee. The annual accounts and the consolidated accounts drawn up in accordance with BFNAR 2012: 1 Årsredovisning och koncernredovisning (K3). The accounting policies applied in this report are set out in the 2023 Annual report.

Significant risks and uncertainties

MindArk 's operations and financial situation may be impacted by a number of risks and uncertainties. These are described in the annual report for 2023.

Related party transactions

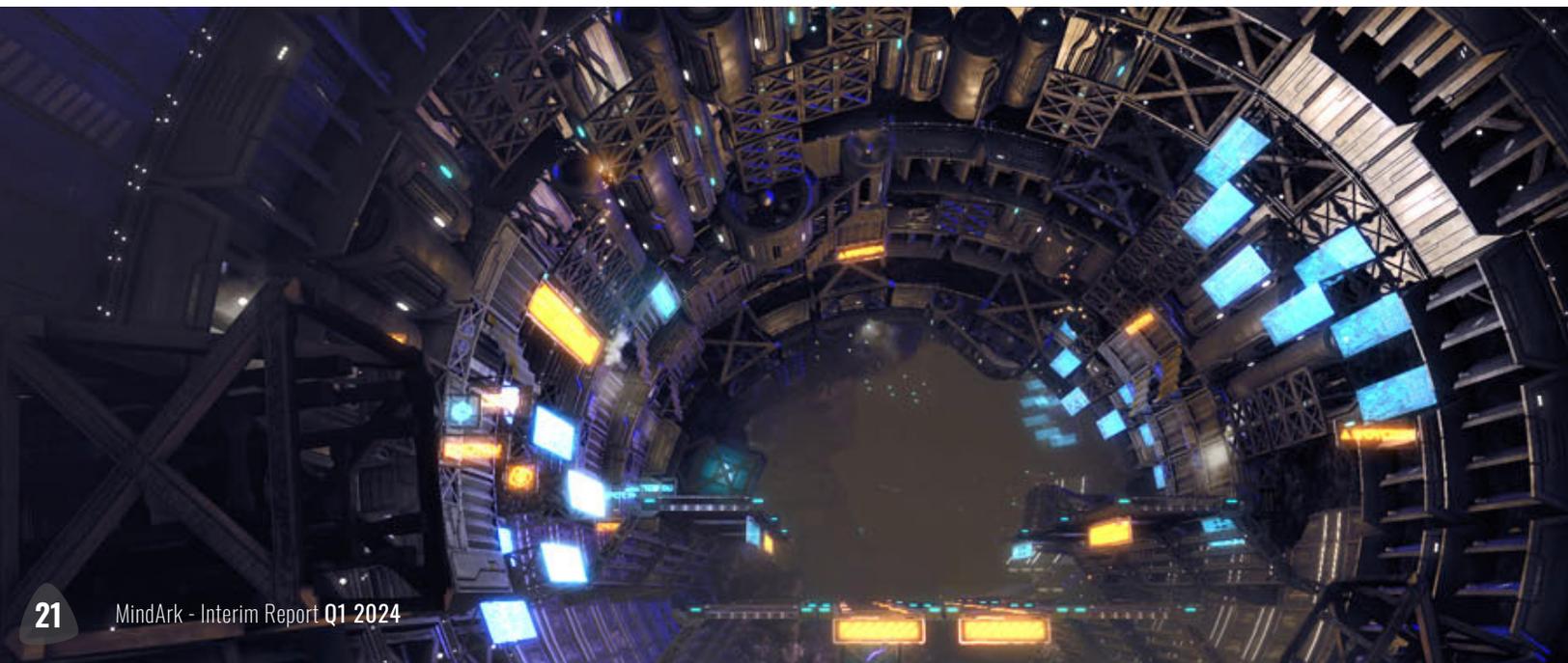
No transactions that significantly affected the Company's results and financial position have been carried out with related parties during the period.

Auditor

This financial statement has not been reviewed by the Company's auditor.

Financial calendar

Interim report Q2 2024	August 28, 2024
Interim report Q3 2024	October 25, 2024



DECLARATION FROM THE BOARD OF DIRECTORS

The Board of Directors declares that this interim report gives a true and fair view of the company's and the group's business, financial position and results and describes the material risks and uncertainties facing the Company and its group companies.

Gothenburg, May 15, 2024

Björn Dierks
Chairman

Klas Moreau
Board Member

Karl Linus Norén
Board Member

Leif Evander Andersson
Board Member &
acting CEO

DEFINITIONS

Term	Description
Project Entropia Dollar (PED)	The in-game currency used in Entropia Universe that has a fixed exchange rate against the USD
MMORPG	Genre of computer game in which a large number of users interact with each other in a virtual world
Virtual world	Computer-based simulated environment populated by users who can create a personal character while exploring a virtual world
Single-shard world	A seamless world in which all users move and interact over a server
Free-to-play	The game is free to download and instead the developer's revenue comes from in-game microtransactions
Play-to-earn	Users can generate revenue through in-game activities which can be converted into real currency
Unconsumed user funds	The total amount of user funds not yet spent
Real Cash Economy (RCE)	Real Cash Economy (RCE) means that items in the virtual world also have a real value
Q1	First quarter of the reporting year
EBITDA	Earnings before interest, taxes, depreciation & amortization



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