



GAMES



**CAPITAL GROUP
CI GAMES**

Quarterly financial report for the period from
1st July to 30 September 2024
Warsaw, 28 November 2024

SELECTED FINANCIAL INFORMATION

Profit and Loss Accounts	for the period from 1.01 to 30.09.2024		for the period from 1.01 to 30.09.2023	
	PLN'000	EUR'000	PLN'000	EUR'000
Net revenue from sales	68,908	16,017	59,121	12,916
Profit (loss) from operating activities	1,900	442	(1,680)	(367)
Gross profit (loss)	487	113	(4,970)	(1,086)
Net profit (loss)	615	143	(4,373)	(955)
Weighted average number of shares (in thousands)	182,943	182,943	182,943	182,943
Number of diluted shares (in thousands units)	185,072	185,072	188,291	188,291
Net profit (loss) per ordinary share attributable to equity owners of the Parent (PLN)	0.00	0.00	(0.03)	(0.01)
Diluted earnings/ loss per share attributable to equity owners of the Parent (PLN)	0.00	0.00	(0.03)	(0.01)

Statement of cash flow	for the period from 1.01 to 30.09.2024		for the period from 1.01 to 30.09.2023	
	PLN'000	EUR'000	PLN'000	EUR'000
Net cash flows from operating activities	79,200	18,409	27,178	5,938
Net cash flows from investing activities	(46,360)	(10,776)	(69,728)	(15,233)
Net cash flows from financing activities	(45,777)	(10,640)	48,738	10,648
Net cash flows	(12,937)	(3,007)	6,188	1,352

Balance sheet	as of 30.09.2024		as of 31.12.2023*	
	PLN'000	EUR'000	PLN'000	EUR'000
Non-current assets	190,788	44,586	188,678	43,394
Current assets	36,879	8,618	78,828	18,130
Total assets	227,667	53,204	267,506	61,524
Equity	155,215	36,273	152,790	35,140
Initial capital	1,829	427	1,829	421
Liabilities	72,452	16,932	114,716	26,384
Non-current liabilities	42,813	10,005	23,053	5,302
Current liabilities	29,639	6,926	91,663	21,082
Total equity and liabilities	227,667	53,204	267,506	61,524

* transformed data

The balance sheet data has been converted using the average rate of exchange published by the President of the National Bank of Poland as of the date of presentation of the financial statements, which, as of the balance sheet date, amounted to:

- as of 30.09.2024 – 4.2791 PLN/EUR
- as of 30.06.2024 – 4.3130 PLN/EUR
- as of 31.12.2023 – 4.3480 PLN/EUR

Data in the profit and loss account and the cash flow statement has been converted to EUR according to the exchange rate determined as the arithmetic mean of exchange rates published by the President of the National Bank of Poland as of the last day of each month of the period:

- for the nine months of 2024 - 4.3022 PLN/ EUR
- for the nine months of 2023 - 4.5773 PLN/ EUR

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I. KEY FINANCIAL DATA OF CI GAMES CAPITAL GROUP

CONSOLIDATED STATEMENT OF FINANCIAL CONDITIONS

ASSETS	as of 30.09.2024	as of 30.06.2024	as of 31.12.2023*	as of 30.09.2023
	PLN'000	PLN'000	PLN'000	PLN'000
A. Non-current assets	190,788	179,476	188,678	221,474
Property, plant and equipment	1,179	1,305	1,367	1,481
Intangible assets	177,025	164,374	168,707	211,467
Right-to-use asset	430	2,300	2,276	2,512
Shares in subsidiaries	-	-	-	-
Long term investments	-	-	-	-
Deferred tax asset	10,981	10,949	15,790	5,473
Long term receivables	548	548	538	541
Long term lease receivables	625	-	-	-
B. Current assets	36,879	53,215	78,828	45,889
Inventory	1,218	994	1,502	8,906
Current investments	-	-	-	-
Trade and other receivables	14,412	38,012	43,622	24,138
Short term lease receivables	993	-	-	-
Tax receivables	2,865	2,826	3,471	11
Cash and cash equivalents	17,391	11,383	30,233	12,834
Current assets other than assets or disposal classified as held for sales or as held for distribution to owners	36,879	53,215	78,828	45,889
Non-current assets classified as held for sale or as held for distribution to owners	-	-	-	-
Total assets	227,667	232,691	267,506	267,363

* transformed data

LIABILITIES & EQUITY	as of 30.09.2024	as of 30.06.2024	as of 31.12.2023*	as of 30.09.2023
	PLN'000	PLN'000	PLN'000	PLN'000
A. EQUITY	155,215	156,734	152,790	142,986
Share capital	1,829	1,829	1,829	1,829
Share premium	78,653	78,653	78,653	78,653
Other reserve capital	36,223	35,697	21,735	23,346
Retained earnings	35,649	37,756	47,892	36,999
including profit for the period	435	2,542	6,140	(5,129)
Equity attributable to owners of the Parent	152,354	153,935	150,109	140,827
Equity attributable to non-controlling interests	2,861	2,799	2,681	2,159
B. LIABILITIES	72,452	75,957	114,716	124,377
Non-current liabilities	42,813	16,799	23,053	2,219
Loans, credit and other debt instruments	-	-	-	-
Trade liabilities and other liabilities	27,185	450	-	-
Finance lease liabilities	792	1,096	1,359	1,719
Deferred income tax provision	14,836	15,253	21,694	500
Long term liabilities	-	-	-	-
Current liabilities	29,639	59,158	91,663	122,158
Borrowings including credits, loans and other debt instruments	14,369	42,875	57,750	72,022
Income tax liabilities	1,800	1,637	123	4,321
Trade liabilities and other liabilities	9,997	11,971	29,640	41,734
Finance lease liabilities	1,209	1,235	1,025	1,102
Other current provisions	2,264	1,440	3,125	2,979
Current liabilities other than liabilities included in disposal groups classified as held for sale	29,639	59,158	91,663	122,158
Liabilities included in disposal groups classified as held for sale	-	-	-	-
Total equity and liabilities	227,667	232,691	267,506	267,363

* transformed data

CONSOLIDATED PROFIT AND LOSS ACCOUNT AND COMPREHENSIVE INCOME

Statement of comprehensive income	for the period from 1.01 to 30.09.2024	for the period from 1.07 to 30.09.2024	for the period from 1.01 to 30.09.2023	for the period from 1.07 to 30.09.2023
	PLN'000	PLN'000	PLN'000	PLN'000
Continuing operations				
Net revenue from sales	68,908	10,575	59,121	36,880
Costs of products, goods and services sold	(46,695)	(5,443)	(27,376)	(18,727)
Gross profit (loss) on sales	22,213	5,132	31,745	18,153
Other operating revenues	1,585	253	965	916
Selling costs	(9,029)	(3,565)	(19,027)	(11,187)
General and administrative costs	(11,479)	(2,844)	(13,618)	(4,786)
Other operating expenses	(1,339)	(205)	(175)	(87)
Impairment loss/impairment gain and reversal of impairment loss	(51)	-	(1,570)	(684)
Profit (loss) on operating activities	1,900	(1,229)	(1,680)	2,325
Financial revenues	901	(579)	8	(1,586)
Financial expenses	(2,314)	(524)	(3,298)	(2,276)
Profit (loss) before tax	487	(2,332)	(4,970)	(1,537)
Income tax	128	287	597	309
Profit (loss) on continuing operations	615	(2,045)	(4,373)	(1,228)
Discontinued operations	-	-	-	-
Loss from discontinued operations	-	-	-	-
Net profit (loss)	615	(2,045)	(4,373)	(1,228)
- net profit (loss) attributable to equity owners of the Parent	435	(2,107)	(5,129)	(1,559)
- net profit (loss) attributable to non-controlling interest	180	62	755	330
Total other comprehensive income, including:				
Other comprehensive income that will be reclassified to profit or loss before tax	(94)	-	(167)	64
Foreign exchange differences from translation of foreign entities	(94)	-	(167)	64
Other comprehensive income before tax	(94)	-	(167)	64
Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	-	-	-	-
Other net comprehensive income	(94)	-	(167)	64
TOTAL COMPREHENSIVE INCOME	521	(2,045)	(4,540)	(1,164)
- total net comprehensive income attributable to equity owners of the Parent	341	(2,107)	(5,296)	(1,495)
- total net comprehensive income attributable to non-controlling interest	180	62	755	330

CONSOLIDATED CASH FLOW STATEMENT (indirect method)

	for the period from 1.01 to 30.09.2024	for the period from 1.07 to 30.09.2024	for the period from 1.01 to 30.09.2023	for the period from 1.07 to 30.09.2023
	PLN'000	PLN'000	PLN'000	PLN'000
Cash flows from operating activities				
Gross profit (loss)	487	(2,332)	(4,970)	(1,537)
Total adjustments	78,351	52,890	32,706	10,900
Depreciation and amortization	38,503	3,307	11,509	7,313
Impairment loss (reversal)	(1,089)	4	1,549	683
Profit (loss) on foreign exchange differences	(522)	(146)	1,820	3,056
Adjustments to finance cost /income	2,229	421	2,173	1,432
Profit (loss) on sales of fixed assets	(162)	(24)	(1)	-
Change in trade and other receivables	29,163	23,614	(13,525)	(14,424)
Change in inventories	1,424	(228)	(7,715)	(7,699)
Change in trade and other payables	7,770	24,597	29,992	17,677
Change in provisions	1,036	1,343	6,904	2,862
Other adjustments	(1)	2	-	-
Net cash flows from operating activities	78,838	50,558	27,736	9,363
Paid corporate income tax (return) related to operating activity	362	(39)	(558)	169
NET CASH FLOWS FROM OPERATING ACTIVITIES (used in the operating activity)	79,200	50,519	27,178	9,532
Cash flows from investing activities				
Cash inflows on disposal of property, plant and equipment and intangible assets	165	24	2	-
Cash outflows on acquisition of property, plant and equipment and intangible assets	(46,525)	(15,774)	(69,730)	(21,120)
Cash outflows on loans granted	(46,360)	(15,750)	(69,728)	(21,120)
Cash flows from financing activities				
Net proceeds from the issue of bonds	-	-	26,695	26,695
Inflows from loans	21	(56)	24,581	(6,195)
Repayment of bonds	(25,758)	(25,758)	-	-
Repayment of loans classified as financing activity	(16,643)	(712)	(2)	-
Repayment of finance lease liabilities	(769)	(254)	(869)	(284)
Interest	(2,820)	(2,342)	(1,538)	(626)
Other financial inflows/ outflows classified as financing activity	192	262	(129)	(41)
NET CASH FLOW FROM FINANCING ACTIVITIES (used in the financing activity)	(45,777)	(28,860)	48,738	19,549
TOTAL NET CASH FLOWS	(12,937)	5,909	6,188	7,961
Exchange differences on cash	95	99	28	(10)
Balance sheet changes in cash and cash equivalents	(12,842)	6,008	6,216	7,951
Cash and cash equivalents at the beginning of the period	30,233	11,383	6,618	4,883
Cash and cash equivalents at the end of the period	17,391	17,391	12,834	12,834

STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

For the period from 01.01. to 30.09.2024	Share capital	Share premium	Other reserve capital	Retained earnings	Equity attributable to owners of parent	Non controlling interest	Equity
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
As of 01.01.2024	1,829	78,653	22,316	54,799	157,597	2,681	160,278
Corrections of the previous year	-	-	(581)	(6,907)	(7,488)	-	(7,488)
As of 01.01.2024, upon conversion	1,829	78,653	21,735	47,892	150,109	2,681	152,790
Profit (loss) for the period	-	-	-	435	435	180	615
Other comprehensive income	-	-	(87)	-	(87)	-	(87)
Total	-	-	(87)	435	348	180	528
Increase (decrease) as the result of other changes in equity	-	-	12,678	(12,678)	-	-	-
Issue of financial instruments	-	-	-	-	-	-	-
Valuation of motivational program	-	-	1,897	-	1,897	-	1,897
Increase (decrease) as the result of change in ownership in subsidiaries which do not result in loss of control	-	-	-	-	-	-	-
Changes in equity	-	-	14,488	(12,243)	2,245	180	2,425
As of 30.09.2024	1,829	78,653	36,223	35,649	152,354	2,861	155,215

For the period from 01.01. to 30.06.2024

	Share capital	Share premium	Other reserve capital	Retained earnings	Equity attributable to owners of parent	Non controlling interest	Equity
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
As of 01.01.2024	1,829	78,653	22,316	54,799	157,597	2,681	160,278
Corrections of the previous year	-	-	(581)	(6,907)	(7,488)	-	(7,488)
As of 01.01.2024, upon conversion	1,829	78,653	21,735	47,892	150,109	2,681	152,790
Profit (loss) for the period	-	-	-	2,542	2,542	118	2,660
Other comprehensive income	-	-	(94)	-	(94)	-	(94)
Total	-	-	(94)	2,542	2,448	118	2,566
Increase (decrease) as the result of other changes in equity	-	-	12,678	(12,678)	-	-	-
Issue of financial instruments	-	-	-	-	-	-	-
Valuation of motivational program	-	-	1,378	-	1,378	-	1,378
Increase (decrease) as the result of change in ownership in subsidiaries which do not result in loss of control	-	-	-	-	-	-	-
Changes in equity	-	-	13,962	(10,136)	3,826	118	3,944
As of 30.06.2024	1,829	78,653	35,697	37,756	153,935	2,799	156,734

For the period from 01.01. to 31.12.2023*

	Share capital	Share premium	Other reserve capital	Retained earnings	Equity attributable to owners of parent	Non controlling interest	Equity
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
As of 01.01.2023	1,829	78,653	18,203	42,128	140,813	1,404	142,217
Profit (loss) for the period	-	-	-	6,140	6,140	1,420	7,560
Other comprehensive income	-	-	(432)	-	(432)	-	(432)
Total	-	-	(432)	6,140	5,708	1,420	7,128
Increase (decrease) as the result of other changes in equity	-	-	-	-	-	-	-
Issue of financial instruments	-	-	485	-	485	-	485
Valuation of motivational program	-	-	3,479	-	3,479	-	3,479
Increase (decrease) as the result of change in ownership in subsidiaries which do not result in loss of control	-	-	-	(376)	(376)	(143)	(519)
Changes in equity	-	-	3,532	5,764	9,296	1,277	10,573
As of 31.12.2023	1,829	78,653	21,735	47,892	150,109	2,681	152,790

* transformed data

II. KEY BASIC INFORMATION ABOUT CI GAMES CAPITAL GROUP

1. Information about Dominant entity

- Name of the reporting entity: CI Games spółka europejska (“Issuer”, “Dominant entity”, “the Company”). On 17.03.2023 the Court registered transformation of CI Games SA into European Company. CI Games SE was registered in the Register of Entrepreneurs of the National Court Register by the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Division of the National Court Register.
- Registered Address: Rondo Daszyńskiego 2B, 00-843 Warsaw
- The core business activity: production, publishing and distribution of video games
- Court registration number (KRS): 0001025884
- Tax identification number NIP: 1181585759
- Statistical identification number (REGON): 017186320
- The Company has been established for an unlimited period of time.

2. Structure of CI Games Capital Group

As of 30.09.2024, CI Games Capital Group (“the Group”, “Capital Group CI Games”) consisted of the following entities:

- CI Games SE with a registered office in Warsaw (“the Company”, “CI Games”, “Parent entity”, “Dominant entity”). Share capital: PLN 1,829,430.15. Dominant entity. The Company is listed on the regulated market conducted by the Warsaw Stock Exchange in Warsaw S.A. On 17.03.2023, transformation of CI Games SA into CI Games European Company was registered.
- United Label S.A. (“United Label”) with a registered office in Warsaw. Share capital: PLN 127,500. 93.91% shares held by CI Games, with the remaining shares owned by private individuals. The Company is listed on New Connect market (Alternative Trading System – ATS) conducted by the Warsaw Stock Exchange in Warsaw S.A.
- CI Games USA Inc. with a registered office in the state of Delaware, United States of America. Share capital: USD 50,000. 100% shares held by CI Games.
- Business Area sp. z o.o. with a registered office in Warsaw. Share capital: PLN 5,000; 100% shares held by CI Games.
- Business Area sp. z ograniczoną odpowiedzialnością sp.j. with a registered office in Warsaw. 99.99% contribution of CI Games; the remaining 0.01% of Business Area sp. z o.o.
- CI Games S.A. sp.j. with a registered office in Warsaw. 99.99% contribution of Business Area ograniczoną odpowiedzialnością sp.j.; the remaining 0.01% of CI Games.
- CI Games UK Ltd. with a registered office in London, the United Kingdom. Share capital GBP 100; 100% shares held by CI Games.
- CI Games Mediterranean Projects S.L. with a registered office in Barcelona, Spain. Share capital: EUR 3,000. 75% shares held directly by CI Games; the remaining 25% shares owned by Mclcx Trust sp. z o.o. with the seat in Warsaw.
- CI Games Bucharest Studio S.R.L. with a registered office in Bucharest, Romania. Share capital: LEI 200. 100% shares owned directly by CI Games.

3. Companies included in consolidation

The following companies are subject to consolidation:

Company	Share in capital	Share in voting rights	Consolidation method
CI Games Inc. USA	100%	100%	full
United Label S.A.	93.91%	93.91%	full
Business Area sp. z o.o	100%	100%	full
Business Area sp. z o.o. sp.j.	99.99%	99.99%	full
CI Games S.A. sp.j.	0.01%	0.01%	full
CI Games UK Ltd.	100%	100%	full
CI Games Mediterranean Projects S.L.	75%	75%	full
CI Games Bucharest Studio SRL	100%	100%	Not consolidated*

* due to the materiality level of i.e. the share of the balance sheet value of a subsidiary does not exceed 2% of total balance sheet of the Dominant entity

4. Statement of compliance and general principles of preparation the financial statements

The interim condensed consolidated financial statements were prepared in accordance with requirements of IAS 34 „Interim financial reporting” approved by EU („IAS 34”) and the scope required by the Minister of Finance Regulation of March 29, 2018 on current and periodical information to be published by issuers of securities and conditions of consideration of information required by the law of non-member country's law as equal (Official Journal 2018, item 757) and present financial position of the CI Games Capital Group and the Company as of 30.09.2024 and 31.12.2023, financial results and cash flow for the 9-month period ended 30.09.2024 and 30.09.2023.

The quarterly interim financial statements do not include all the information and disclosures required by annual financial statements and therefore they should be read in conjunction with the Financial Statement of CI Games Capital Group and CI Games S.E. for the period ended 31.12.2023 approved for publication on 17.04.2024.

Stand alone and consolidated financial statements were prepared based on the historical cost principle. Preparation of the consolidated financial statements in accordance with the EU IFRS requires the Management Board to make judgments, estimates and assumptions, which influence the accounting principles applied, as well as the value of assets, liabilities, revenues and expenses. The estimates and the associated assumptions are based on factors, which are considered to be reliable under the given circumstances, and their results provide a basis for judgment on balance sheet value of assets and liabilities, which is not based directly on other sources. The real value may differ from the estimated values.

The Management Board verifies the estimates and assumptions on an ongoing basis and records any changes in these in the period, in which they were made. The key judgments and estimates made by Management applied in the preparation of interim financial statements remained unchanged compared to the judgments and estimates applied in the consolidated financial statements ended 31.12.2023.

5. Going concern assumption

The consolidated financial statements were prepared with the assumption of going concern in the foreseeable future. The Management Board of the Issuer is of opinion that the Group is able to:

- conduct its ongoing activity and settle its liabilities,
- continue production of subsequent games titles.

In association with the situation related to economic uncertainty in Poland and over the world related to the war in Ukraine, and their implications – the Management Board is of opinion that the current situation does not constitute an event that would require an adjustment of the consolidated financial statements for the nine month period ended 30.09.2024. As of the date of publication of these financial statements, the situation is subject to constant changes. These changes did not affect the Group's going concern assumptions.

6. Functional and presentation currency and the rules of conversion of the financial data for the consolidation purposes

Functional currency of Dominant entity and presentation currency of these consolidated financial statements is Polish zloty (PLN). Possible differences in the amount of 1 thousand PLN when summing up the items presented in the explanatory notes result from adopted rounding.

Conversion into PLN of the financial statements of the subsidiaries for the consolidation purposes: the balance sheet items have been converted using the exchange rates as of the end of the reporting period, while the items of the profit and loss account and the cash flow statement have been converted in according to the exchange rates determined as the arithmetic mean of exchange rates published by the President of the National Bank of Poland as of the last day of each month of the reporting period.

Foreign exchange differences resulting from these conversions are included in equity in the in the item foreign exchange differences from translation of foreign entities.

7. Changes in the accounting principles and comparability of data presented in the financial statement

A description of material accounting principles applied by the Company can be found in the financial statement for the year ended on December 31, 2023, which was made public on 18.04.2024. In the 9-month period of 2024, there was not changes in the accounting policy except for changes in recognition of the motivational plan in subsidiaries (description below).

8. Corrections of the previous years

In the reported period, material errors were corrected related to financial statements for 2023. These errors related to:

Correction no 1: decrease of revenues in CI Games USA Inc, by PLN 8,640 thousand – the value of this correction decreases consolidated retained earnings for 2023 by PLN 7,378 thousand (i.e. decreases own equity by this amount as of 30.09.2024).

Correction no 2: correction of the motivational plan's recognition in CI Games SE and its subsidiaries – this correction increases consolidated net profit by PLN 471 thousand (after tax effect). The motivational plan related to employees hired in the subsidiaries was amortized in CI Games SE, therefore:

- the correction derecognized amortization cost of motivational plan (related to employees hired in subsidiaries) from the employment costs in CI Games SE and at the same time increased in the same amount value of investment in subsidiaries (value of the correction is PLN 3 388 thousand and there is no impact on consolidated results nor retained earnings i.e. this correction is eliminated in consolidation).
- value of the correction of PLN 581 thousand related to two persons, who were hired in subsidiaries and ceased to be employees as of the date of this correction in 2024, therefore this amount decreased employment costs in CI Games SE and did not increase the value of investments in subsidiaries.

The table below presents impact of each correction on the individual items of the consolidated financial statements.

	Item of the financial statement		Impact on retained profit as of 31.12.2023
	(+)	(+)	PLN'000
Correction no 1	Deferred tax asset	Profit (loss) from the previous years	1,262
	(-)	(-)	
	Trade and other receivables	Profit (loss) from the previous years	(8,640)
	(-)	(-)	
Correction no 2	Deferred tax asset	Profit (loss) from the previous years	(110)
	(-)	(+)	
	Other reserve capital	Profit (loss) from the previous years	581
Total impact on retained profits			(6,907)

In accordance with IAS 8, the Company corrected errors of the previous periods by correcting the comparative information presented in the financial statements of the subsequent period in which error was detected. The table below, presents total impact of the corrections on individual items of the consolidated financial statements.

as of 31.12.2023 PLN'000			
ASSETS			
	before correction	correction	after correction
NON-CURRENT ASSETS	187,526	1,152	188,678
Deferred tax assets	14,638	1,152	15,790
CURRENT ASSETS	87,468	(8,640)	78,828
Trade and other short term receivables	52,262	(8,640)	43,622
TOTAL ASSETS	274,994	(7,488)	267,506

as of 31.12.2023 PLN'000			
EQUITY AND LIABILITIES			
	before correction	correction	after correction
EQUITY	160,278	(7,488)	152,790
Other reserve capital	78,653	(581)	78,072
Retained profits	54,799	(6,907)	47,892
LIABILITIES	75,957	-	75,957
TOTAL EQUITY AND LIABILITIES	274,994	(7,488)	267,506

Corrections of the previous years did not have impact on the profit/loss per one share in the 9-month period of 2023.

9. New standards and interpretations

New standards, changes in the binding standards and interpretations, which came into effect on 1st January 2023 and 2024:

- **IFRS 17 “Insurance contracts”** with subsequent amendments to IFRS 17.
- **Amendments to IAS 1 “Presentation of financial statements”**. The changes pertain to the definition of material disclosures related to accounting policy, which has been defined in the standard.
- **Amendments to IAS 8 “Accounting policies, changes in accounting estimates and errors”**. The changes relate to definition of estimates.
- **Amendments to IAS 12 “Income tax”** – deferred tax related to asses and liabilities arising from a single transaction. Before amendment to the standard, there were ambiguities as to whether the recognition of equal amounts of assets and liabilities for accounting purposes (e.g. initial recognition of a lease) without affecting current tax settlements results in the need to recognize deferred tax balances or whether the so-called exemption from initial recognition, which says that deferred tax balances are not recognized if the recognition of an asset or liability has no effect on the accounting or tax result at the time of recognition. The amended IAS 12 regulates this issue by requiring the recognition of deferred tax in the above situation by introducing an additional provision that the exemption from initial recognition does not apply if the entity simultaneously recognizes an asset and an equivalent liability and each of them creates temporary differences.
- **Amendments to IAS 12 “Income tax”** – global minimal tax (Pillar Two).
- **Amendments to IFRS 17 “Insurance contracts”** – first application of IFRS 17 and IFRS 9 – comparable information.
- **Amendments to IAS 1 “Presentation of Financial Statements”**: classification of liabilities as current or non-current and classification of liabilities as current.
- **Amendment to IFRS 16 “Leasing”** – lease liabilities during the sale and lease back.
- **Amendment to IAS 7 “Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures** – suppliers finance arrangements.

New standards, changes in the binding standards and interpretations, approved by RMSR which come into effect on 1st January 2025:

- **Amendment to IAS 21 “The Effects of Changes in Foreign Exchange Rates”** lack of exchangeability.

According to estimates of the Company, the standards, interpretations and amendments to standards listed above shall have no significant impact upon the financial statements of the Company and the Group.

10. Audit performed by statutory auditor

These quarterly consolidated and individual financial statements along with the selected components were not audited nor reviewed by an independent statutory auditor.

III. FINANCIAL INFORMATION TO THE QUARTERLY REPORT

1. Consolidated quarterly results

Consolidated Profit and Loss Account	for the period	for the period
	from 1.01 to 30.09.2024	from 1.01 to 30.09.2023
	PLN'000	PLN'000
Net revenue from sales	68,908	59,121
Costs of goods sold	(46,695)	(27,376)
Gross profit on sales	22,213	31,745
<i>Sales margin (%)</i>	32.2%	53.7%
Selling costs	(9,029)	(19,027)
General and administrative costs	(11,479)	(13,618)
Net other operating income/costs and net impairment	195	(780)
Profit (loss) from operating activities	1,900	(1,680)
<i>Operating margin (%)</i>	2.8%	-2.8%
Reported EBITDA	39,805	2,532
<i>EBITDA (%)</i>	57.8%	4.3%
Gross profit (loss)	487	(4,970)
<i>Gross profit (%)</i>	0.7%	-8.4%
Net profit (loss)	615	(4,373)
<i>Net margin (%)</i>	0.9%	-7.4%

In the first three quarters of 2024, consolidated revenues amounted to PLN 68.9m compared to PLN 59.1m in the comparable period of 2023. This growth is connected with the release of “Lords of the Fallen” on 13.10.2023 (note that 3Q 2023 included some portion of the physical sales of “Lords of the Fallen”). The sales of this game accounted for 66% of total revenues, while sales of “Sniper Ghost Warrior Contracts 2” accounted for 18% of revenues and the games from United Label S.A. generated 5% of consolidated revenues in the analysed period of 2024.

An increase in the costs of goods sold in the nine-months period of 2024 and decline in sales margin, mainly resulted from amortization costs of “Lords of the Fallen”. Other production costs include costs of engines, amortization of “Sniper Ghost Warrior Contracts 2” and games from United Label S.A. portfolio. The game “Sniper Ghost Warrior Contracts 2” fully amortized in April this year. In the analysed period of 2024, the Group incurred also not capitalized costs related to “Lords of the Fallen”.

In the first three quarters of 2024, selling costs decreased comparing to the respective period of 2023, due to the fact that costs in 2023 included higher marketing costs of “Lords of the Fallen” proceeding the release of this game.

General and administrative costs were lower in the first nine months of 2024 compared to the respective period of 2023 resulting from reduction in recruitment and legal services costs which were partially netted of by an increase of IT costs. In the first quarter of 2024, the Company incurred one-off costs related to dismissal of Vice President of CI Games.

The nine months 2024, reported EBITDA amounted to PLN 39.8m, while net profit was PLN 0.6m.

2. Information about operational segments

The basic segments of Group's activity are the production and sales of own games and publishing activity commenced in the second half of year 2018 by United Label S.A. The tables below present:

- CI Games Group – stands for CI Games and other companies from the Group including consolidation adjustments between these entities.
- United Label S.A. – presents publishing activity.

30.09.2024	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
A. Non-current assets	183,472	7,416	(100)	190,788
Property, plant and equipment	1,173	6	-	1,179
Intangible assets	169,855	7,170	-	177,025
Right-to-use asset	430	-	-	430
Long term investments	100	-	(100)	-
Deferred tax asset	10,741	240	-	10,981
Long term receivables	548	-	-	548
Long term lease receivables	625	-	-	625
B. Current assets	35,193	2,250	(564)	36,879
Inventory	1,218	-	-	1,218
Current investments	-	-	-	-
Trade and other receivables	14,154	822	(564)	14,412
Short term lease receivables	993	-	-	993
Tax receivables	2,724	141	-	2,865
Cash and cash equivalents	16,104	1,287	-	17,391
Current assets other than assets or disposal classified as held for sales or as held for distribution to owners	5,624	2,250	(564)	36,879
Non-current assets classified as held for sale or as held for distribution to owners	-	-	-	-
Total assets	218,665	9,666	(664)	227,667

30.09.2024	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
A. EQUITY	147,176	8,140	(101)	155,215
Share capital	1,829	128	(128)	1,829
Share premium	74,484	4,169	-	78,653
Other reserve capital	36,223	-	-	36,223
Retained earnings	31,807	3,843	(1)	35,649
including profit for the period	1,381	(974)	28	435
Equity attributable to owners of the Parent	144,343	8,140	(129)	152,354
Equity attributable to non-controlling interests	2,833	-	28	2,861
B. LIABILITIES	71,489	1,526	(563)	72,452
Non-current liabilities	42,804	9	-	42,813
Loans, credit and other debt instruments	-	-	-	-
Long term trade and other liabilities	27,185	-	-	27,185
Finance lease liabilities	792	-	-	792
Deferred income tax provision	14,827	9	-	14,836
Current liabilities	28,685	1,517	(563)	29,639
Borrowings including credits, loans and other debt instruments	14,369	-	-	14,369
Income tax liabilities	1,800	-	-	1,800
Trade liabilities and other liabilities	9,610	950	(563)	9,997
Finance lease liabilities	1,209	-	-	1,209
Other current provisions	1,697	567	-	2,264
Current liabilities other than liabilities included in disposal groups classified as held for sale	28,685	1,517	(563)	29,639
Liabilities included in disposal groups classified as held for sale	-	-	-	-
Total equity and liabilities	218,665	9,666	(664)	227,667

30.06.2024	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
A. Non-current assets	173,251	6,334	(109)	179,476
Property, plant and equipment	1,298	7	-	1,305
Intangible assets	158,290	6,093	(9)	164,374
Right-to-use asset	2,300	-	-	2,300
Long term investments	100	-	(100)	-
Deferred tax asset	10,715	234	-	10,949
Long term receivables	548	-	-	548
B. Current assets	51,431	4,131	(2,347)	53,215
Inventory	994	-	-	994
Current investments	-	-	-	-
Trade and other receivables	37,696	2,663	(2,347)	38,012
Tax receivables	2,746	80	-	2,826
Cash and cash equivalents	9,995	1,388	-	11,383
Current assets other than assets or disposal classified as held for sales or as held for distribution to owners	51,431	4,131	(2,347)	53,215
Non-current assets classified as held for sale or as held for distribution to owners	-	-	-	-
Total assets	224,682	10,465	(2,456)	232,691

30.06.2024	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
A.	148,066	8,777	(109)	156,734
Share capital	1,829	128	(128)	1,829
Share premium	74,484	4,169	-	78,653
Other reserve capital	35,697	-	-	35,697
Retained earnings	33,285	4,480	(9)	37,756
including profit for the period	2,860	(337)	19	2,542
Equity attributable to owners of the Parent	145,295	8,777	(137)	153,935
Equity attributable to non-controlling interests	2,771	-	28	2,799
B. LIABILITIES	76,616	1,688	(2,347)	75,957
Non-current liabilities	16,784	15	-	16,799
Loans, credit and other debt instruments	-	-	-	-
Long term trade and other liabilities	450	-	-	450
Finance lease liabilities	1,096	-	-	1,096
Deferred income tax provision	15,238	15	-	15,253
Current liabilities	59,832	1,673	(2,347)	59,158
Borrowings including credits, loans and other debt instruments	42,875	-	-	42,875
Income tax liabilities	1,637	-	-	1,637
Trade liabilities and other liabilities	13,183	1,135	(2,347)	11,971
Finance lease liabilities	1,235	-	-	1,235
Other current provisions	902	538	-	1,440
Current liabilities other than liabilities included in disposal groups classified as held for sale	59,832	1,673	(2,347)	59,158
Liabilities included in disposal groups classified as held for sale	-	-	-	-
Total equity and liabilities	224,682	10,465	(2,456)	232,691

Consolidated P&L per segments for 9M 2024	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
Continuing operations				
Net revenue from sales	65,904	3,379	(375)	68,908
Costs of products, goods and services sold	(44,161)	(2,562)	28	(46,695)
Gross profit (loss) on sales	21,743	817	(347)	22,213
Other operating revenues	1,616	2	(33)	1,585
Selling costs	(8,187)	(1,194)	352	(9,029)
General and administrative costs	(10,914)	(588)	23	(11,479)
Other operating expenses	(1,372)	-	33	(1,339)
Impairment loss/impairment gain and reversal of impairment loss	(51)	-	-	(51)
Profit (loss) on operating activities	2,835	(963)	28	1,900
Financial revenues	901	-	-	901
Financial expenses	(2,252)	(62)	-	(2,314)
Profit (loss) before tax	1,484	(1,025)	28	487
Income tax	77	51	-	128
Profit (loss) on continuing operations	1,561	(974)	28	615
Discontinued operations	-	-	-	-
Loss from discontinued operations	-	-	-	-
Net profit (loss)	1,561	(974)	28	615
- net profit (loss) attributable to equity owners of the Parent	1,381	(974)	28	435
- net profit (loss) attributable to non-controlling interest	180	-	-	180

Consolidated P&L per segments for 3Q 2024	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
Continuing operations				
Net revenue from sales	9,851	811	(87)	10,575
Costs of products, goods and services sold	(4,885)	(567)	9	(5,443)
Gross profit (loss) on sales	4,966	244	(78)	5,132
Other operating revenues	285	-	(32)	253
Selling costs	(2,896)	(748)	79	(3,565)
General and administrative costs	(2,711)	(141)	8	(2,844)
Other operating expenses	(237)	-	32	(205)
Impairment loss/impairment gain and reversal of impairment loss	-	-	-	-
Profit (loss) on operating activities	(593)	(645)	9	(1,229)
Financial revenues	(579)	-	-	(579)
Financial expenses	(512)	(12)	-	(524)
Profit (loss) before tax	(1,684)	(657)	9	(2,332)
Income tax	267	20	-	287
Profit (loss) on continuing operations	(1,417)	(637)	9	(2,045)
Discontinued operations	-	-	32	-
Loss from discontinued operations	-	-	32	-
Net profit (loss)	(1,417)	(637)	9	(2,045)
- net profit (loss) attributable to equity owners of the Parent	(1,479)	(637)	9	(2,107)
- net profit (loss) attributable to non-controlling interest	62	-	-	62

31.12.2023*

CI GAMES GROUP

UNITED LABEL

Consolidation
eliminations

Total

	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
A. Non-current assets	183,427	5,379	(128)	188,678
Property, plant and equipment	1,359	8	-	1,367
Intangible assets	163,529	5,206	(28)	168,707
Right-to-use asset	2,276	-	-	2,276
Long term investments	100	-	(100)	-
Deferred tax asset	15,625	165	-	15,790
Long term receivables	538	-	-	538
B. Current assets	74,817	4,963	(952)	78,828
Inventory	1,502	-	-	1,502
Current investments	-	-	-	-
Trade and other receivables	43,348	1,226	(952)	43,622
Tax receivables	3,328	143	-	3,471
Cash and cash equivalents	26,639	3,594	-	30,233
Current assets other than assets or disposal classified as held for sales or as held for distribution to owners	74,817	4,963	(952)	78,828
Non-current assets classified as held for sale or as held for distribution to owners	-	-	-	-
Total assets	258,244	10,342	(1,080)	267,506

* transformed data

31.12.2023*

CI GAMES
GROUP

UNITED
LABEL

Consolidation
eliminations

Total

	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
A. EQUITY	143,804	9,114	(128)	152,790
Share capital	1,829	128	(128)	1,829
Share premium	74,484	4,169	-	78,653
Other reserve capital	21,735	-	-	21,735
Retained earnings	43,103	4,817	(28)	47,892
including profit for the period	5,819	351	(30)	6,140
Equity attributable to owners of the Parent	141,151	9,114	(156)	150,109
Equity attributable to non-controlling interests	2,653	-	28	2,681
B. LIABILITIES	114,440	1,228	(952)	114,716
Non-current liabilities	23,053	-	-	23,053
Loans, credit and other debt instruments	-	-	-	-
Finance lease liabilities	1,359	-	-	1,359
Deferred income tax provision	21,694	-	-	21,694
Current liabilities	91,387	1,228	(952)	91,663
Borrowings including credits, loans and other debt instruments	57,749	1	-	57,750
Income tax liabilities	123	-	-	123
Trade liabilities and other liabilities	29,399	1,193	(952)	29,640
Finance lease liabilities	1,025	-	-	1,025
Other current provisions	3,091	34	-	3,125
Current liabilities other than liabilities included in disposal groups classified as held for sale	91,387	1,228	(952)	91,663
Liabilities included in disposal groups classified as held for sale	-	-	-	-
Total equity and liabilities	258,244	10,342	(1,080)	267,506

* transformed data

30.09.2023	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
A. Non-current assets	216,395	5,217	(138)	221,474
Property, plant and equipment	1,481	-	-	1,481
Intangible assets	206,470	5,035	(38)	211,467
Right-to-use asset	2,512	-	-	2,512
Shares in subsidiaries	-	-	-	-
Long term investments	100	-	(100)	-
Deferred tax asset	5,291	182	-	5,473
Long term receivables	541	-	-	541
B. Current assets	45,505	6,384	(6,000)	45,889
Inventory	8,906	-	-	8,906
Current investments	-	-	-	-
Trade and other receivables	23,908	6,230	(6,000)	24,138
Tax receivables	-	11	-	11
Cash and cash equivalents	12,691	143	-	12,834
Current assets other than assets or disposal classified as held for sales or as held for distribution to owners	45,505	6,384	(6,000)	45,889
Non-current assets classified as held for sale or as held for distribution to owners	-	-	-	-
Total assets	261,900	11,601	(6,138)	267,363

30.09.2023	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
A. EQUITY	134,119	9,005	(138)	142,986
Share capital	1,829	128	(128)	1,829
Share premium	74,484	4,169	-	78,653
Other reserve capital	23,346	-	-	23,346
Retained earnings	32,329	4,708	(38)	36,999
including profit for the period	(5,341)	242	(30)	(5,129)
Equity attributable to owners of the Parent	131,988	9,005	(166)	140,827
Equity attributable to non-controlling interests	2,131	-	28	2,159
B. LIABILITIES	127,781	2,596	(6,000)	124,377
Non-current liabilities	2,215	4	-	2,219
Loans, credit and other debt instruments	-	-	-	-
Finance lease liabilities	1,719	-	-	1,719
Deferred income tax provision	496	4	-	500
Current liabilities	125,566	2,592	(6,000)	122,158
Borrowings including credits, loans and other debt instruments	72,022	-	-	72,022
Income tax liabilities	4,317	4	-	4,321
Trade liabilities and other liabilities	45,427	2,307	(6,000)	41,734
Finance lease liabilities	1,102	-	-	1,102
Other current provisions	2,698	281	-	2,979
Current liabilities other than liabilities included in disposal groups classified as held for sale	125,566	2,592	(6,000)	122,158
Liabilities included in disposal groups classified as held for sale	-	-	-	-
Total equity and liabilities	261,900	11,601	(6,138)	267,363

Consolidated P&L per segments for the period from 1.01 to 30.09.2023

	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
Continuing operations				
Net revenue from sales	53,374	6,363	(616)	59,121
Costs of products, goods and services sold	(23,382)	(4,004)	10	(27,376)
Gross profit (loss) on sales	29,992	2,359	(606)	31,745
Other operating revenues	967	-	(2)	965
Selling costs	(18,790)	(873)	636	(19,027)
General and administrative costs	(12,988)	(630)	-	(13,618)
Other operating expenses	(177)	-	2	(175)
Impairment loss/impairment gain and reversal of impairment loss	(1,570)	-	-	(1,570)
Profit (loss) on operating activities	(2,566)	856	30	(1,680)
Financial revenues	8	-	-	8
Financial expenses	(3,205)	(93)	-	(3,298)
Profit (loss) before tax	(5,763)	763	30	(4,970)
Income tax	1,118	(521)	-	597
Profit (loss) on continuing operations	(4,645)	242	30	(4,373)
Discontinued operations	-	-	-	-
Loss from discontinued operations	-	-	-	-
Net profit (loss)	(4,645)	242	30	(4,373)
- net profit (loss) attributable to equity owners of the Parent	(5,341)	242	(30)	(5,129)
- net profit (loss) attributable to non-controlling interest	755	-	-	755

Consolidated P&L per segments for 3Q 2023

	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
Continuing operations				
Net revenue from sales	36,256	693	(69)	36,880
Costs of products, goods and services sold	(17,947)	(772)	(8)	(18,727)
Gross profit (loss) on sales	18,309	(79)	(77)	18,153
Other operating revenues	916	-	-	916
Selling costs	(11,127)	(129)	69	(11,187)
General and administrative costs	(4,612)	(174)	-	(4,786)
Other operating expenses	(87)	-	-	(87)
Impairment loss/impairment gain and reversal of impairment loss	(684)	-	-	(684)
Profit (loss) on operating activities	2,715	(382)	(8)	2,325
Financial revenues	(1,607)	21	-	(1,586)
Financial expenses	(2,191)	(85)	-	(2,276)
Profit (loss) before tax	(1,083)	(446)	(8)	(1,537)
Income tax	405	(96)	-	309
Profit (loss) on continuing operations	(678)	(542)	(8)	(1,228)
Discontinued operations	-	-	-	-
Loss from discontinued operations	-	-	-	-
Net profit (loss)	(678)	(542)	(8)	(1,228)
- net profit (loss) attributable to equity owners of the Parent	(949)	(542)	(68)	(1,559)
- net profit (loss) attributable to non-controlling interest	330	-	-	330

3. Information concerning the amount and type of items influencing the assets, liabilities, equity, net result or cash flows, which are unusual due to their nature, value or frequency

As of the date of this report, no amounts were recorded, which would be unusual due to their nature, value or frequency.

4. Information on material transactions to purchase or sell tangible assets

In the first three quarters of 2024, there were no material transactions involving the purchase or sale of tangible assets.

5. Information on significant liabilities related to the purchase of tangible assets

As of the date of publishing this report, there were no significant liabilities related to the purchase of tangible assets.

6. Information on inventory impairment losses on inventories to bring the value of inventory to their recoverable net value and reversal of such losses

CHANGE OF REVALUATION INVENTORIES

	PLN'000
Balance as of 01.01.2024	2,305
Increases, including:	5
- impairment of inventory	5
Decreases, including:	(1,203)
- release of the impairment	(1,203)
Balance as of 30.09.2024	1,107

In the first three quarters of 2024, the impairment loss on inventories, which was created in previous periods for the planned liquidation of inventories and inventory differences, was reversed. In the first three quarters of 2024, physical liquidation of inventories was carried out and inventory differences were settled (the result on these operations was zero).

7. Information on impairment losses on financial assets, property, plant and equipment, intangible assets and other assets and reversal of such losses

CHANGE OF REVALUATION RECEIVABLES

	PLN'000
Balance as of 01.01.2024	1,062
Increases, including:	(4)
- impairment of receivables	56
- FX valuation	(60)
Decreases, including:	(5)
- release of the impairment	(5)
- FX valuation	-
Balance as of 30.09.2024	1,053

8. Information about changes in the provisions

MOVEMENTS IN PROVISIONS	Unused holidays provision	Other provisions
	PLN'000	PLN'000
Balance as of 01.01.2024	114	3,011
Creation of the provision	167	5,960
Release of the provision/Utilisation of the provision	(144)	(6,844)
Balance as of 30.09.2024	137	2,127

As of 30.09.2024, other provisions included unvoiced costs in that period (royalties in United Label S.A. due to developers, provision for engine costs and other unvoiced costs).

9. Loan and debt instruments liabilities

Liabilities from loans and other debt instruments	as of 30.09.2024	as of 30.06.2024	as of 31.12.2023*	as of 30.09.2023
	PLN'000	PLN'000	PLN'000	PLN'000
Multi-purpose overdraft limit	-	15,023	15,941	24,173
Non-renewable credit facility	14,303	-	14,998	19,998
Convertible bonds series F	-	27,775	26,729	27,809
Credit cards	66	77	82	42
Total liabilities from loans and debt instruments	14,369	42,875	57,750	72,022

* transformed data

As of 30.09.2024 the short term loan liabilities included:

- Loan facility in the amount of PLN 15 mln (balance of PLN 14,303 thousand as of 30.09.2024) in PKO BP;
- credit cards balance.

As of 31.12.2023, the balance of loans included also: multi-purpose overdraft limit up to PLN 29 mln in PKO BP S.A. and non-renewable credit facility of PLN 20 mln used for the production of "Lords of the Fallen" in PKO BP S.A. Both loans were repaid and closed in the first quarter of 2024.

Convertible bonds series F (details in Chapter IV, point 16) were repaid in July 2024.

10. Income tax

Income tax charges on the financial result consist of current tax and deferred tax (non-cash item):

- A current tax charge is calculated on the basis of the tax result (taxation basis) for a given financial year. Tax profit (loss) differs from net accounting profit (loss) due to exclusion of revenues subject to taxation and expenses constituting costs of earning profit in the subsequent years and those revenue and expense items, which will never be subject to taxation. Tax charges are calculated on the basis of tax rates applicable in a given financial year. As of 30.09.2024 current corporate tax charges in the companies from the Group for the 9 months period of 2024 amounted to PLN 1,921 thousand.
- Deferred tax is calculated using the balance sheet method as tax to be paid or returned in the future on differences between the balance sheet value of assets and liabilities and the corresponding tax values used for calculation of taxation basis.

INCOME TAX	for the period from	for the period from	for the period from	for the period from
	1.01 to 30.09.2024	1.07 to 30.09.2024	1.01 to 30.09.2023	1.07 to 30.09.2023
	PLN'000	PLN'000	PLN'000	PLN'000
Gross profit (loss)	487	(2,332)	(4,970)	(1,537)
Current income tax	(1,921)	(205)	(5,010)	(4,660)
Withholding tax paid abroad	-	-	(210)	(4)
Deferred tax:	2,049	660	5,817	4,973
Decrease/increase in the deferred tax asset	(4,809)	669	4,456	3,905
Decrease/increase the provision for deferred tax	6,858	(9)	1,361	1,068
Total income tax included in the profit and loss account	128	455	597	309
Net profit (loss)	615	(1,877)	(4,373)	(1,228)

As of 30.09.2024, a change in deferred tax amounted to PLN 2,049 thousand and comprised of the following items:

- decrease of the deferred tax asset balance (from 01.01.2024 to 30.09.2024) by the amount of PLN 4,809 thousand mainly due to utilization of tax losses and creation of not taxable provisions.
- decrease of the deferred tax liability balance (from 01.01.2024 to 30.09.2024) by the amount of PLN 6,858 thousand, resulting mainly from the decreasing difference between the tax and book value of development works.

11. Deferred tax asset and liability

Deferred tax assets are determined in the amount to be deducted in the future from income tax amount as a result of temporary exchange losses, which result in reduction of the income tax base in the future. The balance sheet value of the deferred income tax asset is verified on each balance sheet date and subject to writing off, if economic benefits to be achieved by the Group due to utilization of deferred tax assets are doubtful.

The deferred income tax provision is established on the basis of temporary exchange gains between the tax value of assets and liabilities and their balance sheet value in the financial statements.

	as of 30.09.2024	as of 30.06.2024	as of 31.12.2023*	as of 30.09.2023
DEFERRED TAX	PLN'000	PLN'000	PLN'000	PLN'000
Deferred tax assets				
Opening value	15,790	5,473	1,017	1,017
Including assets compared to the financial result	(15,790)	(5,473)	(1,017)	(1,017)
Increases recognised in financial result	10,981	10,949	15,790	5,473
Cost provision	322	158	497	465
Receivables valuation allowances	-	-	169	140
Provision for returns	2,458	2,477	2,546	1,423
Exchange differences	534	699	691	436
Tax losses	5,749	5,749	10,236	-
Difference between the balance-sheet and tax value	502	550	615	869
Motivational plan bookings	1,383	1,285	1,023	1,278
Other	33	31	13	862
Decreases compared to the financial result	(15,790)	(5,473)	(1,017)	(1,017)
Closing value	10,981	10,949	15,790	5,473
Deferred tax provisions				
Opening value	21,694	21,694	1,861	1,861
Including assets compared to the financial result	(21,694)	(21,694)	(1,861)	(1,861)
Increases compared to the financial result	14,836	15,253	21,694	500
Leasing receivable	307	-	-	-
Exchange differences	254	158	86	23
Difference between the balance-sheet and tax value of tangible fixed assets	14,127	14,655	21,175	-
Difference between the balance-sheet and tax value of right-to-use asset	15	360	433	477
Other	133	80	-	-
Decreases compared to the result	(21,694)	(21,694)	(1,861)	(1,861)
Closing value	14,836	15,253	21,694	500

* transformed data

12. Information on changes in classification of financial assets as a result of a change of the purpose or use of these assets

In the first three quarters of 2024, no changes took place in classification of financial assets due to a change in the purpose or use of these assets.

13. Share capital of Dominant entity

As of 30.09.2024, share capital comprised of nine series of shares issued at the following terms:

SHARE SERIES	NO OF SHARES	NOMINAL VALUE	
		(PLN'000)	REGISTRATION
A - ordinary bearer / paid	100,000,000	1,000	01.06.2007
B - ordinary bearer / paid	400,000	4	10.08.2008
C - ordinary bearer / paid	25,000,000	250	17.12.2008
D - ordinary bearer / paid	1,100,000	11	09.10.2009
E - ordinary bearer / paid	12,649,990	126	09.01.2014
G - ordinary bearer / paid	11,000,000	110	06.12.2016
F - ordinary bearer / paid	960,000	10	30.11.2017
H - ordinary bearer / paid	10,833,025	108	09.08.2019
I - ordinary bearer / paid	21,000,000	210	21.09.2020
TOTAL	182,943,015	1,829	

The shareholder structure as of 30.09.2024 was the following (it has changed after the balance sheet date – details in Chapter IV, point 4):

SHARE CAPITAL - STRUCTURE	Number of shares	% of votes
Marek Ty miński	53,083,570	29.02%
Active Ownership Fund Sicav -FIS SCS	36,618,931	20.02%
Other shareholders	93,240,514	50.96%
All shareholders in total	182,943,015	100%

14. Conditional share capital of Dominant entity

As of 30.09.2024, the Company had conditional share capital i.e. maximum value by which the share capital can be increased in case of exchange of warrants into shares.

The Company's conditional share capital amounts to PLN 267,207.26 and is divided into the following items:

- Series J relate to ordinary shares from issuance of C warrants – conditional capital registered in the KRS on 09.08.2021 – description in the Chapter IV, point 14.
- Series K relate to ordinary shares from issuance of D warrants (new motivational program) - conditional capital registered in the KRS on 13.07.2023 – description in the Chapter IV, point 15.

SHARES SERIES	Number of shares	NOMINAL VALUE (PLN)
J - ordinary bearer	not more than 13,720,726	137,207.26
K - ordinary bearer	not more than 13,000,000	130,000.00

15. Share premium account of the Dominant entity

SHARE SERIES	NUMBER	SURPLUS PLN'000
B - ordinary bearer / paid	400,000	36
C - ordinary bearer / paid	25,000,000	22,250
D - ordinary bearer / paid	1,100,000	99
E - ordinary bearer / paid	12,649,990	11,259
G - ordinary bearer / paid	11,000,000	24,860
F - ordinary bearer / paid	960,000	663
H - ordinary bearer / paid	10,833,025	9,641
I - ordinary bearer / paid	21,000,000	24,990
TOTAL	82,943,015	93,798
Decrease due to costs of issue of series C		(1,829)
Decrease due to costs of issue of series E		(285)
Transfer to reserve capital		(16,000)
Decrease due to costs of issue of series G		(416)
Decrease due to costs of issue of series F		(49)
Decrease due to costs of issue of series H		(470)
Decrease due to costs of issue of series I		(265)
As of 30.09.2024		74,484

16. Other reserve capital

Other reserve capital comprises of: "Reserve capital for purchase own shares", "Reserve capital", "Motivational Plan", "Loan capital" and "Foreign exchange differences from translations".

The amount of reserve capital for purchase of treasury shares as of 30.09.2024 amounted to PLN 16,000,000 (31.12.2023: PLN 16,000,000). General Meeting of CI Games S.A. of 08.11.2010 in association with a resolution passed on the same day on approval of purchase by the Company of treasury shares. The capital was established by transfer from supplementary capital of the Company of amounts, which in accordance with art. 348 par. 1 of the Code of Commercial Companies may be distributed among the shareholders.

On 06.06.2024 the Ordinary General Meeting of the Company, pursuant to resolution 21/2/2024, decided to create reserve capital in the amount of PLN 12,677,950 to facilitate the acquisition of Company's shares by granting loans to employees in order to allocate them to make a cash contribution to the Company towards the acquisition of series J ordinary bearer shares by eligible persons under the incentive program established in the Company on the basis of resolution No. 19/1/2021 of the Ordinary General Meeting of the Company of 22.06.2021 on the establishment of an incentive program for key employees and associates of the Group capital of CI Games, including members of the management board of CI Games S.E. Loans will be granted to employees in accordance with the regulations for granting financial assistance to employees of the Company, which were adopted by the Supervisory Board of the Company.

The reserve capital in the amount of PLN 12,677,950 was created from the profits achieved by the Company in the previous financial years, located in the reserve capital.

As of 30.09.2024 the balance resulting from accounting for motivational plan amounted to PLN 7,280 thousand and the balance related to issuance of convertible bonds for shares in the amount of PLN 485 thousand.

17. Transactions with related parties

The transactions were executed with related entities on the basis of market conditions.

The table below presents the value of the transaction between the Group's and related parties.

Transactions for the period from 01.01. to 30.09.2024 and balances as of 30.09.2024	COSTS*	REVENUES	RECEIVABLES	LIABILITIES
Entity	PLN'000	PLN'000	PLN'000	PLN'000
CI Games Bucharest Studio SRL	756	-	-	199
TOTAL	756	-	-	199

*including capitalised costs

Transactions of the Parent Company with entities related personally to Mr. Marek Tymiński – the majority shareholder of CI Games, who exerts direct or indirect control over the following entities:

Transactions for the period from 01.01. to 30.09.2024 and balances as of 30.09.2024	COSTS	REVENUES	RECEIVABLES	LIABILITIES
Entity	PLN'000	PLN'000	PLN'000	PLN'000
Fine Dining Sp. z o.o.	-	-	27	-
TOTAL	-	-	27	-

Transactions of CI Games with entities related personally to Members of the Supervisory Board and Members of the Management Board of the Company:

Transactions for the period from 01.01. to 30.09.2024 and balances as of 30.09.2024	COSTS	REVENUES	RECEIVABLES	LIABILITIES
Entity	PLN'000	PLN'000	PLN'000	PLN'000
Marek Tymiński	5	-	-	-
Niewińska Katarzyna	5	-	-	-
TOTAL	10	-	-	-

Transactions of CI Games with a shareholder related to bond issuance series F:

Transactions for the period from 01.01. to 30.09.2024 and balances as of 30.09.2024	COSTS	REVENUES	RECEIVABLES	LIABILITIES
Entity	PLN'000	PLN'000	PLN'000	PLN'000
Active Ownership Fund Sicav-FIS SCS	1,339	-	-	-
TOTAL	1,339	-	-	-

IV. OTHER INFORMATION RELATED TO QUARTERLY CONSOLIDATED REPORT

1. Update of the Group's strategy for the years 2025-2028

Detailed assumptions of the update of the Company's development strategy for 2025-2028 adopted by the Management Board are as follows.

Having strengthened and streamlined our business during the first half, we have developed a clear strategy to drive future sustainable returns, develop higher quality games which leverage our prior investments more efficiently and ensure we have an expand addressable market for our new releases:

1. A focused product roadmap with major releases in each of the next 3 years from 2026
2. A player-first and efficient new operating model
3. With a finance strategy to deliver the product roadmap

Our focused product roadmap and primary Focus on Core IPs

Project III – which is in full production for release in 2026, is the next major instalment in LOTF franchise, built on UE5, which has already seen a major investment from Epic for PC exclusivity. This game will have increased appeal and accessibility to both existing and wider audiences as well as gameplay improvements

Project SGW Evolved – which is currently pre-production, with a planned release in 2027, will be the next major iteration in the SGW franchise, built on UE5 with a strong appeal to both core and wider audiences through a combination of signature FPS gameplay, elevated by survival genre elements. Its development will be expedited by repurposing extensive components from Project Survive and SGW Next

Project H – currently in currently pre-production, with a planned release in 2028, will be a new major action-RPG IP within a highly commercial fantasy genre, built on UE5 using systems and architecture from “Lords of the Fallen” and “Project III”. It will have an efficient pre-production lean team until late 2025, when the Hexworks team can begin to move from “Project III”.

Secondary focus We will aim to release 1-3 high quality titles per year under the United Label S.A., with two new titles to be published over next six months – Beyond Galaxyland (the release was in September this year) and “Tails of Iron 2”.

In addition we will continue with Project Potential, exploring options to partner with strong external IPs, and Project Expand, exploring licensing our own strong IPs to external partners within entertainment and other markets (transmedia, tabletop gaming etc) for both commercial gain and increased IP awareness.

Player-first and efficient new operating model

Key to our approach will be to expand our addressable market using data-driven insights to improve the appeal and audience accessibility for our games and embedding player-centricity in development process.

We will evolve our operating model with a player-first approach, building on our “Lords of the Fallen” launch experience by.

Maximising our market appeal through:

- A new senior-led, player-first development process
- Informed by consumer insights
- Robust external testing and validation throughout development
- Thematic and gameplay mechanics for wider addressable audience

Minimising barriers-to-entry through:

- Focusing on quality over quantity
- Providing difficulty customisation options
- Removing friction points (best-in-class onboarding, keyboard remapping etc.)

Optimising the gamer experience across hardware/stores:

- Enabled by Unreal Engine 5 now being more mature
- Through closer, earlier collaboration with partners (Epic, NVidia, AMD)

Driving 80+ user scores after launch through:

- A highly iterative development
- Innovation over revolution
- Pre-launch tech demos

Data-driven efficient marketing:

- Using extensive insight, learnings and global IP awareness
- Streamlined to deliver efficient, targeted marketing campaigns

New, player centric, iterative development process

To achieve this we have a new structure with senior oversight of our new, player centric, iterative development process.

Our new Development Management & Support Office will be led by SVP of Development, Tom O'Connor (formerly Tencent, Sony), to oversee all areas of game production across all projects with Studio heads and QA reporting in to him, for improved parity with production based on consumer insights.

The development process will produce successful games with an emphasis on quality and predictability by ensuring major validation steps at key 'gates' in the project development lifecycle. In addition there will be more regular development milestones with evaluation, validation and iteration throughout production assessing the game for market appeal, product benchmarking and player UX through internal/external expert evaluation and open/closed-beta testing. This approach will ensure that we broaden our market, minimise friction points and make onboarding easier for gamers, supporting higher user scores.

New talent sharing model

This will be complemented by a more efficient talent sharing model, with new infrastructure facilitating cross-studio knowledge and talent sharing and a talent reallocation model to help reduce project fatigue, with our recent restructuring having optimised our talent pool, the cost of which has been taken.

Streamlined and smarter marketing

We will also have a more efficient approach to marketing with a significantly reduced Project III marketing budget, enabled by having achieved strong global IP awareness of Lords 23 given its sizable marketing budget and successful brand activations. We'll keep that IP front-of-mind with future improvements and free content updates and build on our extensive learnings from Lords 23 to run more efficient targeted campaigns in the future, focusing on needle-moving activations.

Finance strategy to deliver the product roadmap Our new strategy, model and operating structure will enable lower costs to market through:

- More efficient development; building on existing IP, concepts, architecture and engine
- A Streamlined team, new operating model and talent sharing, driving greater efficiency
- Lower marketing spend with targeted campaigns springboarding existing awareness

And we have a clear plan for the financing for the next three releases through:

- Operating cash flows
- Recent EPIC investment and exploring co-publishing partnerships, first party exclusives and territory distribution incentives
- Existing PLN 15.0m bank facility with plans to increase debt in order to finance future projects

2. Composition of governing bodies of the Issuer

Management Board of the Dominant entity in the first three quarters of 2024 was as follows:

Marek Tymiński	President of the Board
David Broderick	Vice President of the Board (until 21.02.2024)

Composition of the Supervisory Board of the Company in the first three quarters of 2024 was as follows:

Michael Foley	Chairman of the Supervisory Board
Artur Osuchowski	Member of the Supervisory Board (until 25.06.2024)
Marcin Garliński	Member of the Supervisory Board
Adam Niewiński	Member of the Supervisory Board
Jeremy M.J. Lewis	Member of the Supervisory Board
Florian Schuhbauer	Member of the Supervisory Board

3. The shareholding structure of the Dominant entity

The shareholding structure is determined on the basis of formal notices issued by shareholders who control at least 5% of the total number of votes at the General Meeting of Shareholders. The percentage share in the Company's share capital and in the total number of votes at the General Meeting is calculated on the basis of the most recent notices received from Company shareholders as of the date of publication of this report.

Share capital– structure	Number of shares and number of votes	% of votes in the share capital of the Company and in the total number of votes
Marek Tymiński	56,102,130	30.17%
Active Ownership Fund Sicav-FIS SCS	36,618,931	19.69%
Other shareholders	93,240,514	50.14%
Total	185,961,575	100.00%

4. Ownership of CI Games SE shares or rights to shares by persons managing and supervising the Company

Ownership of CI Games SE shares by members of managing and supervising bodies as of the date of publication of this report:

Person	Function	State as of 31.12.2023	State as of the report publication date
Marek Tymiński	CEO, President of the Management Board	53,083,570	56,102,130
Marcin Garliński	Member of the Supervisory Board	40,000	40,000

Marek Tymiński, the President of the Management Board of CI Games, as of 31.12.2023 and 30.09.2024 held 53,083,570 shares of the Parent Entity, representing 29.02% of the Issuer's share capital and 29.02% of the total number of votes at the Company's general meeting. Marek Tymiński also held 3,018,560 Series C subscription warrants convertible into Series J shares. As of the publication date of the report, in connection with the exercise of rights related to series C subscription warrants and the acquisition of series J shares, Marek Tymiński holds 56,102,130 shares of the Issuer, which represents 30.17% in the Issuer's share capital and 30.17% in the total number of votes in the Company and in the total number of votes at the Company's general meeting.

Marcin Garliński, a member of the Supervisory Board of CI Games, holds 40,000 shares of the Issuer, constituting 0.02% of the share capital of the Issuer and 0.02% of the total number of votes during the general meeting of the Company.

According to the best knowledge of the Company, the remaining members of the Supervisory Board did not directly hold any shares of the Company as of the date of the release of this report.

According to a notification received by the Issuer, Supervisory Board Member Florian Schuhbauer is the dominant entity of Active Ownership Advisors GmbH, which, together with Active Ownership Management Ltd, jointly controls the shareholder Active Ownership Fund Sicav-FIS SCS, which holds 36,618,931 shares in the Issuer, representing 19.69% of the Issuer's share capital and 19.69% of the total number of votes in the Company and the total number of votes at the Company's general meeting.

CI Games' management and supervisory personnel do not directly held any shares in CI Games' affiliates.

5. Key events in the Group in the first three quarters of 2024 and until the date of this report

- On 02.01.2024, the non-revolving working capital loan in the amount of PLN 20 million was repaid and closed, and on 31.01.2024, the multi-purpose credit limit in the amount of PLN 29 million was repaid and closed.
- On 18.01.2024, CI Games announced that it would be implementing a targeted round of redundancies, affecting approximately 10% of employees across the Group to preserve business strength and stability.
- On 21.02.2024 r. the Supervisory Board of the Company adopted resolution to dismiss Vice President of the Management Board Mr. David Broderick from the management Board of the Company as of 21.02.2024.
- On 21.03.2024, the Extraordinary General Meeting of the Company adopted a resolution on increasing the Company's share capital through the issuance of series M ordinary bearer shares, depriving existing shareholders of all pre-emptive rights to all series M shares, dematerialization of series M shares and rights to series M shares, applying for admission and introduction of series M shares and/or rights to series M shares to trading on a regulated market operated by the Warsaw Stock Exchange, authorization to conclude an agreement on registration of the series M shares and/or rights to the series M shares with the securities depository, and amendment of the Company's Articles of Association, on the basis of which it was decided to increase the Company's share capital to no more than PLN 2,195,316.15, i.e. by no more than PLN 365,886.00, through the issuance of no more than 36,588,600 series M ordinary bearer shares with a par value of PLN 0.01 each. On 26.04.2024, the Management Board passed a resolution to suspend implementation of the Extraordinary General Meeting's resolution until 03.06.2024. On 29.05.2024, passed a resolution to extend the suspension of the execution of the Extraordinary General Meeting's resolution, without indicating the end date of the suspension period. On 18.09.2024, the Management Board adopted a resolution regarding the final waiver of the implementation of the resolution of the Extraordinary General Meeting.
- On 21.03.2024, "Tails of Iron 2" (a game from United Label S.A. portfolio), sequel to the successful 2021 action-RPG, was announced with a trailer during the Future Spring Showcase streamed to 8.5 million live viewers. The announcement generated over 125 articles and over 200k organic YouTube views of the trailer. This was followed up with a Gameplay Reveal during the ID@Xbox digital showcase in partnership with IGN on 29.04.2024.
- On 10.04.2024, CI Games SE concluded with PKP BP S.A. a multi-purpose credit limit agreement for a maximum amount of PLN 15,000,000. The loan was granted for the period from 10.04.2024 to 09.04.2025.
- On 24.04.2024, "Lords of the Fallen" was updated to Version 1.5 - the culmination of over 30 post-launch updates. This coincided with the release of the 'Master of Fate' update which introduced an advanced game modifier system allowing players to customise a range of mechanics to make the game easier or more difficult. The release was very well received by players, community and influencers alike, generating over 150 press articles, over 900 thousand organic YouTube views of the trailer, and saw the game achieve its highest Twitch CCU since launch.
- On 29.04.2024, CI Games announced a second targeted round of layoffs following a business optimization program launched in January this year, involving the restructuring of some 30 positions across production. The Hexworks team and the development of "Project 3" were not affected.
- On 29.04.2024, the adventure-RPG, "Beyond Galaxyland" (a game from United Label S.A. portfolio), was announced, generating 95 press articles and over 130 thousand organic YouTube views
- On 03.05.2024 CI Games signed the agreement with Microsoft Corporation, with its registered office in Washington, USA to provide the games "Lords of the Fallen" and "Sniper Ghost Warrior Contracts 2" from the Company's portfolio in the Game Pass program conducted by Microsoft Corporation in year 2024.
- On 10.05.2024 r. the Company announced that it has rescinded the original deadline of 10.05.2024 for the launch of the vertical slice stage of the game being developed under the "Project Survive".
- On 10.06.2024, the National Securities Depository S.A., in response to the Parent Company's request, issued a statement on entering into an agreement with CI Games to register in the securities depository under ISIN code PLCTINT00109 up to 10,061,865 series C subscription warrants with no par value, issued free of charge.

- On 14.06.2024, the Company signed a binding term-sheet with Epic Games Inc. to granting by the Company to Epic Games Inc. the right for exclusive global distribution of the sequel to the game "Lords of the Fallen" on the PC platform for the entire product life cycle.
- On 22.07.2024, the redemption of all 60 series F bonds of the Company with a total nominal value of EUR 6,000,000 plus accrued interest was settled.
- On 02.09.2024 United Label S.A. has entered into another agreement for the production of a game in the "Tails of Iron" series with Odd Bug Studio Limited, headquartered in Manchester, UK. based on this agreement, Odd Bug Studio Limited will develop another game in the "Tails of Iron" series, which will be released by the company.
- On 05.09.2024, United Label S.A. entered into an agreement with Whiteboard Games Corporation for the production, release, distribution and marketing of the game "Tempus Vitae". On the basis of this agreement, United Label S.A. will fully finance the production and marketing of the game.
- On 27.09.2024, CI Games published update of the development strategy for 2025-2028. Further details are presented in Chapter IV, point 1.
- On 03.10.2024, the National Securities Depository S.A., in response to the Parent Company's request, issued a statement on entering into an agreement with the Company to register in the securities depository up to 10,061,865 series J ordinary bearer shares of the Company under ISIN code PLCTINT00117.
- On 28.10.2024, as a total of 3,518,560 series J ordinary bearer shares (ISIN PLCTINT00117) taken up in exchange for series C subscription warrants were recorded in the securities accounts of eligible persons and the Company's share capital was increased by an amount equal to the nominal value of the shares taken up, i.e. by PLN 35,185.60. The Company's share capital was increased from PLN 1,829,430.15 to PLN 1,864,615.75.
- On 15.11.2024, the Company purchased 13,918 shares of United Label S.A. increasing its shareholdings in the company's share capital and the total number of votes to 95.00%.

6. Description of factors of events, with particular emphasis on extraordinary events, that influenced the financial results achieved

From January 1 to September 30, 2024, material events affecting the Group's financial performance included the signing of an agreement with Microsoft Corporation and the entry of the game "Lords of the Fallen" in the Game Pass program on 31.05.2024, which resulted in growth in sales revenue in the second quarter of 2024.

7. Information on seasonal or cyclical nature of business activity of the Issuer in the presented period

Due to diversified sources of revenues and the specific nature of the market of video games, CI Games Capital Group is characterized by variability of revenues from sales in the trading year, determined mainly by introduction of new products on the market.

A game production cycle at the Company is usually 18 to 36 months long. In the case of simultaneous production of two games, the premieres of these games feature significant asymmetric cyclicity. Thus the publishing cycle of the Company, in which new game premiere dates are determined, is characterized by irregularity. The Issuer establishes the dates of premiere sales of the games to select the most favourable competitive environment, including in the context of known publishing plans of competitive entities, to achieve the maximum financial benefits associated with the game release.

As a result, it is a typical phenomenon in the entire sector of video games that producers record significantly higher revenues and profits in the period directly following the date of premiere of a new game, and a rather natural decrease in revenues in the following months. It is obviously an effect of high seasonality and cyclicity of activity, experienced by the video game sector around the world.

8. Information on significant settlements due to court cases

In the first three quarters of 2024, there was no significant settlements due to the court cases.

9. Information on non-payment of credits or loans or violations of significant terms and conditions of any loan or credit agreements, with regard to which no remedial action had been taken until the end of the reporting period

As of 30.09.2024, the Company was not in breach of any terms of the loan agreement with PKO BP S.A., i.e. a multi-purpose loan limit of up to PLN 15 million.

10. Specification of material proceedings before courts, competent authorities for arbitration proceedings or public administration bodies

As of the date of publication of this report, the Management Board of the Issuer has no information on any pending proceedings involving the Parent entity or its subsidiaries, the value of which would (jointly or individually) constitute at least 10% of equity of the Issuer.

- In the Annual Report published on 27.03.2020, the Company informed of initiation of court proceedings on 17.10.2019 against EP Retail sp. z o.o., EP Office 2 sp. z o.o., EP Office 1 sp. z o.o. and EP Apartments sp. z o.o. CI Games S.A. filed a suit at the District Court in Warsaw (Sąd Okręgowy) against these entities for payment due to unlawfully collected funds from a bank guarantee, of overpaid operating costs and overpaid rent. The total value of the object of litigation was PLN 887 thousand. Based on the judgment of 30.03.2023, the District Court in Warsaw (Sąd Okręgowy) dismissed the claim in its entirety. The Company has filed a motion to substantiate the judgment and appealed to the Court of Appeal in Warsaw (Sąd Apelacyjny). As a result the Court of Appeal in Warsaw (Sąd Apelacyjny) in the judgment of 27.10.2023, dismissed the Company's appeal. This judgment is final. On 18.01.2024, the Company filed a cassation appeal against the judgment of the Court of Appeal of 27.10.2023. By its decision of 24.06.2024, the Supreme Court (Sąd Najwyższy) refused to accept the cassation appeal for consideration.
- The second proceeding is a lawsuit of E.P. Retail sp. z o.o., E.P. Office 2 sp. z o.o., E.P. Office 1 sp. z o.o. and E.P. Apartments sp. z o.o. against the Company. On 21.04.2023, the Company received a lawsuit filed by the E.P. Retail sp. z o.o., E.P. Office 2 sp. z o.o., E.P. Office 1 sp. z o.o. and E.P. Apartments sp. z o.o. in the District Court in Warsaw. The claim consists of claims for contractual penalties, damages and reimbursement under the rental agreement concluded on 10.11.2017. The Company filed a response to the lawsuit in which it disputed the claim as baseless and unproven. On 27.11.2023, the plaintiffs partially withdrew the claim for compensation for lost rent, therefore, as of the date of publication of this report, the value of the subject matter of the dispute is PLN 1,852,959.67
- In 2024, the Issuer's subsidiary CI Games MP S.L. was sued by two employees of CI Games MP S.L. The employees' claims were related to the termination of the employment contract by CI Games MP S.L. On 21.11.2024, CI Games MP S.L. concluded a settlement with one of the employees, which exhausts all his claims against CI Games MP S.L. The second case is pending as of the date of publication of this report and the amount claimed is estimated at EUR 88,332.12.

11. Information on credit or loan sureties or warranties granted by the Issuer or by any of its subsidiaries – in total, to a single entity or a subsidiary of this entity, if the total value of the existing sureties or warranties constitutes the equivalent of at least 10% of equity of the Company

In the first three quarters of 2024, neither the Company nor any of its subsidiaries granted any loans or credit sureties or warranties for the amount equivalent to at least 10% of the Company's equity.

12. Information on issue, buyout and repayment of non-equity and equity securities

On 22.07.2024 there was a redemption and cancellation of series F bonds - described in point 16 below.

13. Information on contracts known to the Issuer, which may result in future changes in proportions of shares held by the existing stockholders and bondholders

In the points below, there is a description of the two motivational programs based on shares series J executed as series C subscription warrants and shares series K executed as series D subscription warrants. As the result of the implementation of these programs, the proportion of the shareholding structure owned by current shareholders may change.

On 21.03.2024, the Extraordinary General Meeting of the Company adopted a resolution on increasing the Company's share capital through the issuance of ordinary series M bearer shares, depriving existing shareholders of all pre-emptive rights to all series M shares, dematerialization of series M shares and rights to series M shares, applying for admission and introduction of series M shares and/or rights to series M shares to trading on a regulated market operated by the Warsaw Stock Exchange, authorization to conclude an agreement on registration of series M shares and/or rights to series M shares in the securities depository, and an amendment to the Company's Articles of Association, on the basis of which it was decided to increase the Company's share capital to no more than PLN 2,195,316.15, i.e. by no more than PLN 365,886.00, through the issuance of no more than 36,588,600 series M ordinary bearer shares with a par value of PLN 0.01 each. On 26.04.2024, the Management Board adopted a resolution to suspend the execution of the Extraordinary General Meeting's resolution until 03.06.2024. On 29.05.2024, it adopted a resolution to extend the suspension of the execution of the Extraordinary General Meeting's resolution, without indicating the end date of the suspension period. On 18.09.2024, the Management Board adopted a resolution regarding the final waiver of the implementation of the resolution of the Extraordinary General Meeting, as the Company informed about in current report No. 32/2024. In connection with the conclusion of a binding agreement by the Company with Epic Games Inc., the Management Board of the Company stated that the Company has obtained financing which - together with the debt financing planned by the Company - will be sufficient to implement the Company's upcoming projects, including the release of the next part of the game "Lords of the Fallen".

14. Information on employee share plan control system for 2021-2023

On 22.06.2021, Ordinary General Meeting of the Company adopted resolution no. 19/1/2021 on the establishment of an incentive program addressed to key employees and contractors of CI Games Group, including Members of the Managing Board of CI Games S.A.

Pursuant to this resolution the Company and CI Games Group have adopted an incentive program based on series J shares. Execution of this program was dependent on CI Games Group financial results, i.e. achievement by the Company and by CI Games Group of one of the following two specific targets, depending on whichever is reached first:

- i) total net profit of CI Games Group in the fiscal years 2021-2022 in the amount of PLN 40,000,000 (forty million zloty);
- ii) total net profit of CI Games Group in fiscal years 2021-2023 in the amount of PLN 65,000,000 (sixty five million zloty).

In the event one of these targets is achieved, entitled persons will be granted no more than 9,147,150 series C subscription warrants. However, in the event where one of these targets is exceeded by every additional and consecutive PLN 5,000,000 (five million zloty), the number of warrants granted in connection with the execution of the related goal of the program will be increased by 0.5 percentage points, with the provision that such number may not exceed 7.5% of the total number of Company's shares upon the date of adoption of its incentive program, i.e. 22.06.2021 a total of no more than 13,720,726 (thirteen million seven hundred and twenty thousand seven hundred and twenty six) series C subscription warrants with the right to take up 13,720,726 (thirteen million seven hundred and twenty thousand seven hundred and twenty six) ordinary series J bearer shares.

As a result of the execution of this incentive program, entitled persons serving as the Company's Management Board Members may be granted no more than 50% of the warrants, of which a maximum of 30% of all warrants may be granted to the Company's President of the Management Board.

The Company's Management Board designated persons, who participate in the incentive program and with respect to Members of the Management Board, such persons were designated by the Company's Supervisory Board. Shares issued as part of the incentive program will be taken up by entitled program participants upon execution of rights arising from subscription warrants series C.

Subscription warrants were taken up free of charge while J series shares will be taken up at an issuing price of PLN 1.26 per share. The issuing price has been set up as weighted average of the shares' price on the regulated market, on which the shares of the Company has been quoted in the first quarter of 2021 decreased by 10% i.e. PLN 1.26. Regulations of this incentive program were adopted by the Company's Ordinary General Meeting with the resolution no. 19/1/2021 dated 22.06.2021.

Pursuant to resolution no. 20/1/2021 of the Ordinary General Meeting of the Company dated 22.06.2021, the Company issued series C subscription warrants which entitle their holders to take up series J shares (at a rate of one warrant per one share), with full exclusion of the pre-emptive rights of the Company's existing shareholders. Furthermore, pursuant to that resolution, it was adopted to conditionally raise the Company's initial capital for the purpose of the above incentive program. The Company's conditional initial capital totals PLN 137,207.26 (one hundred thirty seven thousand two hundred and seven zloty 26/100). Upon issuance and after being taken up by entitled persons, series J shares will be admitted into trading on a regulated market managed by the Warsaw Stock Exchange.

According to regulations of the incentive program, series J shares will be subject to a partial lockup so that (i) within 30 (thirty) days of taking up series J shares, each participant of the program will be able to dispose of no more than $\frac{1}{3}$ of the shares taken up; (ii) over the next 30 (thirty) days from the end of the period referred to in letter i) above, each program participant will be able to dispose of the remaining shares, however, such number will not exceed $\frac{1}{3}$ of the shares taken up by such person; (iii) over the next 30 (thirty) day period from the end of the period referred to in letter ii) above, program participant will be able to dispose of the remaining shares if part of the shares were already disposed of by the deadlines referred to above, or dispose of all shares taken up by such person unless part of the shares was disposed of within the deadlines indicated above.

The duration of the incentive program referred to above covers the years 2021-2024. The Company has entered into incentive program participation agreements with persons designated by the Management Board and with members of the Company's Management Board designated by the Supervisory Board. Achievement of the target of to achieve a profit in the fiscal years 2021-2022 of 40,000,000 PLN (forty million zlotys) allows the Company to grant in 2023 subscription warrants C series with the right to subscribe for J series ordinary bearer shares.

On 29.09.2023, the Management Board and Supervisory Board of the Company adopted executive resolutions on the final verification of the objectives of the Incentive Program aimed at key employees and coworkers of the CI Games Group, including members of the Management Board of CI Games SE, the determination of the final list of eligible employees and coworkers of the Company to participate in the Incentive Program and the granting of subscription warrants, in which it was stated that the CI Games Group achieved a total net profit for the fiscal years 2021-2022 of 46. 918,000; therefore, Target 1 of the Incentive Program, i.e., CI Games Capital Group's total net profit for fiscal years 2021-2022, has been achieved, and the Company was entitled to grant a total of up to 10,061,865 Series C subscription warrants. As of 30.09.2024, the Company offered eligible persons to take up a total of 10,061,865 series C subscription warrants, of which ultimately eligible persons (i.e. who signed participation agreements, fulfilled conditions and accepted offers to acquire warrants series C) took up 9,581,865 series C subscription warrants. On 28.10.2024, in connection with the exercise of rights from the warrants by the eligible persons and the recording in the eligible persons' securities accounts of a total of 3,518,560 series J ordinary bearer shares taken up in exchange for series C subscription warrants, there was an issue of these shares within the meaning of Article 451 §2 of the Commercial Companies Code. Eligible persons have the right to exercise their rights under the subscription warrants until 31.12.2024.

As of 30.09.2024, the cost of amortization of rights to acquire subscription warrants was included in the Group's costs based on the valuation as at the date of signing the participation agreement (i.e. grant date). The number of entitlements to subscribe for subscription warrants under the incentive program participation agreements reached 7,523,560 (number adjusted for persons who left the Group and did not meet the condition of remaining an employee, and did not accepted submitted offers to acquire warrants).

The values recognized in the Company's financial statements for 9-months 2024 are as follows:

Recognition of the motivational plan in CI Games SE	Balance as of 30.09.2024 (PLN'000)	No of warrants Units
CE Games SE employment costs (cumulative)	3,039	3,493,559
Investment in CI Games UK Ltd	1,328	950,000
Investment in CI Games MP SL	2,913	3,080,000
Total	7,280	7,523,560
CI Games SE – Reserve capital	7,280	

15. Information of employee share plan control system for 2023-2025

On 29.06.2023, Ordinary General Meeting of the Company adopted resolution no. 21/2/2023 on the establishment of an incentive program addressed to key employees and contractors of CI Games Group, including Members of the Management Board of CI Games SE. Pursuant to this resolution the Company and CI Games Group have adopted a new incentive program based on series J shares. Execution of this program is dependent on CI Games Group financial results, i.e. achievement by the Company and by CI Games Group of one of the following two specific targets, depending on whichever is reached first:

- a) total net profit of the CI Games Group in fiscal years 2023-2024 in excess of PLN 150,000,000 (one hundred and fifty million zlotys),
- b) total net profit of the CI Games Group in fiscal years 2023-2025 in excess of PLN 250,000,000 (two hundred and fifty million zlotys).

If the targets are met, the entitled persons will be granted a total of no more than 9,000,000 (nine million) series D subscription warrants with the right to subscribe for 9,000,000 (nine million) series K ordinary bearer shares. In the event that one of these objectives is achieved by each additional 25,000,000 (twenty-five million zlotys)

more, the number of warrants allotted in connection with the performance of the related program objective will be increased by 1,000,000 (one million), not to exceed 13,000,000 (thirteen million) warrants in total.

In the event of a material change in the ownership structure of the Company (i.e., a significant change in the shareholding structure of the Company) in relation to the structure existing on the date of adoption of the Resolution of the General Meeting no 21/2/2023 of 29 June 2023, in such a way that after the date of adoption of the said resolution, more than 50% (fifty percent) of the total number of shares in the Company will become the property of one or more shareholders acting in concert, other than the majority shareholder of the Company on the date of adoption of the resolution who is also a member of the Management Board, the shares will not be issued to entitled participants, regardless of whether the Company has already concluded participation agreements with these participants. In the case referred to in the first sentence, the Company shall without any delay, at the first possible date in accordance with the regulations, and unconditionally pay in money to the participants referred to in the previous sentence the amounts corresponding to the product of the difference between the issue price and weighted average (market) price per share over the last 30 (thirty) calendar days until the said change of ownership, multiplied by the number of shares to which these participants were entitled in accordance with the regulations, relevant executive resolutions or participation agreements, and multiplied by the number of full calendar months from the General Meeting as of 29 June 2023 till the change of ownership divided by 24 (twenty-four).

Persons who will participate in the incentive program will be designated by the Company's Management Board, and with respect to the Company's Management Board Members, the entitled persons will be designated by the Company's Supervisory Board. Shares issued under the incentive program will be taken up by entitled participants of the program in exercise of rights from series D subscription warrants. Series D subscription warrants will be acquired free of charge, while series K shares will be acquired at an issue price of PLN 3.50 per share.

According to resolution no. 22/2/2023 of the Ordinary General Meeting of the Company dated 29.06.2023 the Company will issue series D subscription warrants, which will entitle their holders to subscribe for series K shares (in the ratio of one warrant - one share), with full exclusion of the pre-emptive rights of the Company's existing shareholders. In addition, a conditional increase in the Company's share capital for the purposes of the aforementioned incentive program was adopted on the basis of this resolution. The Company's conditional share capital issued for the purposes of this program is 13,000,000 (thirteen million). Series K shares, once issued and taken up by entitled persons, will be introduced to trading on the regulated market operated by the Warsaw Stock Exchange.

Pursuant to the terms and conditions of the incentive program, series J shares will be subject to partial lock-up in such a way that: a) within the period of 45 (forty-five) days from subscription for the shares, the Shareholder can transfer no more than 1/3 of the shares subscribed for by him/her (partial

lock-up); b) within the period of subsequent 45 (forty-five) days from expiry of the period referred to in letter a) above, the Participant can transfer the remaining shares, not exceeding, however, 1/3 of the shares subscribed for by him/her (partial lock-up); c) within the period of subsequent 45 (forty-five) days from expiry of the period referred to in letter b) above, the Participant can transfer the remaining shares if he/she transferred a part of them within the time limits specified in letters a)-b) or transfer all shares subscribed for by him/her if he/she did not transfer them under letters a)-b) above.

The duration of the incentive program, referred to above, covers the years 2023-2026.

16. Convertible bonds issuance

On 29.06.2023. The Ordinary General Meeting of the Company adopted Resolution No. 23/2/2023 on the issuance of convertible bonds, depriving the Company's shareholders in full of their subscription rights to convertible series F bonds, conditionally increasing the Company's share capital, depriving the Company's shareholders in full of their subscription rights to series L shares, and amending the Company's Articles of Association. Pursuant to the resolution, the Company is allowed to issue registered bonds, in one or more series, unsecured, convertible into ordinary bearer shares of the Company's L series, with an aggregate nominal value of these bonds not exceeding EUR 10,000,000 (ten million euros) with a nominal value of EUR 100,000 (one hundred thousand euros) each bond.

The bondholder had the right to:

- (a) the payment of interest on the interest dates provided for in the terms of issue;
- (b) to pay on the redemption date (or on the early redemption date as defined above) the nominal value of each of the Bonds to be redeemed (together with interest accrued up to that date and previously unpaid);
- (c) acquisition of ordinary bearer series L shares of the Company, with a nominal value of PLN 0.01 (one grosz) each.

In addition, for the purpose of the bond issue, a conditional share capital increase of the Company was adopted. The conditional share capital of the Company issued for the purpose of the bond issue is PLN 90,000 (ninety thousand zlotys). The purpose of the conditional share capital increase is to grant holders of convertible bonds the right to acquire up to 9,000,000 (nine million) series L shares with a nominal value of PLN 0.01 (one grosz) each, with full exclusion of the pre-emptive rights of the Company's existing shareholders.

In execution of the resolution of General Meeting on 14.07.2023 the Management Board adopted a resolution on the issuance of up to 60 (sixty) series F registered bonds, convertible into series L ordinary bearer shares of the Company, with an aggregate nominal value of up to EUR 6,000,000 (six million euros) with a nominal value of EUR 100,000 (one hundred thousand euros) each bond.

On 20.07.2023 the Management Board of the Company adopted a resolution on the allotment of 60 (sixty) series F bonds, registered, unsecured, non-documentary, convertible into series L ordinary bearer shares, with a par value equal to the issue price of EUR 100,000 (one hundred thousand euros) each bond and a total par value of EUR 6,000,000 (six million euros), bearing interest at a fixed annual rate of 8%.

The proceeds from the bond issue were used by the Company for finalization of the production of "Lords of the Fallen" and the promotion of this game.

On 22.07.2024, the redemption of all 60 of the Company's series F bonds with a total nominal value of EUR 6,000,000 plus accrued interest and the cancellation of the Company's series F bonds were settled. The Bonds were redeemed by the Company on time, in accordance with the Company's obligations arising from the Terms of Issue of Series F Bonds. Upon redemption, the Bonds are subject to redemption by operation of law, which terminates all rights and obligations arising therefrom.

17. Collaterals

On 10.04.2024, CI Games SE concluded with PKP BP S.A. a multi-purpose credit limit agreement for a maximum amount of PLN 15,000,000. The loan was granted for the period from 10.04.2024 to 09.04.2025 in PLN or EUR according to the Company's Loan payment instruction. Interest is WIBOR 1M for the loan in PLN and EURIBOR 1M for the loan in EUR increased by the bank's margin. The loan is secured by:

- blank promissory note of the Company together with a promissory note declaration up to,
- guarantee for repayment of the Loan granted by Bank Gospodarstwa Krajowego under the *de minimis* portfolio guarantee line in the amount of PLN 4,950,000 for 15 months.

18. Information on one or many transactions entered into by the Issuer or any of their subsidiaries with related entities, if these are significant individually or jointly and were concluded on non-market conditions, indicating their value

In the reporting period, neither the Parent Entity nor any of its subsidiaries entered into transactions on non-market or unusual terms and conditions or on conditions that would go beyond the ordinary course of operations of the enterprise with its related entities, which would be of significance jointly or individually.

19. Information related to paid out (or declared) dividend

In the first three quarters of 2024, there was no paid nor declared dividend.

On 06.06.2024 the Ordinary General Meeting of Shareholders, based on resolution No. 8/2/2024, decided to allocate the profit earned in the financial year 2023 in the net amount of PLN 9,433,454.99 in full to the Company's supplementary capital.

20. Other information, which, in the opinion of the Management Board of the Company, is significant for assessment of its employment, assets, financial situation, financial result and any changes to the above and information, which is significant for assessment of ability of the Issuer to fulfil their obligations in the reporting period

In the first three quarters of 2024, no events occurred, which would exert a negative impact on assessment of capability of the Dominant entity and the Capital Group to settle their liabilities.

The Company plans to finance games' production from operating activity, publishing contract with EPIC Games Inc. and an overdraft multipurpose loan facility (both loans were granted by PKO BP S.A.).

21. Opinion of the Management Board of the Company with regard to capability of achieving the forecast results for the financial year, in the context of results presented in the quarterly report in relation to the forecast results

The Management Board has not published forecasts of the financial results of CI Games Capital Group nor CI Games SE in 2024.

22. Information about impact of the war in Ukraine on the financial statements of the Group

The war in Ukraine did not have impact on the financial statements of the Company nor the Group. There is no risk of going concern as the Group's operations in Russia and Ukraine were limited.

23. Events after the balance sheet date

- On 28.10.2024, as a total of 3,518,560 series J ordinary bearer shares (ISIN PLCTINT00117) taken up in exchange for series C subscription warrants were recorded in the securities accounts of eligible persons and the Company's share capital was increased by an amount equal to the nominal value of the shares taken up, i.e. by PLN 35,185.60. The Company's share capital was increased from PLN 1,829,430.15 to PLN 1,864,615.75.
- On 15.11.2024, the Company purchased 13,918 shares of United Label S.A. increasing its shareholdings in the company's share capital and the total number of votes to 95.00%.

24. Contingent liabilities

Off balance sheet liabilities related to legal cases described in Chapter IV, point 10.

25. Indication of events and factors that occurred after the date of the quarterly financial statements, not included in this report, which may nevertheless exert significant impact on the future financial results of the Issuer

- There are no such events nor factors occurring after the balance sheet date not included in the report and having impact on the future financial results.

V. QUARTERLY STANDALONE FINANCIAL STATEMENTS OF CI GAMES SE

SELECTED FINANCIAL INFORMATION

Profit and Loss Accounts	for the period from 1.01 to 30.09.2024		for the period from 1.01 to 30.09.2023	
	PLN'000	EUR'000	PLN'000	EUR'000
	Net revenue from sales	64,581	15,011	52,718
Profit (loss) from operating activities	1,415	329	(3,066)	(670)
Gross profit (loss)	171	40	(6,196)	(1,354)
Net profit (loss)	(157)	(36)	(5,030)	(1,099)
Weighted average number of shares (in thousands)	182,943	182,943	182,943	182,943
Number of diluted shares (in thousands units)	185,072	185,072	188,291	188,291
Net profit (loss) per ordinary share (PLN)	(0.00)	(0.00)	(0.03)	(0.01)
Diluted earnings/ loss per share (PLN)	(0.00)	(0.00)	(0.03)	(0.01)

Statement of cash flow	for the period from 1.01 to 30.09.2024		for the period from 1.01 to 30.09.2023	
	PLN'000	EUR'000	PLN'000	EUR'000
	Net cash flows from operating activities	75,897	17,642	22,034
Net cash flows from investing activities	(43,318)	(10,069)	(70,067)	(15,307)
Net cash flows from financing activities	(43,864)	(10,196)	49,612	10,839
Net cash flows	(11,285)	(2,623)	1,579	345

Balance sheet	as of 30.09.2024		as of 31.12.2023*	
	PLN'000	EUR'000	PLN'000	EUR'000
	Non-current assets	200,069	46,755	200,057
Current assets	31,534	7,369	66,723	15,346
Total assets	231,603	54,124	266,780	61,357
Equity	148,903	34,798	147,163	33,846
Initial capital	1,829	427	1,829	421
Liabilities	82,700	19,326	119,617	27,511
Non-current liabilities	42,664	9,970	23,052	5,302
Current liabilities	40,036	9,356	96,565	22,209
Total equity and liabilities	231,603	54,124	266,780	61,357

* transformed data

STATEMENT OF FINANCIAL CONDITIONS

ASSETS	as of 30.09.2024	as of 30.06.2024	as of 31.12.2023*	as of 30.09.2023
	PLN'000	PLN'000	PLN'000	PLN'000
A. Non-current assets	200,069	189,261	200,057	232,760
Property, plant and equipment	944	1,047	1,191	1,282
Intangible assets	173,434	161,515	166,974	211,191
Right-to-use asset	80	1,893	2,276	2,512
Shares in subsidiaries	12,317	12,031	11,464	7,557
Long term investments	-	-	-	4,379
Deferred tax asset	12,147	12,253	17,625	5,310
Long term receivables	522	-	527	529
Long term lease receivables	625	522	-	-
B. Current assets	31,534	48,103	66,723	38,009
Inventory	1,218	994	1,502	8,906
Current investments	-	-	-	-
Trade and other receivables	18,152	41,358	42,296	23,632
Short term lease receivables	993	-	-	-
Tax receivables	-	-	564	-
Cash and cash equivalents	11,171	5,751	22,361	5,471
Current assets other than assets or disposal classified as held for sales or as held for distribution to owners	31,534	48,103	66,723	38,009
Non-current assets classified as held for sale or as held for distribution to owners	-	-	-	-
Total assets	231,603	237,364	266,780	270,769

* transformed data

LIABILITIES & EQUITY	as of 30.09.2024	as of 30.06.2024	as of 31.12.2023*	as of 30.09.2023
	PLN'000	PLN'000	PLN'000	PLN'000
A.	148,903	149,846	147,163	140,401
Share capital	1,829	1,829	1,829	1,829
Share premium	74,484	74,484	74,484	74,484
Other reserve capital	36,443	35,925	21,868	23,213
Retained earnings	36,147	37,608	48,982	40,875
including profit for the period	(157)	1,304	9,433	(5,030)
B. LIABILITIES	82,700	87,518	119,617	130,368
Non-current liabilities	42,664	16,591	23,052	2,215
Loans, credit and other debt instruments	-	-	-	-
Trade liabilities and other liabilities	27,186	449	-	-
Finance lease liabilities	651	904	1,359	1,719
Deferred income tax provision	14,827	15,238	21,693	496
Current liabilities	40,036	70,927	96,565	128,153
Borrowings including credits, loans and other debt instruments	16,319	44,772	57,685	72,932
Income tax liabilities	1,696	1,608	-	4,251
Trade liabilities and other liabilities	14,918	18,503	31,868	47,141
Finance lease liabilities	999	1,020	1,025	1,102
Other current provisions	6,104	5,024	5,987	2,727
Current liabilities other than liabilities included in disposal groups classified as held for sale	40,036	70,927	96,565	128,153
Liabilities included in disposal groups classified as held for sale	-	-	-	-
Total equity and liabilities	231,603	237,364	266,780	270,769

* transformed data

PROFIT AND LOSS ACCOUNT AND COMPREHENSIVE INCOME
(costs by function)

Statement of comprehensive income	for the period from 1.01 to 30.09.2024	for the period from 1.07 to 30.09.2024	for the period from 1.01 to 30.09.2023	for the period from 1.07 to 30.09.2023
	PLN'000	PLN'000	PLN'000	PLN'000
Continuing operations				
Net revenue from sales	64,581	9,669	52,718	36,078
Costs of products, goods and services sold	(45,135)	(4,945)	(23,375)	(17,961)
Gross profit (loss) on sales	19,446	4,724	29,343	18,117
Other operating revenues	1,623	287	74	15
Selling costs	(7,243)	(2,586)	(17,686)	(10,702)
General and administrative costs	(10,978)	(2,749)	(13,037)	(4,618)
Other operating expenses	(1,382)	(238)	(152)	(51)
Impairment loss/impairment gain and reversal of impairment loss	(51)	-	(1,608)	(722)
Profit (loss) on operating activities	1,415	(562)	(3,066)	2,039
Financial revenues	1,110	(583)	110	(1,570)
Financial expenses	(2,354)	(525)	(3,240)	(2,210)
Profit (loss) before tax	171	(1,670)	(6,196)	(1,741)
Income tax	(328)	209	1,166	404
Profit (loss) on continuing operations	(157)	(1,461)	(5,030)	(1,337)
Discontinued operations	-	-	-	-
Loss from discontinued operations	-	-	-	-
Net profit (loss)	(157)	(1,461)	(5,030)	(1,337)
Total other comprehensive income, including:				
TOTAL COMPREHENSIVE INCOME	(157)	(1,461)	(5,030)	(1,337)

CASH FLOW STATEMENT

(indirect method)

	for the period from 1.01 to 30.09.2024	for the period from 1.07 to 30.09.2024	for the period from 1.01 to 30.09.2023	for the period from 1.07 to 30.09.2023
	PLN'000	PLN'000	PLN'000	PLN'000
Cash flows from operating activities				
Gross profit (loss)	171	(1,670)	(6,196)	(1,741)
Total adjustments	75,182	50,436	28,356	5,723
Depreciation and amortization	37,729	2,805	10,093	6,878
Impairment loss (reversal)	(1,089)	4	1,587	721
Profit (loss) on foreign exchange differences	(435)	(158)	2,035	2,817
Adjustments to finance cost /income	2,331	461	2,099	1,416
Profit (loss) on sales of fixed assets	(162)	(24)	(1)	-
Change in trade and other receivables	24,111	23,219	(7,998)	(7,901)
Change in inventories	1,424	(228)	(7,715)	(7,699)
Change in trade and other payables	10,113	23,044	21,514	5,432
Change in provisions	2,014	1,599	6,742	4,058
Other adjustments	(854)	(286)	-	1
Net cash flows from operating activities	75,353	48,766	22,160	3,982
Paid corporate income tax (return) related to operating activity	544	(8)	(126)	162
NET CASH FLOWS FROM OPERATING ACTIVITIES (used in the operating activity)	75,897	48,758	22,034	4,144
Cash flows from investing activities				
Cash inflows on disposal of property, plant and equipment and intangible assets	165	24	2	-
Cash outflows on acquisition of property, plant and equipment and intangible assets	(43,483)	(14,614)	(70,069)	(21,239)
Cash outflows on acquisition of financial assets	-	-	-	-
Net cash outflows from investing activity	(43,318)	(14,590)	(70,067)	(21,239)
CASH FLOW FROM FINANCING ACTIVITY				
Net proceeds from the issue of bonds	-	-	26,695	26,695
Inflows from loans	1,921	10	25,453	(6,221)
Repayment of bonds	(25,758)	(25,758)	-	-
Repayment of loans	(16,630)	(770)	-	-
Repayment of finance lease liabilities	(769)	(254)	(869)	(284)
Interest	(2,820)	(2,342)	(1,538)	(626)
Other financial outflows	192	262	(129)	(41)
NET CASH FLOW FROM FINANCING ACTIVITIES	(43,864)	(28,852)	49,612	19,523
TOTAL NET CASH FLOWS	(11,285)	5,316	1,579	2,428
Exchange differences on cash	95	104	28	(10)
Balance sheet changes in cash and cash equivalents	(11,190)	5,420	1,607	2,418
Cash and cash equivalents at the beginning of the period	22,361	5,751	3,864	3,053
Cash and cash equivalents at the end of the period	11,171	11,171	5,471	5,471

CHANGES IN EQUITY

For the period from 01.01. to 30.09.2024	Share capital	Share premium	Other reserve capital	Retained earnings	Equity
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
As of 01.01.2024	1,829	74,484	22,449	55,338	154,100
Corrections of the previous year	-	-	(581)	(6,356)	(6,937)
As of 01.01.2024, upon conversion	1,829	74,484	21,868	48,982	147,163
Profit (loss) for the period	-	-	-	(157)	(157)
Increase (decrease) as the result of other changes in equity	-	-	12,678	(12,678)	-
Issue of financial instruments	-	-	-	-	-
Valuation of motivational program	-	-	1,897	-	1,897
Changes in equity	-	-	14,575	(12,835)	1,740
As of 30.09.2024	1,829	74,484	36,443	36,147	148,903

For the period from 01.01. to 30.06.2024	Share capital	Share premium	Other reserve capital	Retained earnings	Equity
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
As of 01.01.2024	1,829	74,484	22,449	55,338	154,100
Corrections of the previous year	-	-	(581)	(6,356)	(6,937)
As of 01.01.2024, upon conversion	1,829	74,484	21,868	48,982	147,163
Profit (loss) for the period	-	-	-	1,304	1,304
Increase (decrease) as the result of other changes in equity	-	-	12,678	(12,678)	-
Issue of financial instruments	-	-	-	-	-
Valuation of motivational program	-	-	1,379	-	1,379
Changes in equity	-	-	14,057	(11,374)	2,683
As of 30.06.2024	1,829	74,484	35,925	37,608	149,846

For the period from 01.01. to 31.12.2023*	Share capital	Share premium	Other reserve capital	Retained earnings	Equity
	PLN'000	PLN'000	PLN'000	PLN'000	PLN'000
As of 01.01.2023	1,829	74,484	17,903	45,905	140,121
Profit (loss) for the period	-	-	-	3,077	3,077
Increase (decrease) as the result of other changes in equity	-	-	-	-	-
Issue of financial instruments	-	-	485	-	485
Valuation of motivational program	-	-	3,480	-	3,480
Changes in equity	-	-	3,965	3,077	7,042
As of 31.12.2023	1,829	74,484	21,868	48,982	147,163

All the mid-year financial information essential for the assessment of the Issuer's assets and financial position were included in the abridged consolidated financial statement prepared as of 30.09.2024.

The following abridged mid-year financial statement of the Company, prepared as of 30.09.2024, should be read in conjunction with CI Games financial statement for December 31, 2023, published on 18.04.2024.

Corrections of the previous years

In the reported period, material errors were corrected related to financial statements for 2023. These errors related to:

Correction no 1: decrease of revenues in CI Games USA Inc, by PLN 8,640 thousand (this correction had also impact on revenues and costs in CI Games SE). The value of this correction decreases retained earnings for 2023 by PLN 6,907 thousand (thus decreases own equity as well) as of 30.09.2024.

Correction no 2: correction of the motivational plan's recognition in CI Games SE and its subsidiaries – this correction increases net profit by PLN 471 thousand (after tax effect). The motivational plan related to employees hired in the subsidiaries was amortized in CI Games SE, therefore:

- the correction decreased amortization cost of motivational plan, related to employees hired in subsidiaries, from the costs in CI Games and increased in the same amount (PLN 3 388 thousand) value of investment in subsidiaries, therefore there is no impact on net result nor retained earnings of the Company.
- value of the correction of PLN 581 thousand related to two persons, who were hired in subsidiaries and ceased to be employees as of the date of this correction in 2024, consequently, this amount was derecognized from CI Games SE' costs and did not increase the value of investments in subsidiaries.

The table below presents impact of each correction on the individual items of the consolidated financial statements

	Item of the financial statement		Impact on retained profit as of
	(+)	(+)	31.12.2023 PLN'000
Correction no 1	Deferred tax asset	Profit (loss) from the previous years	1,601
	(-)	(-)	
	Trade and other receivables	Profit (loss) from the previous years	(8,428)
	(-)	(-)	
Correction no 2	Deferred tax asset	Profit (loss) from the previous years	(110)
	(-)	(+)	
	Other reserve capital	Profit (loss) from the previous years	581
	(+)	(-)	
	Long term investments	Profit (loss) from the previous years	(3,388)
	(-)	(+)	
	Other reserve capital	Profit (loss) from the previous years	3,388
Total impact on retained profits			(6,356)

In accordance with IAS 8, the Company corrected errors of the previous periods by correcting the comparative information presented in the financial statements of the subsequent period in which error was detected.

The table below, presents total impact of the corrections on individual items of the financial statements of CI Games SE.

ASSETS

 as of 31.12.2023
 PLN'000

	before correction	correction	after correction
NON-CURRENT ASSETS	195,178	4,879	200,057
Deferred tax assets	16,134	1,491	17,625
Long term investments	8,076	3,388	11,464
CURRENT ASSETS	75,151	(8,428)	66,723
Trade and other short term receivables	50,724	(8,428)	42,296
TOTAL ASSETS	270,329	(3,549)	266,780

EQUITY AND LIABILITIES

 as of 31.12.2023
 PLN'000

	before correction	correction	after correction
EQUITY	154,100	(6,937)	147,163
Other reserve capital	22,449	(581)	21,868
Retained profits	55,338	(6,356)	48,982
LIABILITIES	116,229	3,388	119,617
Shorm term provisions	2,599	3,388	5,987
TOTAL EQUITY AND LIABILITIES	270,329	(3,549)	266,780

Corrections of the previous years did not have impact on the profit/loss per one share in the 9-month period of 2023.

Transactions with related parties

The transactions with related parties were executed on the basis of market conditions. The table below presents the value of the transaction between the CI Games and related parties.

Transactions for the period from 01.01. to 30.09.2024 and balances as of 30.09.2024

Entity	COSTS*	REVENUES	RECEIVABLES	LIABILITIES
	PLN'000	PLN'000	PLN'000	PLN'000
CI Games USA Inc.	-	310	6,485	-
Business Area Sp. z o.o.	6	1	-	-
Business Area Sp. z o.o. Sp.J.	102	4	-	2,002
CI Games S.A. Sp. J.	-	1	-	191
United Label S.A.	2,495	408	103	461
CI Games UK Limited	8,793	13	-	697
CI Games Bucharest Studio SRL	756	-	-	199
CI Games Mediterranean Projects SL	27,890	-	-	6,700
TOTAL	40,042	737	6,588	10,250

*including capitalised costs

APPROVAL OF THE QUARTERLY REPORT

The following quarterly report and stand-alone and consolidated financial report for the period from 1st January to September 30, 2024, have been signed and approved for the release by CI Games SE Management Board on 28.11.2024.

Management Board of CI Games SE

Marek Tymiński

CEO, President of the Management Board



GAMES

