



**WICKET
GAMING**

INTERIM REPORT

APRIL – JUNE 2023

SUMMARY

The Group arose during the fourth quarter of 2022. Consequently, the figures presented in this report for the Group do not include any comparison with the corresponding period in the previous year.

Second quarter 01/04/2023 – 30/06/2023 (Group)

- Net sales: SEK 6,400 thousand.
- Earnings before interest, taxes, depreciation and amortisation (EBITDA): SEK -1,904 thousand.
- Net loss after financial items: SEK -4,789 thousand.
- Earnings per share: SEK -0.29 before dilution and SEK -0.19 after dilution.
- Investments during the period amounted to SEK -2,356 thousand.
- Cash flow for the period amounted to SEK -1,538 thousand.

Six months 01/01/2023 – 30/06/2023 (Group)

- Net sales: SEK 12,971 thousand.
- Earnings before interest, taxes, depreciation and amortisation (EBITDA): SEK -4,198 thousand.
- Net loss after financial items: SEK -10,837 thousand.
- Earnings per share: SEK -0.65 before dilution and SEK -0.44 after dilution.
- Investments during the period amounted to SEK -4,466 thousand.
- Cash flow for the period amounted to SEK -2,924 thousand.

Significant events during the second quarter

The following is a summary of a selection of Wicket Gaming's press releases during the second quarter. The Company's press releases can be found at www.spotlightstockmarket.com.

Wicket Gaming begins a wider launch of King Royale (press release 17/04/2023)

On 17 April, a wider launch of the Company's free-to-play game King Royale began through the use of advertising and influencer marketing.

Initial focus is on paid advertising in Swedish media, for which Wicket Gaming has a substantial media budget of around SEK 5 million net with Aggregate Media. This budget provides scope to purchase advertising space in most newspapers in Sweden, in addition to which advertising may also be performed outdoors, on radio and in magazines. Furthermore, preparations are also being made for influencer marketing via YouTube and TikTok. The marketing activities will continue during 2023 and 2024.

Wicket Gaming's subsidiary Wegesrand signs museum project deal worth a total SEK 3.82 million (press release 21/04/2023)

Wicket Gaming's subsidiary Wegesrand has commenced a collaboration with the award-winning

design studio Rotes Pferd GmbH and has signed a project deal with a German museum worth a total value of SEK 3.82 million (EUR 348,420), with a contract period that runs during 2023 until May 2024. The client is the Luther Museen – Luther Memorials Foundation in Saxony-Anhalt in Lutherstadt Wittenberg for the project "Mitmachausstellung Bauernkriegsjubiläum".

Wicket Gaming's subsidiary Wegesrand presents the interactive learning platform "Rail Experience" (press release 10/05/2023)

Wicket Gaming's subsidiary Wegesrand and the rail logistics company Captrain presented the interactive learning platform "Rail Experience" to the public for the first time at the transport logistics fair in Munich on 9-12 May 2023.

"Rail Experience" combines different concepts of knowledge transfer and actively supports the students as railway workers in the operational service. It is a learning platform with a workbook delivered on tablets with game elements to support the training of railway workers in operational service. The teaching content, which is focused on the training curriculum, can be tested directly in realistic situations via a true-to-life 3D world and realistic game elements. In this way, the content provision merges with a real-time simulation, which is complemented by concrete knowledge acquisition.

“Rail Experience” has been designed in a generic way and can be transferred to other railway companies. Wegesrand has therefore developed a licensing model that allows the platform to be used on a user-dependent basis. In this way, proprietary versions can easily be adapted, and the interactive workbook can be individually tailored to companies’ needs – from content to corporate design.

[Annual General Meeting of Wicket Gaming \(press release 29/05/2023\)](#)

The Annual General Meeting of Wicket Gaming was held in Stockholm on 29 May. The income statement and balance sheet for the Company and the Group were adopted, the Board’s proposal for appropriation of earnings was approved, and the Board of Directors and the CEO were discharged from liability for the 2022 financial year.

The board members Erik Nerpin (Chairman), Eric De Basso and Benn Harradine were re-elected. Öhrlings PricewaterhouseCoopers AB was re-elected as auditor, with authorised public accountant Robert Nyholm as auditor-in-charge.

The Board of Directors was authorised to decide, on one or more occasions until the next Annual General Meeting, on the issue of shares and/or warrants with or without preferential rights for shareholders. The Board of Directors may decide that such issues are made with provision for consideration in kind, payment by way of offset or cash payment.

[Wicket Gaming’s CFO leaves the Company \(press release 31/05/2023\)](#)

Wicket Gaming’s CFO Jan Grigo is leaving the Company but will remain at the Company’s disposal until the end of June and also thereafter as an interim solution.

[Wicket Gaming’s subsidiary Wegesrand wins double award at the German Brand Awards \(press release 19/06/2023\)](#)

The German Brand Awards are industry awards for brand management that have been presented annually by the German Design Council Foundation and the German Brand Institute in different categories since 2016. The awards are given to brands that distinguish themselves through exemplary brand management, sustainable campaigns and innovative marketing projects.

The interactive museum app “Abenteuer Hanse” from the European Hanseatic Museum in Lübeck and Wicket Gaming’s subsidiary Wegesrand, which has specialised in interactive knowledge transfer, was recognised at the German Brand Awards in Berlin on 15 June 2023. “Abenteuer Hanse” won an award in the category “Excellence in Brand Strategy and Creation – Digital Solutions & Apps”. Wegesrand was also recognised with a gold award in the category “Excellent Brands – Telecommunications & IT”. The awards were won in the face of extensive competition, with no less than 1,300 competitors competing for the coveted trophies.

Wegesrand is working on similar projects for other museums, including Forschungsmuseen of the Leibniz-Society, Nationalmuseum Zürich, Stiftung Preußischer Kulturbesitz, Hermanns Monument in Detmold, Ludwig Erhard Centre (LEZ) in Fürth, Neanderthal Museum in Mettmann, LWL Prussia Museum in Minden, Clemens Sels Museum in Neuss and Kunsthalle Mannheim.

[Significant events after the end of the second quarter](#)

The following is a summary of a selection of Wicket Gaming’s press releases after the end of the second quarter. The Company’s press releases can be found at www.spotlightstockmarket.com.

[Wicket Gaming’s subsidiary Wegesrand and Captrain Deutschland GmbH expand the RailXP platform \(press release 19/07/2023\)](#)

Wicket Gaming’s subsidiary Wegesrand has received an additional order for ongoing development of the “Rail Experience” platform from the existing client Captrain Germany GmbH (part of SNCF Group) worth approximately SEK 1.1 million (EUR 100,637). Further orders are about to be signed in order to complete the platform.

[Wicket Gaming’s subsidiary Wegesrand and Meister Cody GmbH, a division of Ernst Klett Verlag GmbH, collaborate on educational products \(press release 21/07/2023\)](#)

Within the scope of the collaboration, offers for teaching mathematics will be created and marketed globally via Ernst Klett Verlag’s network. Ernst Klett Verlag is one of the largest publishers of school media and does business in 20 countries with around 90 companies. Through the collaboration, Wegesrand is opening an extensive distribution channel for the jointly developed products. The first product is planned to be marketed in 2024.

Since the beginning of 2022, Meister Cody and Wegesrand have already been working on a platform for the therapy of dyscalculia (difficulty in understanding numbers) on behalf of the Helmut Schmidt University in Hamburg and the University of Würzburg. This collaboration has proven successful and will be elevated to the next level through the step that is now being taken. Wegesrand is expecting additional orders for 2025 regarding further development of the therapy platform.

[Wicket Gaming carries out a directed share issue of a maximum of SEK 10 million \(press release 01/08/2023\)](#)

The Board of Directors of Wicket Gaming has decided, subject to resolution by the Extraordinary General Meeting, to carry out a directed share issue involving a total of not more than 12,500,000 shares at a subscription price of SEK 0.80 per share. If fully subscribed, the new share issue will provide Wicket Gaming with SEK 10 million.

The issue price of SEK 0.80 requires that the
Interim Report Q2 | 2023 3

Extraordinary General Meeting resolves to amend the Articles of Association and reduce the share capital, whereby the quota value of the share is reduced from SEK 1 to SEK 0.80.

[Wicket Gaming issues notice of Extraordinary General Meeting \(press release 02/08/2023\)](#)

Wicket Gaming has issued notice of an Extraordinary General Meeting to be held on 4 September in Stockholm. It is proposed to the Extraordinary General Meeting to pass resolutions on amendment of the Articles of Association, reduction of the share capital, new issue of shares, election of a new board member and remuneration to the Board of Directors.

[Wicket Gaming's subsidiary Linked Dimensions GmbH receives public funding of SEK 2.14 million \(press release 02/08/2023\)](#)

Wicket Gaming's subsidiary Linked Dimensions GmbH has received public funding from the German Games Fund in the amount of SEK 2.14 million (EUR 184,971) for further development of its strategy game "Tank Operations" – a game that has been very well received by the community on the online sales channel Steam, with a rating of 82% in Early Access.

[Wicket Gaming's directed share issue is fully subscribed \(press release 09/08/2023\)](#)

The new share issue is fully subscribed and secured for the entire amount of SEK 10 million. The new share issue, with associated resolutions on reduction of the share capital and amendment of the Articles of Association, is subject to approval by the Extraordinary General Meeting on 4 September.

[Wicket Gaming's subsidiary Linked Dimensions signs agreement with the German game publisher 2tainment for the PC game Tank Operations \(press release 21/08/2023\)](#)

The agreement relates to a 5-year collaboration, which also includes joint development, marketing and support of the project by 2tainment GmbH, including a defined guarantee payment as well as a revenue share licensing agreement for the upcoming PC game "Tank Operations – European Campaign". The game is initially planned for release on PC but may also be released later on Nintendo Switch and other platforms.

2tainment GmbH is one of the most renowned publishers when it comes to PC games, with more than 50 years of experience in this market at management level. The company has worked with a number of major publishers, such as Bomico, Bandai Namco, Atari and Kalypto Media.

CEO STATEMENT

Considering the difficult prevailing market climate, we view it as a real sign of strength that we are currently in the process of completing a new share issue of SEK 10 million. The new share issue is subject to approval at the Extraordinary General Meeting on September 4 and is fully subscribed in advance. ***The new share issue makes it possible for us to keep our foot on the gas pedal.***

King Royale is continuously optimized to increase retention data (percentage of players who return to the game) and strengthen in-game monetization. New game features such as leaderboards, chat and "social events" where users can compete against each other are being implemented. During the spring, campaigns have been launched in collaboration with Aggregate Media and TikTokers through Wehype. These campaigns have provided valuable information regarding user acquisition and user behavior in the game. King Royale continues to deliver strong KPIs (Key Performance Indicators) which have been noted not only by us, but also by mobile game publishers.

"Our goal - to secure a publishing deal for King Royale with a leading publisher during the second half of the year"

The ranking of King Royale in Apple's Appstore (4.7+) and Google's Playstore (4.3+) and the fact that the game is continuously being "featured" in the Appstore makes ***our goal - to secure a publishing deal for King Royale with a leading publisher - during the second half of the year*** - seem completely reasonable.

Within the EdTech vertical, our German subsidiaries have continued to perform well and deliver. We continue to secure new assignments of varying size and scope, and we are actively striving to advance our position in the German-speaking market within the "Serious Games"/Playful Learning segment. The quality of what we do is shown by the industry awards we receive, most recently "Excellence in Brand Strategy and Creation - Digital solutions & Apps" and "Excellent Brands - Telecommunications & IT" by the German Brand Awards.

An example of a mission I would particularly like to highlight is the collaboration with Meister Cody GmbH, a subsidiary of Ernst Klett GmbH, which is one of the largest publishers of school media with operations in 20 countries. The cooperation concerns the development of standardized training programs. **Together with Meister Cody, we have developed a platform for the therapy of dyscalculia (difficulty counting) on behalf of two German universities.** The platform will be offered to schools and will be marketed globally through Ernst Klett's network. The first jointly developed product is planned to be marketed in 2024.

"We have just secured a publishing agreement with 2tainment for Tank Operations."

Many people are probably unaware that our German subsidiaries have proprietary games. Recently, approximately SEK 2 million was received in grants from the German Gaming Fund to launch one of our games - Tank Operations. We have just secured a publishing agreement with 2tainment for Tank Operations. In connection with the launch, 2tainment will take over the baton regarding all marketing and monetization.

In addition to Tank Operations, we own Cathedral and the intellectual property rights to Captain Hog & His friends. Of course, our goal here too is publishing agreements with strong publishers.

At the same time, we are also pressing hard on the brake pedal when it comes to our costs. This is happening in several ways. We are working intensively

on streamlining costs in our relatively complicated German subsidiary structure. We plan to merge several of the German subsidiaries to reduce the level of overheads and enhance the synergies between the various subsidiaries. All unnecessary costs are to be eliminated! Furthermore, we expect to see a decrease in development costs for King Royale and Cricket Manager this year compared with 2022, quite simply due to the fact that major development costs for the games have already been absorbed and that we are nearing the monetization phase. Finally, the significant extraordinary costs relating to, among other things, accounting and administration that resulted from the acquisition of Wegesrand and the rights issue with full prospectus during the second half of 2022 and that have persisted well into 2023 will cease. This is evidenced by the fact that the item "services purchased" in the profit and loss account decreased significantly in the second quarter compared with the previous quarter. The reduced costs are not yet fully visible in the second quarter, but internally we are able to see that the costs have decreased at the end of **the quarter and that our German operations actually showed a positive EBITDA for the second quarter.**

"The knowledge we gain in the development of King Royale is of course something we intend to pass on to our baby Cricket Manager."

Finally, I would like to point out that the knowledge we gain in the development of King Royale is of course something we intend to utilize in relation to Cricket Manager. A number of technical features in King Royale are planned to be implemented in Cricket Manager, primarily related to technical features that have strongly contributed to strong KPIs. To all our shareholders, I would like to emphasize that we have in no way released Cricket Manager, rather the plan is to allocate additional development resources to Cricket Manager as soon as possible. We have a limited amount of technical resources within the Group and can therefore only develop one game title at a time. The interest in King Royale from external actors has contributed to the decision to focus on King Royale at the moment.

*Eric De Basso,
CEO Wicket Gaming AB*



PRODUCT INFORMATION

The stated ambition of Wicket Gaming is to develop the Company into a larger group consisting of four verticals – Games, Media, iGaming and Education – and to carry out strategic acquisitions of companies well suited to these verticals in circumstances where the acquisitions can add value through synergies and growth potential.

CRICKET MANAGER



"Cricket Manager is a sport manager game that has been developed on the Company's own proprietary platform. Cricket is the second largest sport in the world, after football, with more than 2.5 billion fans globally, and is extremely popular in fast-growing countries such as India, Pakistan and Bangladesh, where the number of mobile and internet users is increasing at a rapid rate."

"King Royale is a casual arcade/simulation game that has been downloaded more than 450,000 times since its test launch. The game has a Google Play rating of 4.3 and an equivalent rating in Apple App Store of 4.7."



The Share

Wicket Gaming AB is listed on Spotlight Stock Market, a securities company under the supervision of the Swedish Financial Supervisory Authority that operates a trading platform (MTF). The Company's ticker is WIG, and the ISIN code is SE0015811377.

List of shareholders

A list of shareholders is available on the Company's website www.wicketgaming.com.

Number of shares at the end of the period

Number of shares outstanding as of 31/12/2021: 6,263,316 shares
Number of shares outstanding as of 30/06/2022: 6,541,094 shares
Number of shares outstanding as of 31/12/2022: 7,791,094 shares
Number of shares outstanding as of 30/06/2023: 16,647,109 shares

Accounting principles

This interim report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general guidelines BFAR 2012:1 Annual Report and Consolidated Financial Statements (K3). This report has been prepared in accordance with the same accounting principles applied in the preparation of the annual report for the 2022 financial year.

Review by auditor

This report has not been subject to review by the Company's auditor.

Financial calendar

Interim Report July – September (Q3)	27/11/2023
Interim Report October – December (Q4)	25/03/2024

Information

This information is information that Wicket Gaming AB is obligated to publish pursuant to the EU market abuse regulation. The information was provided under the auspices of the above contact person (CEO), for publication on 25/08/2023 at 08:00.



CONSOLIDATED INCOME STATEMENT

SEK	01/04/2023 - 30/06/2023	01/01/2023 - 30/06/2023	01/01/2022 - 31/12/2022
Net sales	6,400,488	12,971,173	6,887,589
Own work capitalised	1,871,036	4,156,630	13,508,824
Other income	0	0	850,297
Operating income	8,271,524	17,127,803	21,246,710
Services purchased	-852,454	-3,475,555	-5,428,503
Other external expenses	-4,187,805	-8,441,124	-18,477,660
Personnel expenses	-5,095,680	-9,348,835	-8,520,635
Depreciation/amortisation	-2,448,422	-5,142,970	-2,659,670
Other operating expenses	-39,415	-60,052	-200,742
Operating expenses	-12,623,777	-26,468,537	-35,287,209
Net operating loss	-4,352,252	-9,340,734	-14,040,499
Interest income	0	0	914
Interest expenses	-436,993	-1,496,428	-1,511,724
Net loss after financial items	-4,789,245	-10,837,162	-15,551,309
Net loss before tax	-4,789,245	-10,837,162	-15,551,309
Tax for the period	0	0	0
Net loss for the period	-4,789,245	-10,837,162	-15,551,309

CONSOLIDATED BALANCE SHEET

Current assets

Current receivables

Accounts receivable	3,916,710	2,015,813
Other receivables	505,116	778,949
Prepaid expenses and accrued income	9,986,660	1,531,326

Cash and cash equivalents	2,519,601	5,443,409
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Total current assets	16,928,088	9,769,497
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TOTAL ASSETS	103,781,281	94,404,279
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SEK	2023-06-30	2022-12-31
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EQUITY AND LIABILITIES

Equity

Share capital	16,647,109	7,791,094
Other contributed capital	100,433,490	79,962,787
Other equity including profit/loss for the period	-46,095,534	-37,463,089

Equity attributable to Parent Company shareholders	70,985,064	50,290,791
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Non-controlling interests	0	0
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Total equity	70,985,064	50,290,791
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Provisions

Other provisions	6,210,364	5,925,633
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Long-term liabilities

Long-term liabilities to credit institutions	1,930,611	2,105,173
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Current liabilities

Current liabilities to credit institutions	8,000,000	19,500,000
Accounts payable	10,592,545	9,072,514
Other current liabilities	5,375,432	5,218,737
Accrued expenses and deferred income	687,266	2,291,431

Total liabilities	32,796,217	44,113,488
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TOTAL EQUITY AND LIABILITIES	103,781,281	94,404,279
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CONSOLIDATED CASH FLOW STATEMENT

SEK	01/04/2023 - 30/06/2023	01/01/2023 - 30/06/2023	01/01/2022 - 31/12/2022
Operating activities			
Net loss after financial items	-4,789,245	-10,910,281	-15,551,309
Adjustments for non-cash items	2,605,133	5,463,113	3,027,370
Cash flow from operating activities before changes in working capital	-2,184,112	-5,447,168	-12,523,939
<i>Cash flow from changes in working capital</i>			
Increase (-) / Decrease (+) in operating receivables	1,906,601	-10,495,840	7,661,251
Increase (+) / Decrease (-) in operating liabilities	1,285,400	10,368,301	13,882,257
Cash flow from operating activities	1,007,889	-5,574,707	9,019,568
Investing activities			
Investments in intangible fixed assets	-2,355,226	-4,464,803	-14,875,666
Investments in tangible fixed assets	0	0	-30,659
Investments in financial fixed assets	-1,156	-1,156	-18,081,385
Cash flow from investing activities	-2,356,382	-4,465,959	-32,987,711
Financing activities			
New issue	0	22,211,149	5,000,004
Issue expenses	-45,278	-2,423,252	-2,834,844
Employee stock options	0	0	208,948
Loan repayments	0	-11,500,000	0
Borrowings	-144,380	-1,171,040	19,504,836
Cash flow from financing activities	-189,657	7,116,858	21,878,945
Cash flow for the period	-1,538,150	-2,923,808	-2,089,198
Cash and cash equivalents at beginning of period	4,057,751	5,443,409	7,532,607
Cash and cash equivalents at end of period	2,519,601	2,519,601	5,443,409

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK	Share capital	Other contributed capital	Retained earnings	Net loss for the period	Total	Non-controlling interests	Total equity
Opening balance 01/01/2023	7,791,094	79,962,787	-21,911,780	-15,551,309	50,290,792	0	50,290,792
New issue	8,856,015	26,568,045			35,424,060	0	35,424,060
Employee stock options			313,422		313,422	0	313,422
Issue expenses		-6,097,342			-6,097,342	0	-6,097,342
Exchange differences in translation of foreign subsidiaries			1,891,295		1,891,295	0	1,891,295
Transfer of loss for previous year			-15,551,309	15,551,309	0	0	0
Net loss for the period				-10,837,162	-10,837,162	0	-10,837,162
Closing balance 30/06/2023	16,647,109	100,433,490	-35,258,372	-10,837,162	70,985,064	0	70,985,064

Comments on the Group's financial development

The Group arose during the fourth quarter of 2022. Consequently, the figures presented in this report for the Group do not include any comparison with the corresponding period in the previous year.

Net sales

Net sales amounted to SEK 12,971 thousand for the period 1 January – 30 June, and SEK 6,400 thousand for the period 1 April – 30 June. Net sales are in line with expectations and are primarily attributable to operations in Germany, which are exhibiting a good rate of sales. Among other things, a project deal has been signed with a German museum worth a total value of SEK 3.82 million, with a contract period that runs during 2023 until May 2024.

Operating expenses

Operating expenses amounted to SEK -26,469 thousand for the period 1 January – 30 June, and SEK -12,624 thousand for the period 1 April – 30 June. The largest expenses with an impact on cash flow are services purchased, other external expenses and personnel expenses. A significant portion of the expenses for the first six months of the year were related to costs of a one-off and annual nature, amounting to approximately SEK -1,574 thousand.

The item services purchased decreased significantly during the second quarter compared with the first quarter. The other expense items also decreased towards the end of the second quarter, and this development is expected to be reflected in the next interim report for the third quarter.

Depreciation/amortisation relates to goodwill related to the acquisition of Wegesrand.

Net operating loss

The net operating loss (EBIT) for the period 1 January – 30 June was SEK -9,341 thousand, with earnings before interest, taxes, depreciation and amortisation (EBITDA) of SEK -4,198 thousand. EBIT for the period 1 April – 30 June was SEK -4,352 thousand, with EBITDA of SEK -1,904 thousand.

The result for the first six months of the year was primarily impacted by financial expenses of SEK -1,060 thousand, half of which were of a one-off nature in relation to the arrangement of the bridge loan in connection with the earlier rights issue. Interest expenses are expected to decrease in the future due to the amortisation of half of the long-term liability. Other major costs of a one-off nature, amounting to approximately SEK -514 thousand, are related to the acquisition of Wegesrand.

The German operations exhibited good development in the second quarter, with EBITDA of SEK 557 thousand, primarily due to a combination of cost control with reduced personnel expenses and increased revenues as expected. The work involving the review of costs is still ongoing.

Net loss for the period

The net loss for the period 1 January – 30 June was SEK -10,837 thousand, while the net loss for

the period 1 April – 30 June was SEK -4,789 thousand.

Investments

Investments during the period 1 January – 30 June amounted to SEK -4,466 thousand, of which SEK -3,269 thousand relates to investments made in the Swedish operations, in particular in relation to development of the King Royale game.

Intangible fixed assets

The Group's intangible fixed assets consist of capitalised expenditure in the form of own work capitalised for development work performed by the Group's own employees and external development costs.

The acquisition cost for an internally generated fixed asset includes all directly attributable expenditures, which for the reported period are entirely attributable to salaries and invoiced costs.

Intangible fixed assets are amortised on a straight-line basis over the estimated useful life of the asset, which is reassessed on each balance sheet date. Ongoing projects are not amortised but are instead subject to annual impairment testing.

Provisions

The total provisions of SEK 6,210 thousand primarily consist of SEK 1,372 thousand in the Swedish operations in relation to the purchase price for the King Royale game, and an amount of SEK 3,845 thousand (EUR 350 thousand) in the German operations which is payable to the sellers of Wegesrand if they fulfil their performance commitments according to the acquisition agreement.

Equity

Changes in equity are reported in a separate Statement of Changes in Equity in this report.

Cash flow

Cash flow for the second quarter amounted to SEK -1,538 thousand. It is worth noting that the period's cash flow from operating activities in the German operations was positive and sufficient to cover the investment need.

The cash flow for the period 1 January – 30 June includes costs attributable to the rights issue in the form of issue expenses and financial expenses of a one-off nature.

KEY PERFORMANCE INDICATORS, GROUP

SEK	01/04/2023 - 30/06/2023	01/01/2023 - 30/06/2023	01/01/2022 - 31/12/2022
Net sales	6,400,488	12,971,173	6,887,589
EBITDA	-1,903,830	-4,197,764	-11,380,829
EBIT	-4,352,252	-9,340,734	-14,040,499
Net loss for the period	-4,789,245	-10,837,162	-15,551,309
Operating margin %	neg	neg	neg
Profit margin %	neg	neg	neg
Equity ratio at end of period %	68,4	68,4	53,3
Return on equity %	neg	neg	neg
Equity per share			
before dilution (SEK)	4,3	4,3	6,5
after dilution (SEK)	2,9	2,9	5,9
Earnings per share			
before dilution (SEK)	-0,29	-0,65	-2,00
after dilution (SEK)	-0,19	-0,44	-1,83
Number of shares at end of period			
before dilution	16,647,109	16,647,109	7,791,094
after dilution	24,582,230	24,582,230	8,488,872
Outstanding warrants	7,935,121	7,935,121	697,778

PARENT COMPANY INCOME STATEMENT

SEK	01/04/2023 - 30/06/2023	01/04/2022 - 30/06/2022	01/01/2023 - 30/06/2023	01/01/2022 - 30/06/2022	01/01/2022 - 31/12/2022
Net sales	25,353	0	28,377	0	7,142
Own work capitalised	1,327,589	2,711,352	3,268,967	5,452,339	13,055,126
Other income	0	113	0	113	6,022,667
Operating income	1,352,942	2,711,465	3,297,343	5,452,451	19,084,935
Services purchased	-324,481	-753,297	-708,768	-897,997	-2,906,757
Other external expenses	-2,247,667	-3,268,129	-4,703,003	-8,166,969	-21,601,592
Personnel expenses	-1,208,558	-1,814,834	-2,263,000	-2,947,567	-5,655,682
Depreciation/amortisation	-5,901	-2,673	-11,802	-5,346	-11,273
Other operating expenses	-32,785	-49,197	-52,696	-85,443	-199,556
Operating expenses	-3,819,392	-5,888,130	-7,739,269	-12,103,322	-30,374,860
Net operating loss	-2,466,450	-3,176,665	-4,441,926	-6,650,871	-11,289,925
Interest income	0	0	0	0	914
Interest expenses	-342,071	-231,824	-1,341,157	-231,824	-1,376,194
Net loss after financial items	-2,808,521	-3,408,489	-5,783,083	-6,882,695	-12,665,206
Net loss before tax	-2,808,521	-3,408,489	-5,783,083	-6,882,695	-12,665,206
Tax for the period	0	0	0	0	0
Net loss for the period	-2,808,521	-3,408,489	-5,783,083	-6,882,695	-12,665,206

PARENT COMPANY BALANCE SHEET

SEK	2023-06-30	2022-06-30	2022-12-31
ASSETS			
Fixed assets			
<i>Intangible fixed assets</i>			
Capitalised expenditure for development and similar work	33,999,394	23,302,641	30,905,428
Purchased licenses, trademarks and similar rights and values, and licenses for such rights and values	1,547,312	0	1,372,312
<i>Tangible fixed assets</i>			
Computers	43,279	61,008	55,081
<i>Financial fixed assets</i>			
Participations in group companies	267,603	0	267,603
Receivables from group companies	49,212,861	0	45,931,385
Total fixed assets	85,070,449	23,363,649	78,531,808
Current assets			
<i>Current receivables</i>			
Other receivables	36,350	314,934	454,755
Prepaid expenses and accrued income	6,719,043	1,928,813	517,269
<i>Cash and cash equivalents</i>			
	846,340	24,361,614	1,459,147
Total current assets	7,601,734	26,605,361	2,431,171
TOTAL ASSETS	92,672,182	49,969,009	80,962,979

SEK	2023-06-30	2022-06-30	2022-12-31
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	16,647,109	6,541,094	7,791,094
Reserve for development expenditure	34,335,749	23,302,641	30,905,428
<i>Non-restricted equity</i>			
Share premium reserve	100,433,490	55,727,680	79,962,787
Retained earnings	-69,137,473	-46,066,003	-53,355,368
Net loss for the period	-5,783,083	-6,882,695	-12,665,206
Total equity	76,495,792	32,622,717	52,638,734
<i>Provisions</i>			
Other provisions	1,372,312	641,345	1,372,312
<i>Long-term liabilities</i>			
Long-term liabilities to credit institutions	0	15,000,000	0
Long-term liabilities to group companies	223,897	0	0
<i>Current liabilities</i>			
Current liabilities to credit institutions	8,000,000	0	19,500,000
Accounts payable	4,001,232	642,954	5,718,645
Other current liabilities	1,935,196	295,421	208,672
Accrued expenses and deferred income	643,754	766,573	1,524,615
Total liabilities	16,176,390	17,346,292	28,324,245
TOTAL EQUITY AND LIABILITIES	92,672,182	49,969,009	80,962,979

PARENT COMPANY CASH FLOW STATEMENT

SEK	01/04/2023 - 30/06/2023	01/04/2022 - 30/06/2022	01/01/2023 - 30/06/2023	01/01/2022 - 30/06/2022	01/01/2022 - 31/12/2022
Operating activities					
Net loss after financial items	-2,808,521	-3,408,489	-5,783,083	-6,882,695	-12,665,206
Adjustments for non-cash items	162,612	207,787	325,224	210,460	51,388
Cash flow from operating activities before changes in working capital	-2,645,909	-3,200,702	-5,457,859	-6,672,235	-12,613,818
Cash flow from changes in working capital					
Increase (-) / Decrease (+) in operating receivables	2,208,190	-1,388,288	-5,783,369	10,490,727	10,333,376
Increase (+) / Decrease (-) in operating liabilities	366,946	-1,518,940	8,667,070	-605,272	6,723,664
Cash flow from operating activities	-70,773	-6,107,930	-2,574,158	3,213,220	4,443,221
Investing activities					
Investments in intangible fixed assets	-1,327,589	-2,711,352	-3,268,967	-5,452,339	-14,427,438
Investments in tangible fixed assets	0	-38,678	0	-38,678	-38,678
Investments in financial fixed assets	0	0	0	0	-18,081,285
Cash flow from investing activities	-1,327,589	-2,750,030	-3,268,967	-5,491,017	-32,547,401
Financing activities					
New issue	0	5,000,004	22,211,149	5,000,004	5,000,004
Issue expenses	-45,278	-832,000	-2,423,252	-893,200	-2,834,844
Employee stock options	0	0	0	0	365,659
Loan repayments	0	0	-11,500,000	0	0
Borrowings	-631,476	15,000,000	-3,057,579	15,000,000	19,500,000
Cash flow from financing activities	-676,754	19,168,004	5,230,318	19,106,804	22,030,820
Cash flow for the period	-2,075,115	10,310,044	-612,806	16,829,007	-6,073,360
Cash and cash equivalents at beginning of period	2,921,455	14,051,570	1,459,147	7,532,607	7,532,607
Cash and cash equivalents at end of period	846,340	24,361,614	846,341	24,361,614	1,459,247

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

SEK	Share capital, new issue under reg.	Reserve for development expenditure	Share premium reserve	Retained earnings	Net loss for the period
Opening balance 01/01/2023	7,791,094	30,905,428	79,962,787	-53,355,368	-12,665,206
New issue	8,856,015		26,568,045		
Employee stock options				313,422	
Issue expenses			-6,097,342		
Capitalisation of development expenditure		3,430,322		-3,430,322	
Transfer of loss for previous year				-12,665,206	12,665,206
Net loss for the period					-5,783,083
Closing balance 30/06/2023	16,647,109	34,335,749	100,433,490	-69,137,473	-5,783,083

Comments on the Parent Company's financial development

Figures in parentheses relate to the corresponding period in the previous year.

Net sales

Net sales amounted to SEK 28 thousand (0) for the period 1 January – 30 June, and SEK 25 thousand (0) for the period 1 April – 30 June. The low level of sales is as expected and the business continues to be in a launch phase, with focus on launching games and making them ready to generate revenues.

Operating expenses

Operating expenses amounted to SEK -7,739 thousand (-12,103) for the period 1 January – 30 June, and SEK -3,819 thousand (-5,888) for the period 1 April – 30 June. The operating expenses are significantly lower than for the same period in the previous year, primarily due to decreased development costs and a reduced workforce. The business has placed focus on cost control.

Net operating loss

The net operating loss (EBIT) for the period 1 January – 30 June was SEK -4,442 thousand (-6,651), with earnings before interest, taxes, depreciation and amortisation (EBITDA) of SEK -4,430 thousand (-6,646). EBIT for the period 1 April – 30 June was SEK -2,466 thousand (-3,177), with EBITDA of SEK -2,461 thousand (-3,174). The improved result compared with the same period in the previous year is largely due to lower marketing, personnel and development costs.

Net loss for the period

The net loss for the period 1 January – 30 June was SEK -5,783 thousand (-6,883), while the net loss for the period 1 April – 30 June was SEK -2,809 thousand (-3,408).

The result for the period 1 January – 30 June is an improvement on the result for the same period in the previous year but was still greatly impacted by interest expenses of SEK 999 thousand, of which SEK 454 thousand were of a one-off nature in relation to the rights issue that was carried out in the first quarter.

Financial expenses have decreased significantly in conjunction with the rights issue due to the amortisation of approximately half of the long-term liability.

Investments

Investments during the period 1 January – 30 June amounted to SEK -3,269 thousand (-5,491), primarily in relation to development costs. The earlier high rate of investment for the games continued to decrease during the second quarter and is expected to maintain the same rate in the next quarter.

Intangible fixed assets

The Company's intangible fixed assets consist of

capitalised expenditure in the form of own work capitalised for development work performed by the Company's own employees and external development costs.

The acquisition cost for an internally generated fixed asset includes all directly attributable expenditures, which for the reported period are entirely attributable to salaries and invoiced costs.

Intangible fixed assets are amortised on a straight-line basis over the estimated useful life of the asset, which is reassessed on each balance sheet date. Ongoing projects are not amortised but are instead subject to annual impairment testing.

Provisions

The provision of SEK 1,372 thousand is related to the acquisition of the King Royale game and relates to the purchase price for which consideration is payable through newly issued shares.

Equity

Changes in equity are reported in a separate Statement of Changes in Equity in this report.

Cash flow

Cash flow for the second quarter amounted to SEK -2,075 thousand. The cash flow for the period was primarily affected by investments in development.

KEY PERFORMANCE INDICATORS, PARENT COMPANY

SEK	01/04/2023 - 30/06/2023	01/04/2022 - 30/06/2022	01/01/2023 - 30/06/2023	01/01/2022 - 30/06/2022	01/01/2022 - 31/12/2022
Net sales	25,353	0	28,377	0	7,142
EBITDA	-2,460,549	-3,173,992	-4,430,124	-6,645,525	-11,278,652
EBIT	-2,466,450	-3,176,665	-4,441,926	-6,650,871	-11,289,925
Net loss for the period	-2,808,521	-3,408,489	-5,783,083	-6,882,695	-12,665,206
Operating margin %	neg	neg	neg	neg	neg
Profit margin %	neg	neg	neg	neg	neg
Equity ratio at end of period %	82,5	65,3	82,5	65,3	65,0
Return on equity %	neg	neg	neg	neg	neg
Equity per share					
before dilution (SEK)	4,6	5,0	4,6	5,0	6,8
after dilution (SEK)	3,1	4,5	3,1	4,5	6,2
Earnings per share					
before dilution (SEK)	-0,17	-0,52	-0,35	-1,05	-1,63
after dilution (SEK)	-0,11	-0,47	-0,24	-0,95	-1,49
Number of shares at end of period					
before dilution	16,647,109	6,541,094	16,647,109	6,541,094	7,791,094
after dilution	24,582,230	7,238,872	24,582,230	7,238,872	8,488,872
Outstanding warrants	7,935,121	697,778	7,935,121	697,778	697,778

DEFINITIONS OF KEY PERFORMANCE INDICATORS



Net sales

Revenues from sales that are part of the Company's normal operations.

EBITDA

Earnings before interest, taxes, depreciation and amortisation of fixed assets.

EBIT

Net operating profit before interest and taxes.

Net loss for the period

The total net loss after tax.

Operating margin

Net operating profit before financial items and taxes as a percentage of net sales.

Profit margin

Net profit after tax as a percentage of net sales.

Equity ratio

Equity as a percentage of total assets.

Return on equity

Net profit after tax as a percentage of equity.

Exceptional revenues and expenses

Exceptional revenues and expenses are revenues and expenses which, on account of their size or origin, deviate significantly from the normal course of business in the Company. They are often items of a one-off nature.



***Wicket Gaming AB** is a Swedish gaming and digital education company consisting of two verticals, Games and EdTech. Within the Games vertical, the business idea is based on developing and distributing free-to-play games ("F2P") within mobile games for Android and iOS. Within EdTech, the Company focuses on developing products in genres such as Game-based Learning and Serious Games, it is in these areas that Wicket Gaming has identified the greatest synergies between the Company's two verticals.*

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