



# CI GAMES

# CAPITAL GROUP

**SEMI-ANNUAL FINANCIAL REPORT FOR THE PERIOD  
FROM 1 JANUARY TO 30 JUNE 2022**

Warsaw, 6th September 2022

## Key financial highlights of the Group

	PLN'000	
	1H2022	1H2021
Net revenues	30,461	49,224
Operating profit	11,008	17,316
<i>EBIT margin (%)</i>	36.1%	35.2%
Reported EBITDA	15,303	29,559
<i>EBITDA margin (%)</i>	50.2%	60.0%
Adjusted EBITDA	16,067	29,559
<i>Adjusted EBITDA margin (%)</i>	52.7%	52.7%
Net profit	13,344	13,582
<i>Net profit margin (%)</i>	43.8%	27.6%
Weighted average no of shares (thousands)	182,943	182,943
Earnings per share (PLN/share)	0.07	0.07
Net cash flows from operating activities	15,537	10,849
Net cash flows from investing activities	(34,966)	(18,488)
Net cash flows from financing activities	(522)	(338)
<b>Total net cash flow</b>	<b>(19,951)</b>	<b>(7,977)</b>
	<b>30.06.2022</b>	<b>31.12.2021</b>
Cash and cash equivalents	17,717	37,843
Total assets	166,533	152,112
Own equity	148,742	135,109
Share capital	1,829	1,829
Debt (finance lease liability)	4,620	4,880

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## SELECTED CONSOLIDATED FINANCIAL INFORMATION



Profit and Loss Accounts	for the period from 1.01 to 30.06.2022		for the period from 1.01 to 30.06.2021	
	PLN'000	EUR'000	PLN'000	EUR'000
	Net revenue from sales	30,461	6,555	49,224
Profit (loss) from operating activities	11,008	2,369	17,316	3,808
Gross profit (loss)	13,521	2,909	17,638	3,879
<b>Net profit (loss)</b>	<b>13,344</b>	<b>2,871</b>	<b>13,582</b>	<b>2,987</b>
Weighted average number of shares (in thousands)	182,943	182,943	182,943	182,943
Net profit (loss) per ordinary share attributable to equity owners of the Parent (PLN)	0.07	0.02	0.07	0.02

Statement of cash flow	6M2022		6M2021	
	PLN'000	EUR'000	PLN'000	EUR'000
	Net cash flows from operating activities	15,537	3,343	10,849
Net cash flows from investing activities	(34,966)	(7,524)	(18,488)	(4,066)
Net cash flows from financing activities	(522)	(112)	(338)	(74)
<b>Net cash flows</b>	<b>(19,951)</b>	<b>(4,293)</b>	<b>(7,977)</b>	<b>(1,754)</b>

Balance sheet	as of 30.06.2022		as of 31.12.2021	
	PLN'000	EUR'000	PLN'000	EUR'000
	Non-current assets	120,543	25,754	90,767
Current assets	45,990	9,826	61,345	13,338
<b>Total assets</b>	<b>166,533</b>	<b>35,579</b>	<b>152,112</b>	<b>33,072</b>
Equity	148,742	31,778	135,109	29,375
Initial capital	1,829	391	1,829	398
<b>Liabilities</b>	<b>17,791</b>	<b>3,801</b>	<b>17,003</b>	<b>3,697</b>
Non-current liabilities	5,954	1,272	6,839	1,487
Current liabilities	11,837	2,529	10,164	2,210
<b>Total equity and liabilities</b>	<b>166,533</b>	<b>35,579</b>	<b>152,112</b>	<b>33,072</b>



# KEY FINANCIAL DATA OF CI GAMES CAPITAL GROUP

## CONSOLIDATED STATEMENT OF FINANCIAL CONDITIONS

ASSETS	as of 30.06.2022 PLN'000	as of 31.12.2021 PLN'000
<b>A. Non-current assets</b>	<b>120,543</b>	<b>90,767</b>
Property, plant and equipment	1,663	1,774
Intangible assets	112,238	80,959
Right-to-use asset	3,894	4,391
Long term investments	-	-
Deferred tax asset	2,748	3,643
Long term receivables	-	-
<b>B. Current assets</b>	<b>45,990</b>	<b>61,345</b>
Inventory	2,131	2,614
Current investments	63	61
Trade and other receivables	21,421	17,240
Tax receivables	4,658	3,587
Cash and cash equivalents	17,717	37,843
<b>Current assets other than assets or disposal classified as held for sales or as held for distribution to owners</b>	<b>45,990</b>	<b>61,345</b>
<b>Non-current assets classified as held for sale or as held for distribution to owners</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>166,533</b>	<b>152,112</b>
<b>LIABILITIES &amp; EQUITY</b>	<b>as of 30.06.2022 PLN'000</b>	<b>as of 31.12.2021 PLN'000</b>
<b>A. EQUITY</b>	<b>148,742</b>	<b>135,109</b>
Share capital	1,829	1,829
Share premium	78,653	78,653
Other reserve capital	16,919	16,629
Retained earnings	49,473	36,294
including profit for the period	13,179	36,808
<b>Equity attributable to owners of the Parent</b>	<b>146,874</b>	<b>133,405</b>
<b>Equity attributable to non-controlling interests</b>	<b>1,868</b>	<b>1,704</b>
<b>B. LIABILITIES</b>	<b>17,791</b>	<b>17,003</b>
<b>Non-current liabilities</b>	<b>5,954</b>	<b>6,839</b>
Loans, credit and other debt instruments	-	-
Finance lease liabilities	3,383	3,925
Deferred income tax provision	2,571	2,914
<b>Current liabilities</b>	<b>11,837</b>	<b>10,164</b>
Borrowings including credits, loans and other debt instruments	-	13
Income tax liabilities	41	41
Trade liabilities and other liabilities	6,402	4,972
Finance lease liabilities	1,237	955
Other current provisions	4,157	4,183
<b>Current liabilities other than liabilities included in disposal groups classified as held for sale</b>	<b>11,837</b>	<b>10,164</b>
<b>Liabilities included in disposal groups classified as held for sale</b>	<b>-</b>	<b>-</b>
<b>Total equity and liabilities</b>	<b>166,533</b>	<b>152,112</b>

## CONSOLIDATED PROFIT AND LOSS ACCOUNT AND COMPREHENSIVE INCOME

Statement of comprehensive income	for the period from 1.01 to 30.06.2022	for the period from 1.01 to 30.06.2021
	PLN'000	PLN'000
<b>Continuing operations</b>		
<b>Net revenue from sales</b>	<b>30,461</b>	<b>49,224</b>
<b>Costs of products, goods and services sold</b>	<b>(7,914)</b>	<b>(20,368)</b>
<b>Gross profit (loss) on sales</b>	<b>22,547</b>	<b>28,856</b>
Other operating revenues	37	890
Selling costs	(3,832)	(9,063)
General and administrative costs	(7,462)	(3,318)
Other operating expenses	(248)	(49)
Impairment loss/impairment gain and reversal of impairment loss	(34)	-
<b>Profit (loss) on operating activities</b>	<b>11,008</b>	<b>17,316</b>
Financial revenues	2,691	394
Financial expenses	(178)	(72)
<b>Profit (loss) before tax</b>	<b>13,521</b>	<b>17,638</b>
Income tax	(177)	(4,056)
<b>Profit (loss) on continuing operations</b>	<b>13,344</b>	<b>13,582</b>
Discontinued operations	-	-
Loss from discontinued operations	-	-
<b>Net profit (loss)</b>	<b>13,344</b>	<b>13,582</b>
- net profit (loss) attributable to equity owners of the Parent	13,179	13,592
- net profit (loss) attributable to non-controlling interest	164	(10)
<b>Total other comprehensive income including:</b>		
<b>Other comprehensive income that will be reclassified to profit or loss before tax</b>	<b>(474)</b>	<b>(47)</b>
Foreign exchange differences from translation of foreign entities	(474)	(47)
<b>Other comprehensive income before tax</b>	<b>(474)</b>	<b>(47)</b>
Income tax relating to components of other comprehensive income that will be reclassified to profit or loss	-	-
<b>Other net comprehensive income</b>	<b>(474)</b>	<b>(47)</b>
<b>TOTAL COMPREHENSIVE INCOME</b>	<b>12,870</b>	<b>13,535</b>
- total net comprehensive income attributable to equity owners of the Parent	<b>12,705</b>	<b>13,545</b>
- total net comprehensive income attributable to non-controlling interest	<b>164</b>	<b>(10)</b>
Weighted average number of ordinary shares (thousands)	182,943	182,943
Diluted number of shares (thousands)	185,005	182,943
Basic Earnings per share attributable to equity owners of the Parent (PLN)	0.07	0.07
Diluted Earnings per share attributable to equity owners of the Parent (PLN)	0.07	0.07

**CONSOLIDATED CASH FLOW STATEMENT**  
**(indirect method)**

	for the period from 1.01 to 30.06.2022	for the period from 1.01 to 30.06.2021
	PLN'000	PLN'000
<b>Cash flows from operating activities</b>		
<b>Gross profit (loss)</b>	<b>13,521</b>	<b>17,638</b>
<b>Total adjustments</b>	<b>2,162</b>	<b>(6,789)</b>
Depreciation and amortisation	4,295	12,243
Impairment loss (reversal)	128	-
Profit (loss) on foreign exchange differences	267	(125)
Adjustments to finance cost /income	156	35
Profit (loss) on sales of fixed assets	-	-
Change in trade and other receivables	(5,051)	(22,529)
Change in inventories	298	(908)
Change in trade and other payables	1,330	2,452
Change in provisions	739	2,043
Other adjustments	-	-
<b>Net cash flows from operating activities</b>	<b>15,683</b>	<b>10,849</b>
Paid corporate income tax (return) related to operating activity	(146)	-
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES (used in the operating activity)</b>	<b>15,537</b>	<b>10,849</b>
<b>Cash flows from investing activities</b>		
Repayment of loans granted	-	-
Cash inflows on disposal of property, plant and equipment and intangible assets	-	-
Cash outflows on acquisition of property, plant and equipment and intangible assets	(34,966)	(17,233)
Cash outflows on acquisition of financial assets	-	(1,255)
Cash outflows on loans granted	(34,966)	(18,488)
<b>Cash flows from financing activities</b>		
Net proceeds from the issue of shares and other capital instruments	-	-
Inflows from loans	-	-
Repayment of loans	(13)	(32)
Repayment of finance lease liabilities	(353)	(290)
Interest	(28)	(16)
Other financial outflows	(128)	-
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>(522)</b>	<b>(338)</b>
<b>TOTAL NET CASH FLOWS</b>	<b>(19,951)</b>	<b>(7,977)</b>
Exchange differences on cash	(175)	(52)
Balance sheet changes in cash and cash equivalents	-	(8,029)
<b>Cash and cash equivalents at the beginning of the period</b>	<b>37,843</b>	<b>28,207</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>17,717</b>	<b>20,178</b>

## STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

For the period from 01.01. to 30.06.2022	Share capital	Share premium	Other reserve capital	Retained earnings	Equity attributable to owners of parent	Non controlling interest	Equity
PLN'000							
<b>As of 01.01.2022</b>	<b>1,829</b>	<b>78,653</b>	<b>16,629</b>	<b>36,294</b>	<b>133,405</b>	<b>1,704</b>	<b>135,109</b>
<b>As of 01.01.2022, upon conversion</b>	<b>1,829</b>	<b>78,653</b>	<b>16,629</b>	<b>36,294</b>	<b>133,405</b>	<b>1,704</b>	<b>135,109</b>
Profit (loss) for the period	-	-	-	13,179	13,179	164	13,343
Increase (decrease) as the result of other changes in equity	-	-	(474)	-	(474)	-	(474)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>(474)</b>	<b>13,179</b>	<b>12,705</b>	<b>164</b>	<b>12,869</b>
Incentive program costs	-	-	764	-	764	-	764
Increase (decrease) as the result of other changes in equity	-	-	-	-	-	-	-
Issue of shares	-	-	-	-	-	-	-
<b>Changes in equity</b>	<b>-</b>	<b>-</b>	<b>290</b>	<b>13,179</b>	<b>13,469</b>	<b>164</b>	<b>13,633</b>
<b>As of 30.06.2022</b>	<b>1,829</b>	<b>78,653</b>	<b>16,919</b>	<b>49,473</b>	<b>146,874</b>	<b>1,868</b>	<b>148,742</b>

For the period from 01.01. to 31.12.2021	Share capital	Share premium	Other reserve capital	Retained earnings	Equity attributable to owners of parent	Non controlling interest	Equity
PLN'000							
<b>As of 01.01.2021</b>	<b>1,829</b>	<b>78,653</b>	<b>16,407</b>	<b>(514)</b>	<b>96,375</b>	<b>169</b>	<b>96,544</b>
<b>As of 01.01.2021, upon conversion</b>	<b>1,829</b>	<b>78,653</b>	<b>16,407</b>	<b>(514)</b>	<b>96,375</b>	<b>169</b>	<b>96,544</b>
Profit (loss) for the period	-	-	-	36,808	36,808	1,535	38,343
Increase (decrease) as the result of other changes in equity	-	-	222	-	222	-	222
<b>Total</b>	<b>-</b>	<b>-</b>	<b>222</b>	<b>36,808</b>	<b>37,030</b>	<b>1,535</b>	<b>38,565</b>
Incentive program costs	-	-	-	-	-	-	-
Increase (decrease) as the result of other changes in equity	-	-	-	-	-	-	-
Issue of shares	-	-	-	-	-	-	-
<b>Changes in equity</b>	<b>-</b>	<b>-</b>	<b>222</b>	<b>36,808</b>	<b>37,030</b>	<b>1,535</b>	<b>38,565</b>
<b>As of 31.12.2021</b>	<b>1,829</b>	<b>78,653</b>	<b>16,629</b>	<b>36,294</b>	<b>133,405</b>	<b>1,704</b>	<b>135,109</b>

## II.

# KEY INFORMATION ABOUT CI GAMES CAPITAL GROUP

## 1. General information: name, headquarters and principal activity of CI Games

- CI Games S.A. ("the Issuer", "the Dominant Entity", "the Company") was registered on 01.06.2007 as City Interactive S.A. On 07.08.2013, at the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Division of the National Court Register which recorded the change of Company's name from the previous name to CI Games S.A. The registered office of the Company is located in Warsaw at Rondo Daszyńskiego 2B.
- The Company is entered in the Register of Entrepreneurs under the number KRS 0000282076 at the District Court for the Capital City of Warsaw in Warsaw, 12th Commercial Division. The entry was made by the District Court for the Capital City of Warsaw in Warsaw, 13th Commercial Division of the National Court Register. The court of registration of the Company is currently the District Court for the Capital City of Warsaw in Warsaw, 12th Commercial Division of the National Court Register.
- The core business activity of the Company consists of production, publishing and distribution of video games.
- Tax identification number (NIP): 1181585759.
- Statistical identification number (REGON): 017186320.
- The Company has been established for an unlimited period of time.

## 2. Structure of the Capital Group and consolidation principles

As of 30.06.2022, CI Games Capital Group ("the Group", "Capital Group CI Games") consisted of the following entities:

- CI Games S.A. with a registered office in Warsaw. 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.
- United Label S.A. with a registered office in Warsaw. Share capital: PLN 127,500. 78.43% shares held by CI Games S.A., 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 S.A.
- Business Area sp. z o.o. with a registered office in Warsaw. Share capital: PLN 5,000; 100% shares held by CI Games S.A.
- Business Area sp. z o.o. sp.j. with a registered office in Warsaw. 99.99% contribution of CI Games S.A.; 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 sp. z o.o. sp.j.; the remaining 0.01% of CI Games S.A.
- CI Games UK Ltd. with a registered office in London, the United Kingdom. Share capital GBP 100; 100% shares held by CI Games S.A.
- 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 S.A.; the remaining 25% shares owned by Mclex Trust sp. z o.o. with a registered office 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 S.A.

Subsidiaries consist of entities controlled by the dominant entity. Such relationship exists whenever the dominant entity:

- holds the authority over the entity in question;
- is exposed to or has the right to variable returns generated as a result of its involvement in the entity in question;
- has the ability to influence the amount of returns generated by the entity in question by exercising its authority over such entity.

The Dominant Entity consolidates its subsidiaries which, as long as they meet the materiality threshold – are subject to full consolidation. CI Games Bucharest S.R.L. is excluded from consolidation due to materiality level.

### **3. Statement of compliance and general principles of preparation the interim 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 Group and the Company as of 30.06.2022, financial results and cash flow for the 6-month period ended 30.06.2022 and 30.06.2021.

The 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 for the period ended 31.12.2021 approved for publication on 08.04.2022.

Preparation of the standalone and 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 31.12.2021.

## 4. Going concern assumption

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

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

## 5. Functional currency and presentation currency

Data in the consolidated financial statement and notes to the financial statement have been presented in thousands of zlotys, which is the presentation currency and the functional currency.

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 30.06.2022 - 4.6806 PLN/EUR
- as of 31.12.2021 - 4.5994 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 year:

- for the first six months of 2022 - 4.6427 PLN/EUR
- for the first six months of 2021 - 4.5472 PLN/EUR

## 6. Changes in the accounting principles and comparability of data presented in the financial statements

A description of material accounting principles applied by the Issuer can be found in the financial statement for the year ended on December 31, 2021, which was made public on April 8, 2022.

In the first half of 2022, there was not changes in the accounting policy. There were presentation changes and recognition of share-based plan, described below.

### Presentation changes

In accordance with requirements of European Securities and Markets Authority (ESMA), the Company and the Group prepared Financial Statements in line with unified European form ESEF. Consequently, some of the items of the financial statements were aggregated to be adapted to ESMA taxonomy as

of 31.12.2021. Following these changes, the respective presentation changes have been applied to the financial statements for the first six months of 2022.

Balance sheet of the Company and the Group:

- Line "Advances for intangible assets" were merged with line "Intangible asset other than goodwill".
- Lines "Trade receivables", "Prepayments" and "Other assets" were included in "Trade and other receivables".
- Lines "Reserve capital", "Reserve capital for purchase of own shares" and "Foreign exchange differences from translations" were aggregated in line "Other reserve capital".
- Lines "Dividend capital", "Reserve capital" were aggregated in line "Retained earnings".
- Lines "Trade liabilities", "Other liabilities" and "Deferred income" were aggregated in line "Trade and other short term liabilities".

Income Statement of the Company and the Group:

- Line " Impairment loss /impairment gain and reversal of impairment loss" was separated out of "Other operating income/costs".

Cash flow statements:

- Aggregation of "Interest" and "Commission on loans" into one category "Adjustment from finance income /costs".
- As the result of aggregation items in the balance sheet, the respective aggregations were made in the cash flow from operating activity.
- Outflows on development works were included in the line "Cash outflows on acquisition of property, plant and equipment and intangible assets".

Changes in equity movement tables:

- Aggregation of the items as described above in the equity of the Group.

### **Recognition of the Motivational (share-based) plan for the years 2021-2023/2024**

IFRS 2 Share-based Payment requires an entity to recognise share-based payment transactions in its financial statements, including transactions with employees or other parties to be settled in equity instruments of the entity.

In the first six months of 2022, the Company recognised a share-based plan in line with IFRS 2. In case of CI Games, the vesting conditions are non-market: realisation of net profit of the Group and continues of the service. Therefore the fair value of the equity instruments is not adjusted to take into consideration non-market based performance features - these are instead taken into account by adjusting the number of equity instruments included in the measurement of the share-based payment transaction, and are adjusted each period until such time as the equity instruments vest.

An estimate is made of the number of equity instruments for which the service and non-market performance conditions are expected to be satisfied. The product of this estimate – i.e. grant-date fair value per equity instrument multiplied by the number of equity instruments for which the service and non-market performance conditions are expected to be satisfied – is the estimate of the total

share-based payment cost. This cost is recognized, as an expense is salaries costs, over the vesting period, with a corresponding entry in equity reserves. In the following quarters, the Company will review the estimated number of equity instruments and realisation of non-market performance conditions.

The fair value of the warrants has been determined by an independent certified actuary by applying numerical method "Finite Difference Method".

The table below presents the plan of amortisation of the cost of equity instruments over the vesting period assuming fulfilment of non-market conditions. The vesting period of entitlements is set from 1Q 2022 (grant date) to 3Q 2023 (expected date of program's realization).

Quarter	Cumulative cost (PLN'000)	Cost in the period (PLN'000)
2022 Q1	239	239
2022 Q2	764	526
2022 Q3	1,334	569
2022 Q4	1,903	569
2023 Q1	2,460	557
2023 Q2	3,023	563
2023 Q3	3,592	569

The disclosure in the financial statements is further described in the Consolidated Management Report in Section IV, point 6.

## 7. New standards and interpretations

New standards, changes in the binding standards and interpretations, approved by the European Union ("EU"):

- **Amendments to IFRS 9 Financial Instruments, IAS 39 Financial Instruments: Recognition and Measurement, IFRS 7 Financial Instruments: Disclosures, IFRS 4 Insurance Contracts and IFRS 16 Leases – Interest Rate Benchmark Reform – Phase 2** (effective for annual periods beginning on or after January 1st 2021).
- **Amendments to IAS 1 "Presentation of financial statements" and IAS 8 "Accounting policies, changes in accounting estimates and errors"**. The changes pertain to the definition of materiality applicable to annual periods starting on January 1, 2023 or thereafter.
- **Amendments to IFRS 16 Leases: Covid-19-Related Rent Concessions** (effective for annual periods beginning on or after June 1st 2021);
- **IFRS 17 "Insurance contracts"** with subsequent amendments to IFRS 17. The standard is applicable to annual periods starting on January 1, 2023 or thereafter.
- **Amendments to IFRS 4 Insurance Contracts, deferral of IFRS 9 Financial Instruments** (effective for annual periods beginning on or after January 1st 2023).
- **Amendments to IFRS 3 Business Combinations, IAS 16 Property, Plant and Equipment, IAS 37 Provisions, Contingent Liabilities and Contingent Assets**, amendments to various standards as part of IFRS Annual Improvements cycle 2018–2020 (effective for annual periods beginning on or after January 1st 2022),
- Changes with regard to references to **Conceptual Framework in IFRS** (applicable to annual periods starting on January 1, 2022 or thereafter).

New standards, amendments to existing standards and interpretations which have not been endorsed by the European Union:

- **IFRS 14 "Regulatory Deferral Accounts"** – the European Commission has decided not to commence the process of approval of this provisional standard to be used within the territory of the European Union until the date of publication of the final version of the proper full standard IFRS 14.
- **Amendments to IFRS 10 "Consolidated financial statements" and IAS 28 "Investments in Associates and Joint Ventures"** – Sales or contribution of assets between an investor and their associate or joint venture and subsequent amendments (the date of entry into force of these amendments has been postponed until completion of research work on the equity method).
- **Amendments to IAS 1 "Presentation of Financial Statements"**: classification of liabilities as current or non-current and classification of liabilities as current or non-current – deferral of effective date (effective for annual periods beginning on or after January 1st 2023)
- **Amendments to IAS 12 "Income tax"** – deferred tax related to Assets and liabilities arising from a single transaction (effective for annual periods beginning on or after January 1st 2023).
- **Amendments to IFRS 17 "Insurance contracts". Initial application of IFRS 17 and IFRS 9 Financial instruments** – comparative information. The standard is applicable to annual periods starting on January 1, 2023 or thereafter.

The dates of entry into force, indicated above, are based on the content of standards announced by the Council for International Financial Reporting. The dates of entry into force of standards in the European Union may differ from dates of entry into force based on the content of the standards and are announced as the standard has been approved for application by the European Union. The Group has decided not to introduce early any of the standards, interpretations or amendments, listed above, which have been published but have not come into force. 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.

## 8. Information about seasonality

Information about seasonality of the business is further described in the Management Report on the activities of CI Games Group in 2022 (Chapter I, point 3).

## 9. Audit performed by statutory auditor

These semi-annual consolidated and individual financial statements along with the selected components were subject to review performed by a statutory auditor.

## 1. 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. In the years 2018-2020, the materiality levels were not met in accordance with IFRS 8, i.e. (i) revenues from the operational segment did not exceed 10% of joint revenues, including external clients and transfers between the segments, (ii) financial result of the segment, expressed in absolute values, did not account for at least 10% of sum of absolute results of all segments which posted no losses or the combined loss all operational segments which recorded losses, (iii) assets of the segment did not account for 10% or more of total assets of all operational segments; therefore the Group did not present results related to the publishing segment.

Starting from 2021, the revenues of the publishing segment related to United Label S.A., exceeded materiality level of 10% of joint revenues of publishing and remaining segments, therefore the Group started to present operational segments.

The tables below present:

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

As of 30.06.2022

PLN'000	CI GAMES GRUPA	UNITED LABEL	Consolidation eliminations	Total
<b>A. Non-current assets</b>	<b>115,215</b>	<b>5,557</b>	<b>(229)</b>	<b>120,543</b>
Property, plant and equipment	1,663	-	-	1,663
Intangible assets	107,104	5,230	(96)	112,238
Right-to-use asset	3,894	-	-	3,894
Long term investments	100	-	(100)	-
Deferred tax asset	2,454	327	(33)	2,748
Long term receivables	-	-	-	-
<b>B. Current assets</b>	<b>43,725</b>	<b>4,273</b>	<b>(2,008)</b>	<b>45,990</b>
Inventory	2,131	-	-	2,131
Current investments	63	-	-	63
Trade and other receivables	19,620	3,823	(2,022)	21,421
Tax receivables	4,394	264	-	4,658
Cash and cash equivalents	17,517	186	14	17,717
<b>Current assets other than assets or disposal classified as held for sales or as held for distribution to owners</b>	<b>43,725</b>	<b>4,273</b>	<b>(2,008)</b>	<b>45,990</b>
<b>Non-current assets classified as held for sale or as held for distribution to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>158,940</b>	<b>9,830</b>	<b>(2,237)</b>	<b>166,533</b>

As of 30.06.2022

PLN'000	CI GAMES GRUPA	UNITED LABEL	Consolidation eliminations	Total
<b>A.</b>	<b>141,016</b>	<b>7,917</b>	<b>(191)</b>	<b>148,742</b>
Share capital	1,829	128	(128)	1,829
Share premium	74,484	4,169	-	78,653
Other reserve capital	16,919	-	-	16,919
Retained earnings	45,944	3,620	(91)	49,473
including profit for the period	12,812	339	28	13,179
<b>Equity attributable to owners of the Parent</b>	<b>139,176</b>	<b>7,917</b>	<b>(219)</b>	<b>146,874</b>
<b>Equity attributable to non-controlling interests</b>	<b>1,840</b>	<b>-</b>	<b>28</b>	<b>1,868</b>
<b>B. LIABILITIES</b>	<b>17,924</b>	<b>1,913</b>	<b>(2,046)</b>	<b>17,791</b>
<b>Non-current liabilities</b>	<b>5,952</b>	<b>35</b>	<b>(33)</b>	<b>5,954</b>
Loans, credit and other debt instruments	-	-	-	-
Finance lease liabilities	3,383	-	-	3,383
Deferred income tax provision	2,569	35	(33)	2,571
<b>Current liabilities</b>	<b>11,972</b>	<b>1,878</b>	<b>(2,013)</b>	<b>11,837</b>
Borrowings including credits, loans and other debt instruments	-	-	-	-
Income tax liabilities	41	-	-	41
Trade liabilities and other liabilities	7,295	1,120	(2,013)	6,402
Finance lease liabilities	1,237	-	-	1,237
Other current provisions	3,399	758	-	4,157
<b>Current liabilities other than liabilities included in disposal groups classified as held for sale</b>	<b>11,972</b>	<b>1,878</b>	<b>(2,013)</b>	<b>11,837</b>
<b>Liabilities included in disposal groups classified as held for sale</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity and liabilities</b>	<b>158,940</b>	<b>9,830</b>	<b>(2,237)</b>	<b>166,533</b>

**Continuing operations**

<b>Net revenue from sales</b>	<b>27,411</b>	<b>3,426</b>	<b>(376)</b>	<b>30,461</b>
<b>Costs of products, goods and services sold</b>	<b>(5,677)</b>	<b>(2,305)</b>	<b>68</b>	<b>(7,914)</b>
<b>Gross profit (loss) on sales</b>	<b>21,734</b>	<b>1,121</b>	<b>(308)</b>	<b>22,547</b>
Other operating revenues	39	-	(2)	37
Selling costs	(3,687)	(481)	336	(3,832)
General and administrative costs	(7,039)	(422)	-	(7,461)
Other operating expenses	(250)	-	2	(248)
Impairment loss/impairment gain and reversal of impairment loss	(34)	-	-	(34)
<b>Profit (loss) on operating activities</b>	<b>10,763</b>	<b>218</b>	<b>28</b>	<b>11,009</b>
Financial revenues	2,577	114	-	2,691
Financial expenses	(172)	(7)	-	(179)
<b>Profit (loss) before tax</b>	<b>13,168</b>	<b>325</b>	<b>28</b>	<b>13,521</b>
Income tax	(191)	14	-	(177)
<b>Profit (loss) on continuing operations</b>	<b>12,977</b>	<b>339</b>	<b>28</b>	<b>13,344</b>
Discontinued operations	-	-	-	-
Loss from discontinued operations	-	-	-	-
<b>Net profit (loss)</b>	<b>12,977</b>	<b>339</b>	<b>28</b>	<b>13,344</b>
- net profit (loss) attributable to equity owners of the Parent	12,812	339	28	13,179
- net profit (loss) attributable to non-controlling interest	164	-	-	164

As of 31.12.2021

PLN'000	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
<b>A. Non-current assets</b>	<b>85,605</b>	<b>5,471</b>	<b>(309)</b>	<b>90,767</b>
Property, plant and equipment	1,774	-	-	1,774
Intangible assets	75,844	5,234	(119)	80,959
Right-to-use asset	4,391	-	-	4,391
Shares in subsidiaries	100	-	(100)	-
Long term investments	-	-	-	-
Deferred tax asset	3,496	237	(90)	3,643
Long term receivables	-	-	-	-
<b>B. Current assets</b>	<b>59,101</b>	<b>3,893</b>	<b>(1,649)</b>	<b>61,345</b>
Inventory	2,614	-	-	2,614
Current investments	61	-	-	61
Trade and other receivables	15,331	3,558	(1,649)	17,240
Tax receivables	3,277	310	-	3,587
Cash and cash equivalents	37,818	25	-	37,843
<b>Current assets other than assets or disposal classified as held for sales or as held for distribution to owners</b>	<b>59,101</b>	<b>3,893</b>	<b>(1,649)</b>	<b>61,345</b>
<b>Non-current assets classified as held for sale or as held for distribution to owners</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>144,706</b>	<b>9,364</b>	<b>(1,958)</b>	<b>152,112</b>

As of 31.12.2021

PLN'000	CI GAMES GROUP	UNITED LABEL	Consolidation eliminations	Total
<b>EQUITY</b>	<b>127,750</b>	<b>7,578</b>	<b>(219)</b>	<b>135,109</b>
Share capital	1,829	128	(128)	1,829
Share premium	74,484	4,169	-	78,653
Other reserve capital	16,629	-	-	16,629
Retained earnings	33,132	3,281	(119)	36,294
including profit for the period	32,333	4,493	(18)	36,808
<b>Equity attributable to owners of the Parent</b>	<b>126,074</b>	<b>7,578</b>	<b>(247)</b>	<b>133,405</b>
<b>Equity attributable to non-controlling interests</b>	<b>1,676</b>	<b>-</b>	<b>28</b>	<b>1,704</b>
<b>LIABILITIES</b>	<b>16,956</b>	<b>1,786</b>	<b>(1,739)</b>	<b>17,003</b>
<b>Non-current liabilities</b>	<b>6,927</b>	<b>2</b>	<b>(90)</b>	<b>6,839</b>
Loans, credit and other debt instruments	-	-	-	-
Finance lease liabilities	3,925	-	-	3,925
Deferred income tax provision	3,002	2	(90)	2,914
<b>Current liabilities</b>	<b>10,029</b>	<b>1,784</b>	<b>(1,649)</b>	<b>10,164</b>
Borrowings including credits, loans and other debt instruments	13	-	-	13
Income tax liabilities	41	-	-	41
Trade liabilities and other liabilities	5,368	1,253	(1,649)	4,972
Finance lease liabilities	955	-	-	955
Other current provisions	3,652	531	-	4,183
<b>Current liabilities other than liabilities included in disposal groups classified as held for sale</b>	<b>10,029</b>	<b>1,784</b>	<b>(1,649)</b>	<b>10,164</b>
<b>Liabilities included in disposal groups classified as held for sale</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total equity and liabilities</b>	<b>144,706</b>	<b>9,364</b>	<b>(1,958)</b>	<b>152,112</b>

Consolidated P&L per segments for 1H 2021	CI GAMES GRUPA	UNITED LABEL	Consolidation eliminations	Total
<b>Continuing operations</b>				
<b>Net revenue from sales</b>	<b>48,568</b>	<b>656</b>	<b>-</b>	<b>49,224</b>
<b>Costs of products, goods and services sold</b>	<b>(20,210)</b>	<b>(163)</b>	<b>4</b>	<b>(20,369)</b>
<b>Gross profit (loss) on sales</b>	<b>28,358</b>	<b>493</b>	<b>4</b>	<b>28,855</b>
Other operating revenues	893	-	(3)	890
Selling costs	(8,740)	(323)	-	(9,063)
General and administrative costs	(3,123)	(198)	3	(3,318)
Other operating expenses	(49)	-	1	(48)
Impairment loss/impairment gain and reversal of impairment loss	-	-	-	-
<b>Profit (loss) on operating activities</b>	<b>17,339</b>	<b>(28)</b>	<b>5</b>	<b>17,316</b>
Financial revenues	450	-	(45)	405
Financial expenses	(72)	(29)	18	(83)
<b>Profit (loss) before tax</b>	<b>17,717</b>	<b>(57)</b>	<b>(22)</b>	<b>17,638</b>
Income tax	(4,065)	9	-	(4,056)
<b>Profit (loss) on continuing operations</b>	<b>13,652</b>	<b>(48)</b>	<b>(22)</b>	<b>13,582</b>
Discontinued operations	-	-	-	-
Loss from discontinued operations	-	-	-	-
<b>Net profit (loss)</b>	<b>13,652</b>	<b>(48)</b>	<b>(22)</b>	<b>13,582</b>
- net profit (loss) attributable to equity owners of the Parent	13,662	(48)	(22)	13,592
- net profit (loss) attributable to non-controlling interest	(10)	-	-	(10)

## 2. Changes in the fixed assets by type group

For the period from 1.01 to 30.06.2022	Buildings, premises and civil and water engineering structures, investments in fixed assets	Technical equipment and machines	Vehicles	Other fixed assets	Fixed assets in progress	Total
<b>Gross value as of 01.01.2022</b>	115	3,472	856	182	-	4,625
<b>increases:</b>	-	293	-	-	-	293
- acquisition	-	293	-	-	-	293
- transfer	-	-	-	-	-	-
- other	-	-	-	-	-	-
<b>decreases:</b>	-	-	-	-	-	-
- liquidation	-	-	-	-	-	-
- transfer	-	-	-	-	-	-
- other	-	-	-	-	-	-
<b>Gross value as of 30.06.2022</b>	115	3,765	856	182	-	4,918
<b>Cumulated depreciation as of 01.01.2022</b>	6	2,141	664	40	-	2,851
<b>increases:</b>	12	290	86	16	-	404
- depreciation	12	290	86	16	-	404
- other	-	-	-	-	-	-
<b>decreases:</b>	-	-	-	-	-	-
- liquidation, sale	-	-	-	-	-	-
- other	-	-	-	-	-	-
<b>Cumulated depreciation as of 30.06.2022</b>	18	2,431	750	56	-	3,255
<b>Net value</b>						
<b>As of 01.01.2022</b>	109	1,331	192	142	-	1,774
<b>As of 30.06.2022</b>	97	1,334	106	126	-	1,663

For the period from 1.01 to 31.12.2021	Buildings, premises and civil and water engineering structures, investments in fixed assets	Technical equipment and machines	Vehicles	Other fixed assets	Fixed assets in progress	Total
<b>Gross value as of 01.01.2021</b>	-	2,117	-	32	3	2,152
<b>increases:</b>	115	1,355	856	150	10	2,486
- acquisition	115	1,342	-	150	10	1,617
- transfer	-	13	856	-	-	869
- other	-	-	-	-	-	-
<b>decreases:</b>	-	-	-	-	(13)	(13)
- liquidation	-	-	-	-	-	-
- transfer	-	-	-	-	(13)	(13)
- other	-	-	-	-	-	-
<b>Gross value as of 31.12.2021</b>	115	3,472	856	182	-	4,625
<b>Cumulated depreciation</b>	-	1,687	-	28	-	1,715
<b>increases:</b>	6	454	664	12	-	1,136
- depreciation	6	454	171	12	-	643
- transfer	-	-	493	-	-	493
<b>decreases:</b>	-	-	-	-	-	-
- liquidation, sale	-	-	-	-	-	-
- other	-	-	-	-	-	-
<b>Cumulated depreciation as of 31.12.2021</b>	6	2,141	664	40	-	2,851
<b>Net value</b>						
<b>As of 01.01.2021</b>	-	430	-	4	3	437
<b>As of 31.12.2021</b>	109	1,331	192	142	-	1,774

The tables below present movements in the fixed assets classified in accordance with IFRS 16.

For the period from 01.01 to 30.06.2022	Contract for lease of office space	Vehicles	Total
<b>Gross value as of 01.01.2022</b>	<b>4,971</b>	<b>-</b>	<b>4,971</b>
increases:	-	-	-
- conclusion of a new contract	-	-	-
decreases:	-	-	-
- revaluation of the acquisition value	-	-	-
- end of contract	-	-	-
Gross value as of 30.06.2022	4,971	-	4,971
Cumulated amortisation as of 01.01.2022	580	-	580
increases:	497	-	497
- amortisation	497	-	497
decreases:	-	-	-
- end of contract	-	-	-
Cumulated amortisation as of 30.06.2022	1,077	-	1,077
<b>Net value</b>			
<b>As of 01.01.2022</b>	<b>4,391</b>	<b>-</b>	<b>4,391</b>
<b>As of 30.06.2022</b>	<b>3,894</b>	<b>-</b>	<b>3,894</b>

For the period from 01.01 to 31.12.2021	Contract for lease of office space	Vehicles	Total
<b>Gross value as of 01.01.2021</b>	<b>6,579</b>	<b>856</b>	<b>7,435</b>
increases:	-	-	-
- conclusion of a new contract	-	-	-
decreases:	1,608	856	2,464
- revaluation of the acquisition value	974	-	974
- end of contract	634	856	1,490
Gross value as of 31.12.2021	4,971	-	4,971
Cumulated amortisation as of 01.01.2021	458	493	951
increases:	756	-	756
- amortisation	756	-	756
decreases:	634	493	1,127
- end of contract	634	493	1,127
Cumulated amortisation	580	-	580
<b>Net value</b>			
<b>As of 01.01.2021</b>	<b>6,121</b>	<b>363</b>	<b>6,484</b>
<b>As of 31.12.2021</b>	<b>4,391</b>	<b>-</b>	<b>4,391</b>

### 3. Changes in value of intangible assets according to type group and advances for intangible assets

For the period from 01.01 to 30.06.2022	Costs of completed development projects	Costs of development projects work in progress	Copyrights, licenses, concessions	Other intangible assets	Advances for intangible assets	Total
<b>Gross value as of 01.01.2022</b>	<b>209,545</b>	<b>62,495</b>	<b>5,785</b>	<b>2,166</b>	<b>276</b>	<b>280,267</b>
<b>increases:</b>	-	<b>34,190</b>	-	<b>12</b>	<b>976</b>	<b>35,178</b>
- acquisition	-	34,190	-	12	976	35,178
- transfer	-	-	-	-	-	-
- produced internally	-	-	-	-	-	-
<b>decreases:</b>	-	-	-	-	-	-
- liquidation	-	-	-	-	-	-
- transfer	-	-	-	-	-	-
- impairment allowance	-	-	-	-	-	-
<b>Gross value as of 30.06.2022</b>	<b>209,545</b>	<b>96,685</b>	<b>5,785</b>	<b>2,178</b>	<b>1,252</b>	<b>315,445</b>
<b>Cumulated amortisation as of 01.01.2022</b>	<b>196,337</b>	-	<b>946</b>	<b>2,024</b>	-	<b>199,307</b>
<b>increases:</b>	<b>2,845</b>	-	<b>957</b>	<b>98</b>	-	<b>3,900</b>
- amortisation	2,845	-	957	98	-	3,900
<b>decreases:</b>	-	-	-	-	-	-
- liquidation	-	-	-	-	-	-
<b>Cumulated amortisation as of 30.06.2022</b>	<b>199,182</b>	-	<b>1,903</b>	<b>2,122</b>	-	<b>203,207</b>
<b>NBV:</b>						
<b>As of 01.01.2022</b>	<b>13,208</b>	<b>62,495</b>	<b>4,839</b>	<b>142</b>	<b>276</b>	<b>80,960</b>
<b>As of 30.06.2022</b>	<b>10,363</b>	<b>96,685</b>	<b>3,882</b>	<b>56</b>	<b>1,252</b>	<b>112,238</b>

For the period from 01.01 to 31.12.2021	Costs of completed development projects	Costs of development projects work in progress	Copyrights, licenses, concessions	Other intangible assets	Advances for intangible assets	Total
<b>Gross value as of 01.01.2021</b>	<b>189,038</b>	<b>43,230</b>	<b>966</b>	<b>2,173</b>	<b>3,237</b>	<b>238,644</b>
<b>increases:</b>	<b>22,423</b>	<b>41,688</b>	<b>4,819</b>	<b>11</b>	<b>1,978</b>	<b>70,919</b>
- acquisition	-	-	4,819	11	1,978	6,808
- transfer	22,423	-	-	-	-	22,423
- produced internally	-	41,688	-	-	-	41,688
<b>decreases:</b>	<b>(2,040)</b>	<b>(22,423)</b>	-	-	<b>(4,938)</b>	<b>(29,401)</b>
- liquidation	-	-	-	-	-	-
- transfer	-	(22,423)	-	-	(4,938)	(27,361)
- impairment allowance	(2,040)	-	-	-	-	(2,040)
<b>Gross value as of 31.12.2021</b>	<b>209,421</b>	<b>62,495</b>	<b>5,785</b>	<b>2,306</b>	<b>277</b>	<b>280,284</b>
<b>Cumulated amortisation as of 01.01.2021</b>	<b>177,890</b>	-	<b>178</b>	<b>1,711</b>	-	<b>179,779</b>
<b>increases:</b>	<b>18,447</b>	-	<b>768</b>	<b>331</b>	-	<b>19,546</b>
- amortisation	18,447	-	768	331	-	19,546
<b>decreases:</b>	-	-	-	-	-	-
- liquidation	-	-	-	-	-	-
<b>Cumulated amortisation as of 31.12.2021</b>	<b>196,337</b>	-	<b>946</b>	<b>2,042</b>	-	<b>199,325</b>
<b>NBV:</b>						
<b>As of 31.12.2020</b>	<b>11,148</b>	<b>43,230</b>	<b>788</b>	<b>462</b>	<b>3,237</b>	<b>58,865</b>
<b>As of 31.12.2021</b>	<b>13,084</b>	<b>62,495</b>	<b>4,839</b>	<b>264</b>	<b>277</b>	<b>80,959</b>

### 4. 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 Company 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.

DEFERRED TAX	as of 30.06.2022 PLN'000	as of 31.12.2021 PLN'000
<b>Deferred tax assets</b>		
<b>Opening value</b>	<b>3,643</b>	<b>3,229</b>
<b>Including assets compared to the financial result</b>	<b>(3,643)</b>	<b>(3,229)</b>
<b>Increases recognised in financial result</b>	<b>2,748</b>	<b>3,643</b>
Cost provision	733	735
Receivables valuation allowances	-	-
Provision for returns	228	292
Inventory impairment	-	-
Exchange differences	9	61
Tax losses	1,489	2,434
Difference between the balance-sheet and tax value	144	121
Equity instruments valuation	145	-
<b>Decreases compared to the financial result</b>	<b>(3,643)</b>	<b>(3,229)</b>
<b>Closing value</b>	<b>2,748</b>	<b>3,643</b>
<b>Deferred tax provisions</b>		
<b>Opening value</b>	<b>2,914</b>	<b>2,306</b>
<b>Including assets compared to the financial result</b>	<b>(2,914)</b>	<b>(2,306)</b>
<b>Increases compared to the financial result</b>	<b>2,571</b>	<b>2,914</b>
Provision for returns	-	-
Provision for revenues	-	-
Exchange differences	433	317
Difference between the balance-sheet and tax value of tangible fixed assets	2,138	2,597
<b>Decreases compared to the result</b>	<b>(2,914)</b>	<b>(2,306)</b>
<b>Closing value</b>	<b>2,571</b>	<b>2,914</b>

## 5. Inventory

INVENTORIES	as of 30.06.2022 PLN'000	as of 31.12.2021 PLN'000
Materials	796	691
Finished products	2,040	2,496
Goods	-	-
<b>Total gross inventories</b>	<b>2,836</b>	<b>3,187</b>
<b>Impairment allowance</b>	<b>(705)</b>	<b>(573)</b>
<b>Total net inventories</b>	<b>2,131</b>	<b>2,614</b>

### CHANGE OF REVALUATION INVENTORIES

	PLN'000
<b>Balance as of 01.01.2022</b>	<b>573</b>
Increases, including:	<b>132</b>
- impairment of receivables	132
Decreases, including:	-
- release of the impairment (write-offs)	-
<b>Balance as of 30.06.2022</b>	<b>705</b>

In the opinion of the Management Board of the Issuer, all provisions that are not subject to an impairment allowance represent a recoverable value higher than their book value.

## 6. Short-term investments

As of 30.06.2022 short term investment in the amount of PLN 63 thousand included the interest balance related to a loan granted to a related party CI Games Bucharest Studio S.R.L. (this entity was not consolidated).

The Group did not grant any loans to third parties.

## 7. Trade receivables and prepayments

Short term trade and other receivables	as of 30.06.2022	as of 31.12.2021
	PLN'000	PLN'000
Trade receivables from related entities	20	-
Trade receivables from other entities	10,687	13,438
up to 12 months	10,687	13,438
above 12 months	-	-
<b>Trade receivables</b>	<b>10,707</b>	<b>13,438</b>
Impairment allowance for trade receivables	(294)	(260)
<b>Net trade receivables</b>	<b>10,413</b>	<b>13,178</b>
<b>Other short term receivables</b>		
Tax receivables (excluding income tax)	3,972	2,073
Other settlements with employees	58	-
Securities and deposits	544	497
Other settlements	5,774	845
<b>Prepayments</b>		
Insurance	49	131
Licenses	165	133
Costs of games' porting on platforms	322	329
Other prepayments	124	54
<b>Other short term receivables</b>	<b>11,008</b>	<b>4,062</b>
<b>Trade and other short term receivables</b>	<b>21,421</b>	<b>17,240</b>

RECEIVABLES - AGING	as of 30.06.2022	as of 31.12.2021
	PLN'000	PLN'000
current	7,529	7,190
overdue:	3,178	6,248
1 - 30 days	327	1,763
31 - 90 days	(81)	1,106
91 - 180 days	834	1,446
above 180 days	2,098	1,933
Impairment allowance	(294)	(260)
<b>Net trade receivables</b>	<b>10,413</b>	<b>13,178</b>

### CHANGE OF REVALUATION RECEIVABLES

	PLN'000
<b>Balance as of 01.01.2022</b>	<b>260</b>
<i>Increases, including:</i>	<b>38</b>
- impairment of receivables	38
<i>Decreases, including:</i>	-
- release of the impairment (write-offs)	(4)
<b>Balance as of 30.06.2022</b>	<b>294</b>

As of 30.06.2022, Other short term receivables comprised mainly of:

- tax receivables (PLN 3,972 thousand), which included VAT receivables and withholding tax receivables;
- deposits (PLN 544 thousand) related to the office deposit rental;
- other settlements (PLN 5,744 thousand) related to:
  - deposit balance of PLN 4,964 thousand placed at the broker's account for a tender offer for the shares of the Company's subsidiary United Label S.A.
  - balance with EP Office 1 Sp. z o.o. concerning unduly collected bank guarantees for the total amount of PLN 810 thousand. The Management Board is of opinion that the evidence gathered, procedural documentation and legal arguments make it possible to assume that probability of winning of this case is high, and thus establishment of an allowance for these receivables is not justified.

## 8. Information about changes in provisions

MOVEMENTS IN PROVISIONS	Unused holidays provision PLN'000	Other provisions PLN'000
<b>Balance as of 01.01.2022</b>	174	4,010
Creation of the provision	202	3,545
Utilisation of the provision	91	3,600
Release of the provision	83	-
<b>Balance as of 30.06.2022</b>	<b>202</b>	<b>3,955</b>

The growth in the provisions as of 30.06.2022 mainly resulted from created provisions for un-invoiced current costs and movement in provision for a motivational bonus for employees.

## 9. Trade and other liabilities

LIABILITIES - STRUCTURE	as of 30.06.2022 PLN'000	as of 31.12.2021 PLN'000
Trade liabilities to related entities	229	18
Trade liabilities to other entities	3,631	3,243
up to 12 months	3,631	3,243
above 12 months	-	-
<b>Trade liabilities</b>	<b>3,860</b>	<b>3,261</b>
Tax liabilities excluding corporate income tax	2,431	1,529
Other liabilities	111	182
<b>Trade liabilities</b>	<b>2,542</b>	<b>1,711</b>
<b>Deferred income</b>	<b>-</b>	<b>-</b>
<b>Total short term trade and other liabilities</b>	<b>6,402</b>	<b>4,972</b>

## 10. Share capital of Dominant entity

As of 30.06.2022, share capital comprised of nine series of shares issued at the following terms:

SHARE SERIES	NUMBER OF SHARES	NOMINAL VALUE (PLN)	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
<b>TOTAL</b>	<b>182 943 015</b>	<b>1 829</b>	

## 11. Share premium account of the Dominant entity

SHARE SERIES	NUMBER	SURPLUS
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
<b>TOTAL</b>	<b>82,943,015</b>	<b>93,798</b>
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)
<b>As of 30.06.2022</b>		<b>74,484</b>

## 12. Reserve capital for purchase of own shares

Established by resolution of the Extraordinary 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.

The amount of reserve capital for purchase of treasury shares as of 30.06.2022: PLN 16,000,000 (31.12.2021: PLN 16,000,000)

Until the date of preparation of the financial statements, no acquisition of treasury shares by the Issuer has taken place.

## 13. Credit, loan and financial lease liabilities

LOAN LIABILITIES	as of 30.06.2022	as of 31.12.2021
	PLN'000	PLN'000
Liabilities due to financial lease - the short-term component	1,237	955
Liabilities due to financial lease - the long-term component	3,383	3,925
Liabilities due to credits, including overdraft facilities	-	13
<b>TOTAL</b>	<b>4,620</b>	<b>4,893</b>

Finance lease liability related mainly to IFRS 16 implementation and recognition of the respective asset and liability resulting from the office space rental.

As of 30.06.2022, the Group did not have any loan liabilities nor debt securities.

## 14. Financial assets and liabilities - classification and valuation

Upon analysis of individual classes of financial instruments, the Management Board decided that the balance sheet value of instruments did not depart significantly from their fair value both on and 30.06.2022 and 31.12.2021.

Financial assets and liabilities - classification and measurement	as of 30.06.2022	as of 31.12.2021
	PLN'000	PLN'000
Financial assets valued according to amortized cost		
Trade receivables	10,413	13,178
Cash and cash equivalents	17,717	37,843
Financial assets valued according to fair value		
Unlisted stocks and shares	-	-
<b>Total financial assets</b>	<b>28,130</b>	<b>51,021</b>
Financial liabilities are measured at amortized cost		
Trade liabilities	3,860	3,261
Financial liabilities	4,620	4,893
<b>Total financial liabilities</b>	<b>8,480</b>	<b>8,154</b>

## 15. Costs by type

COSTS ACCORDING TO TYPE	for the period from	for the period from
	1.01 to 30.06.2022	1.01 to 30.06.2021
	PLN'000	PLN'000
Amortisation	4,275	12,237
Consumption of materials and energy	462	254
External services	9,873	8,356
Taxes and charges	72	41
Employee benefits	3,096	1,768
Other costs	518	4,464
<b>Costs according to type</b>	<b>18,296</b>	<b>27,120</b>
Selling costs	(3,832)	(9,063)
General and administration costs	(7,462)	(3,318)
Value of products sold	912	5,629
<b>Cost of products sold</b>	<b>7,914</b>	<b>20,368</b>

## 16. Other operating revenues

OTHER OPERATING REVENUE	for the period from	for the period from
	1.01 to 30.06.2022	1.01 to 30.06.2021
	PLN'000	PLN'000
Compensations	-	277
Re-invoicing	37	33
Lease	-	13
Other	-	567
<b>Total other operating revenues</b>	<b>37</b>	<b>890</b>

## 17. Other operating expenses

OTHER OPERATING EXPENSES	for the period from	for the period from
	1.01 to 30.06.2022	1.01 to 30.06.2021
	PLN'000	PLN'000
Impairment loss on inventories	132	-
Re-invoicing	50	43
Withholding tax as a cost	52	2
Other	14	4
<b>Total other operating costs</b>	<b>248</b>	<b>49</b>

## 18. Impairment loss/gain and reversal of impairment loss

IMPAIRMENT LOSS/GAIN AND REVERSAL OF IMPAIRMENT LOSS	for the period from	for the period from
	1.01 to 30.06.2022	1.01 to 30.06.2021
	PLN'000	PLN'000
Reversal of impairment allowance for receivables	4	-
Impairment allowance for receivables	(38)	-
<b>Impairment loss/ gain and reversal of impairment loss</b>	<b>(34)</b>	<b>-</b>

## 19. Finance revenues and costs

FINANCIAL REVENUES AND EXPENSES	for the period from	for the period from
	1.01 to 30.06.2022	1.01 to 30.06.2021
	PLN'000	PLN'000
Interest charged	-	19
Positive net exchange rate differences	2,587	169
Valuation of forward contracts	104	206
<b>Total financial revenue</b>	<b>2,691</b>	<b>394</b>
Interest charged	50	72
Commission fees and other charges	128	-
<b>Total financial expenses</b>	<b>178</b>	<b>72</b>

## 20. 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. Income tax included in the first half of 2022 in the amount of PLN 375 thousand (positive number) comprised of current year corporate income tax in CI Games S.A. and other consolidated entities (total of PLN 114 thousand), increased by income tax correction in CI Games S.A. (PLN 489 thousand) in CI Games S.A. submitted for 2021 after the release of the annual financial statements.
- 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
	1.01 to 30.06.2022	1.01 to 30.06.2021
	PLN'000	PLN'000
<b>Gross profit (loss)</b>	<b>13,521</b>	<b>17,638</b>
Current income tax	375	(11)
Change of estimates	-	-
Deferred tax:	(552)	(4,045)
Decrease/increase in the deferred tax asset	(895)	(2,027)
Decrease/increase the provision for deferred tax	343	(2,018)
Total income tax	(177)	(4,056)
<b>Net profit (loss)</b>	<b>13,344</b>	<b>13,582</b>

As of 30.06.2022 changed in deferred tax of PLN 552 thousand comprised of the following items:

- reduction of the deferred tax asset balance (from 01.01.2022 to 30.06.2022) by the amount of PLN 895 thousand mainly due to utilization of tax losses from previous years and creation of not taxable provision costs; and
- decrease of the deferred tax provision balance (from 01.01.2022 to 30.06.2022) by the amount of PLN 343 thousand, resulting mainly from the positive foreign exchange gains and a reduction in difference between the tax and book value of the development works.

## 21. Transactions with related parties

In the first half of 2022, the transactions were executed with related entities on the basis of market conditions. In the Management opinion's all the transactions are set on the arm-length principles.

Transactions for the period from 01.01. to 30.06.2022 and balances as of 30.06.2022					
Entity	COSTS*	REVENUES	RECEIVABLES	LOAN (RECEIVABLES)	LIABILITIES
	PLN thousand	PLN thousand	PLN thousand	PLN thousand	PLN thousand
CI Games USA Inc.	100	1,961	12,453	-	16
Business Area Sp. z o.o.	-	1	-	-	-
Business Area Sp. z o.o. Sp.J.	-	(166)	-	-	1,032
CI Games S.A. Sp. J.	-	1	-	-	191
United Label S.A.	2,786	336	182	-	1,844
CI Games UK Limited	2,789	-	2,860	-	-
CI Games BUCHAREST STUDIO SRL	207	-	21	63	-
CI Games Mediterranean Projects	20,518	74	-	4,234	10,069
<b>TOTAL</b>	<b>26,400</b>	<b>2,207</b>	<b>15,516</b>	<b>4,297</b>	<b>13,152</b>

\*including capitalised costs

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

Transactions for the period from 01.01. to 30.06.2022 and balances as of 30.06.2022				
Entity	COSTS	REVENUES	RECEIVABLES	LIABILITIES
	PLN thousand	PLN thousand	PLN thousand	PLN thousand
Fine Dining Sp. z o.o.	4	-	165	-
<b>TOTAL</b>	<b>4</b>	<b>-</b>	<b>165</b>	<b>-</b>

Transactions of the Issuer with entities related personally to Members of the Supervisory Board and Members of the Management Board of the Parent Entity:

Transactions for the period from 01.01. to 30.06.2022 and balances as of 30.06.2022				
Entity	COSTS	REVENUES	RECEIVABLES	LIABILITIES
	PLN thousand	PLN thousand	PLN thousand	PLN thousand
Marek Tymiński	30	-	-	-
Niewińska Katarzyna	15	-	-	2
<b>TOTAL</b>	<b>45</b>	<b>-</b>	<b>-</b>	<b>2</b>

## 22. Information about impact of pandemic COVID-19 and the war in Ukraine on the financial statements of the Group

The impact of COVID-19 pandemic outbreak had no material impact on the Group's Financial Statement in the course of the reporting period.

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.

# IV.

## SEMI-ANNUAL STAND ALONE FINANCIAL STATEMENTS OF CI GAMES S.A.

### SELECTED FINANCIAL INFORMATION

Profit and Loss Accounts	for the period from 1.01 to 30.06.2022		for the period from 1.01 to 30.06.2021	
	PLN'000	EUR'000	PLN'000	EUR'000
Net revenue from sales	27,024	5,821	47,672	10,484
Profit (loss) from operating activities	11,086	2,388	20,683	4,549
Gross profit (loss)	13,509	2,910	21,387	4,703
<b>Net profit (loss)</b>	<b>12,945</b>	<b>2,788</b>	<b>17,346</b>	<b>3,815</b>
Weighted average number of shares (in thousands)	182,943	182,943	182,943	182,943
Profit (loss) per ordinary share (PLN/share)	0.07	0.02	0.09	0.02

Statement of cash flow	for the period from 1.01 to 30.06.2022		for the period from 1.01 to 30.06.2021	
	PLN'000	EUR'000	PLN'000	EUR'000
Net cash flows from operating activities	23,908	5,150	8,098	1,781
Net cash flows from investing activities	(32,100)	(6,914)	(15,801)	(3,475)
Net cash flows from financing activities	(522)	(112)	(338)	(74)
<b>Net cash flows</b>	<b>(8,714)</b>	<b>(1,877)</b>	<b>(8,041)</b>	<b>(1,768)</b>

Balance sheet	as of 30.06.2022		as of 31.12.2021	
	PLN'000	EUR'000	PLN'000	EUR'000
Non-current assets	125,170	26,742	97,693	21,240
Current assets	45,490	9,719	59,028	12,834
<b>Total assets</b>	<b>170,660</b>	<b>36,461</b>	<b>156,721</b>	<b>34,074</b>
Equity	144,792	30,934	131,083	28,500
Initial capital	1,829	391	1,829	398
<b>Liabilities</b>	<b>25,868</b>	<b>5,527</b>	<b>25,638</b>	<b>5,574</b>
Non-current liabilities	5,952	1,272	6,927	1,506
Current liabilities	19,916	4,255	18,711	4,068
<b>Total equity and liabilities</b>	<b>170,660</b>	<b>36,461</b>	<b>156,721</b>	<b>34,074</b>

## STATEMENT OF FINANCIAL CONDITIONS



ASSETS	as of 30.06.2022 PLN'000	as of 31.12.2021 PLN'000
<b>A. Non-current assets</b>	<b>125,170</b>	<b>97,693</b>
Property, plant and equipment	1,612	1,746
Intangible assets other than goodwill	109,668	77,971
Right-to-use asset	3,894	4,391
Other non current financial assets	4,516	4,516
Long term investments	4,234	6,387
Deferred tax asset	1,246	2,682
Long term receivables	-	-
<b>B. Current assets</b>	<b>45,490</b>	<b>59,028</b>
Inventories	2,131	2,614
Current investments	63	61
Trade receivables and other receivables	31,982	37,267
Current tax asset	4,394	3,277
Cash and cash equivalents	6,920	15,809
<b>Current assets other than assets or deposal classified as held for sales or as held for distribution to owners</b>	<b>45,490</b>	<b>59,028</b>
<b>Non-current assets classified as held for sale or as held for distribution to owners</b>	<b>-</b>	<b>-</b>
<b>Total assets</b>	<b>170,660</b>	<b>156,721</b>
<b>LIABILITIES &amp; EQUITY</b>	<b>as of 30.06.2022 PLN'000</b>	<b>as of 31.12.2021 PLN'000</b>
<b>A. EQUITY</b>	<b>144,792</b>	<b>131,083</b>
Share capital	1,829	1,829
Share premium	74,484	74,484
Reserve capital for the acquisition of shares	16,764	16,000
Retained earnings	51,715	38,770
including profit for the period	12,945	33,320
<b>B. LIABILITIES</b>	<b>25,868</b>	<b>25,638</b>
<b>Non-current liabilities</b>	<b>5,952</b>	<b>6,927</b>
Loans, credit and other debt instruments	-	-
Finance lease liabilities	3,383	3,925
Deferred income tax provision	2,569	3,002
<b>Current liabilities</b>	<b>19,916</b>	<b>18,711</b>
Borrowings including credits, loans and other debt instruments	-	13
Income tax liabilities	-	-
Trade liabilities and other liabilities	15,579	14,395
Finance lease liabilities	1,237	955
Current provisions	3,100	3,348
<b>Current liabilities other than liabilities included in disposal groups classified as held for sale</b>	<b>19,916</b>	<b>18,711</b>
<b>Liabilities included in disposal groups classified as held for sale</b>	<b>-</b>	<b>-</b>
<b>Total equity and liabilities</b>	<b>170,660</b>	<b>156,721</b>

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

Statement of comprehensive income

for the period from 1.01 to 30.06.2022      for the period from 1.01 to 30.06.2021

	PLN'000	PLN'000
<b>Continuing operations</b>		
<b>Net revenue from sales</b>	<b>27,024</b>	<b>47,672</b>
<b>Costs of products, goods and services sold</b>	<b>(5,665)</b>	<b>(20,204)</b>
<b>Gross profit (loss) on sales</b>	<b>21,359</b>	<b>27,468</b>
Other operating revenues	47	899
Selling costs	(3,034)	(4,535)
General and administrative costs	(7,038)	(3,100)
Other operating expenses	(252)	(49)
Impairment loss/impairment gain and reversal of impairment loss	4	-
<b>Profit (loss) on operating activities</b>	<b>11,086</b>	<b>20,683</b>
Financial revenues	2,595	776
Financial expenses	(172)	(72)
<b>Profit (loss) before tax</b>	<b>13,509</b>	<b>21,387</b>
Income tax	(564)	(4,041)
<b>Profit (loss) on continuing operations</b>	<b>12,945</b>	<b>17,346</b>
Discontinued operations	-	-
Loss from discontinued operations	-	-
<b>Net profit (loss)</b>	<b>12,945</b>	<b>17,346</b>
<b>Total other comprehensive income including:</b>		
<b>Total income for the financial year</b>	<b>12,945</b>	<b>17,346</b>
Basic earnings /loss per share (PLN)	0.07	0.09
from continued operations	0.07	0.09
from discontinued operations	-	-
Diluted earnings/loss per share (PLN)	0.07	0.09
from continued operations	0.07	0.09
from discontinued operations	-	-
Weighted average number of shares (thousands)	182,943	182,943
Weighted average diluted number of shares (thousands)	185,005	182,943

## CASH FLOW STATEMENT (indirect method)

for the period from 1.01 to 30.06.2022    for the period from 1.01 to 30.06.2021

	PLN'000	PLN'000
<b>Cash flows from operating activities</b>		
<b>Gross profit (loss)</b>	<b>13,509</b>	<b>21,387</b>
<b>Total adjustments</b>	<b>10,545</b>	<b>(13,289)</b>
Depreciation and amortisation	3,320	12,085
Impairment loss (reversal)	128	-
Profit (loss) on foreign exchange differences	210	19
Correction of financial income (cost)	82	(167)
Profit (loss) on investment activity	-	-
Change in receivables	4,609	(26,110)
Change in inventory	351	(897)
Change in trade and other payables	1,328	(217)
Change in provisions	517	1,998
Other adjustments	-	-
<b>Net cash flows from operating activities</b>	<b>24,054</b>	<b>8,098</b>
Paid corporate income tax (return) related to operating activity	(146)	-
<b>Net cash flows from operating activities (used in the operating activity)</b>	<b>23,908</b>	<b>8,098</b>
<b>Cash flows from investing activities</b>		
Repayment of loans granted	2,284	1,241
Cash inflows on disposal of property, plant and equipment and intangible assets	-	-
Cash outflows on acquisition of property, plant and equipment and intangible assets	(34,384)	(9,134)
Cash outflows on acquisition of financial assets	-	-
Cash outflows on loans granted	-	(7,908)
<b>Net cash from investing activities</b>	<b>(32,100)</b>	<b>(15,801)</b>
<b>Cash flows from financing activities</b>		
Net proceeds from the issue of shares	-	-
Inflows from borrowings	-	-
Repayment of borrowings	(13)	(32)
Repayment of finance lease liabilities	(353)	(290)
Interest	(28)	(16)
Other financial inflows (outflows) related to financial activity	(128)	-
<b>Net cash from financing activities</b>	<b>(522)</b>	<b>(338)</b>
<b>Total net cash flows</b>	<b>(8,714)</b>	<b>(8,041)</b>
Exchange differences on cash and cash equivalents	(175)	(52)
Balance sheet changes in cash and cash equivalents	(8,889)	(8,093)
<b>Cash and cash equivalents at the beginning of the period</b>	<b>15,809</b>	<b>15,658</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>6,920</b>	<b>7,565</b>

## CHANGES IN EQUITY

For the period from 01.01. to 30.06.2022	Share capital	Share premium	Other reserve capiatl	Retained earnings	Equity
<b>PLN'000</b>					
<b>As of 01.01.2022</b>	<b>1,829</b>	<b>74,484</b>	<b>16,000</b>	<b>38,770</b>	<b>131,083</b>
<b>As of 01.01.2022, upon conversion</b>	<b>1,829</b>	<b>74,484</b>	<b>16,000</b>	<b>38,770</b>	<b>131,083</b>
Profit (loss) for the period	-	-	-	12,945	<b>12,945</b>
Incentive program costs	-	-	764	-	<b>764</b>
Increase (decrease) as the result of other changes in equity	-	-	-	-	-
Issue of shares	-	-	-	-	-
<b>Changes in equity</b>	<b>-</b>	<b>-</b>	<b>764</b>	<b>12,945</b>	<b>13,709</b>
<b>As of 30.06.2022</b>	<b>1,829</b>	<b>74,484</b>	<b>16,764</b>	<b>51,715</b>	<b>144,792</b>

For the period from 01.01. to 31.12.2021	Share capital	Share premium	Other reserve capiatl	Retained earnings	Equity
<b>PLN'000</b>					
<b>As of 01.01.2021</b>	<b>1,829</b>	<b>74,484</b>	<b>16,000</b>	<b>5,450</b>	<b>97,763</b>
<b>As of 01.01.2021, upon conversion</b>	<b>1,829</b>	<b>74,484</b>	<b>16,000</b>	<b>5,450</b>	<b>97,763</b>
Profit (loss) for the period	-	-	-	33,320	<b>33,320</b>
Incentive program costs	-	-	-	-	-
Increase (decrease) as the result of other changes in equity	-	-	-	-	-
Issue of shares	-	-	-	-	-
<b>Changes in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>33,320</b>	<b>33,320</b>
<b>As of 31.12.2021</b>	<b>1,829</b>	<b>74,484</b>	<b>16,000</b>	<b>38,770</b>	<b>131,083</b>

All the mid-year financial information essential for the assessment of the Issuer's assets and financial position were included in the annual consolidated financial statement prepared as of 30.06.2022.

The following abridged mid-year financial statement of the Company, prepared as of 31.06.2022, should be read in conjunction with CI Games S.A. financial statement for December 31, 2021, published on 08.04.2022.

**On reliability of preparation of the semi-annual interim consolidated financial statements**

Accordingly with provisions of art. 68 section 1 clause 4 and art. 69 1 clause 4 of the Regulation of the Minister of Finance of 29.03.2018 (Journal of Laws of 2018 item 757) on current and periodical information provided by issuers of securities and the prerequisites for recognition of information required by the law of a non-Member State as equivalent, the Management Board of CI Games S.A. hereby states that according to its best knowledge, the consolidated semi-annual financial statement and comparative data have been prepared in accordance with the applicable accounting principles and they reflect truly, reliably and clearly the results and financial position of CI Games Capital Group, as well as its financial result, and that the Management Report on the activities of CI Games Group contains a true reflection of its development and achievements, as well as the situation of CI Games Capital Group, including a description of the basic threats and risk.

**On the entity authorized to review the individual financial statement of CI Games S.A. and the consolidated semi-annual financial statements of CI Games Capital Group**

On 02.07.2021, the Supervisory Board of CI Games S.A., acting on the basis of the recommendation of the Audit Committee, selected UHY ECA Audyt Sp. z o.o. Sp. k. with a registered office in Warsaw as the auditor conducting a review of semi-annual and an audit of annual financial statements of the Company for years 2021-2023. The selected entity has been entered on the list of entities authorized to audit financial statements of the National Chamber of Statutory Auditors under no. 3115.

**Anna Matyszkiewicz**

Chief Accountant

**Management Board of CI Games S.A.:**

**Marek Tymiński**

President of the Management Board, CEO of the Group

**David Broderick**

Vice President of the Management Board, CFO of the Group

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