

## PRESS RELEASE

*The Board of Directors of Digital Bros Group approved the Half Year Financial Report as at December 31<sup>st</sup>, 2022 (first half of the fiscal year 2022-2023)*

### FY2022- 2023 HALF YEAR RESULTS:

- REVENUE AT EURO 59.8 MILLION (+8.1% YoY)
- EBITDA AT EURO 18.6 MILLION, 31.1% OF NET REVENUE
- EBIT AT EURO 11.4 MILLION
- NET PROFIT OF EURO 11 MILLION
- NET FINANCIAL POSITION NEGATIVE FOR EURO 19.5 MILLION
- REVENUE EXPECTED TO INCREASE IN THE NEXT TWO FISCAL YEARS

- *Consolidated net revenue of Euro 59.8 million, increasing by 8.1%, compared to Euro 55.3 million on December 31<sup>st</sup>, 2021 and almost entirely made up of the sales of back catalogue products*
- *Newly acquired 505 Go Inc. revenue of Euro 9.4 million in the period*
- *EBITDA at Euro 18.6 million compared to Euro 19.7 million on December 31<sup>st</sup>, 2021, 31.1% of the consolidated net revenue*
- *EBIT at Euro 11.4 million compared to Euro 12.2 million on December 31<sup>st</sup>, 2021, 19% of the consolidated net revenue*
- *Profit before tax of Euro 15.2 million, compared to Euro 14.7 million on December 31<sup>st</sup>, 2021*
- *Net profit of Euro 11 million, compared to Euro 10.4 million on December 31<sup>st</sup>, 2021*
- *In relation to the significant investments plan, as expected, the net financial position was negative for Euro 19.5 million (negative for Euro 13.4 million net of IFRS 16 adjustments)*
- *Revenue expected to increase in the current fiscal year and in the next two fiscal years as a result of Euro 80 million planned investments in the current fiscal*

Milan, March 9<sup>th</sup>, 2023 - The **Board of Directors of the videogame Digital Bros Group (DIB:MI)**, listed on Euronext STAR Milan (ISIN: IT0001469995) and part of the FTSE Italia Small Cap index and Euronext Tech Leaders, **approved today the Half Year Financial Report as at December 31<sup>st</sup>, 2022** (first half of the fiscal year from July 1<sup>st</sup>, 2022 to June 30<sup>th</sup>, 2023).

#### **FY2022 – 2023 first half year results (from 01.07.2022 to 31.12.2022)**

<b>Euro thousand</b>	<b>December 31<sup>st</sup>, 2022</b>	<b>December 31<sup>st</sup>, 2021</b>	<b>Change €</b>	<b>Change %</b>
Net revenue	59,791	55,325	4,466	8.1%
Gross operating margin (EBITDA)	18,577	19,717	(1,140)	-5.8%
Operating margin (EBIT)	11,347	12,226	(879)	-7.2%
Profit / (loss) before tax	15,154	14,726	427	2.9%
Net profit / (net loss)	10,981	10,390	591	5.7%

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

- **Consolidated net revenue** of Euro 59.8 million, increasing by 8.1%, compared to Euro 55.3 million on December 31<sup>st</sup>, 2021;
- **EBITDA** of Euro 18.6 million (31.1% of the consolidated net revenue) compared to Euro 19.7 million on December 31<sup>st</sup>, 2021;
- **EBIT** of Euro 11.4 million (19% of the consolidated net revenue) compared to Euro 12.2 million on December 31<sup>st</sup>, 2021;
- **Profit before tax** of Euro 15.2 million compared to Euro 14.7 million on December 31<sup>st</sup>, 2021;
- **Net profit** of Euro 11 million, compared to Euro 10.4 million on December 31<sup>st</sup>, 2021.

#### **RESULTS BY OPERATING SEGMENT**

The first hit of the significant investment plan implemented by the Group will arrive on the market on March 28<sup>th</sup>, 2023 with the launch of Crime Boss: Rockay City on personal computer. Without any significant launches during the reporting period, the Group realized Euro 59.8 million revenues (up by 8.1% YoY) and Euro 11 million EBIT as of December 31<sup>st</sup>, 2022.

The personal computer version of Crime Boss will be exclusive on Epic Store only until June 2024, at least. The launch of the console version will follow in June 2023. Crime Boss was first showcased last December during The Game Awards.

Crime Boss constitutes one of the largest investments made by the Group through an internal studio and is a cooperative multiplayer video game with a cast of outstanding actors. The video game allows for recurring additional content production and to that extent the Group expects recurring revenue for multiple years to come.

Revenues for the period were almost exclusively made by back catalogue products as the Group has been focusing on increasing the intellectual property portfolio. Nonetheless, revenue for the period grew by 8.1% also boosted by the Euro 9.375 thousand revenue generated by the newly acquired 505 Go!, consolidated from July 1<sup>st</sup>, 2022. 505 Go! acquisition enabled Free to Play revenue to more than triple but missing Premium Games product launches resulted in an 8% decrease to the operating segment revenue in the period.

The bestselling videogame was the evergreen Assetto Corsa, intellectual property owned by the Group, which continuously outperforms, exceeding Euro 12 million revenue in the reporting period.

Revenues from international markets accounted for 96% of the total net revenue in the period and digital revenues in the period were 91% of the total.

A breakdown of net revenue by operating segment for the period ended December 31<sup>st</sup>, 2022 compared to the period ended December 31<sup>st</sup>, 2021 is provided below:

## Net revenue

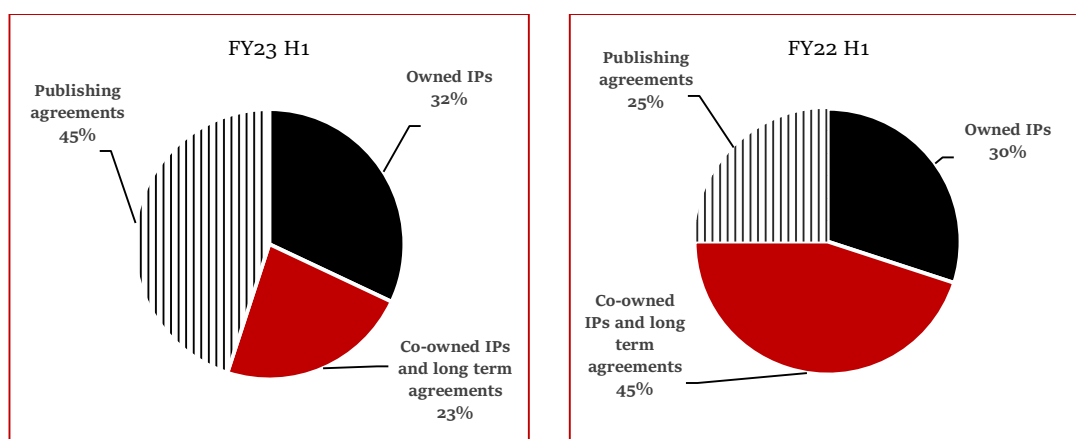
Euro thousand	December 31 <sup>st</sup> , 2022	December 31 <sup>st</sup> , 2021	Change €	Change %
Premium Games	45,396	49,263	(3,867)	-7.9%
Free to Play	12,456	3,670	8,786	n.m.
Italian Distribution	1,461	2,081	(620)	-29.8%
Other Activities	478	311	167	53.9%
<b>Total net revenue</b>	<b>59,791</b>	<b>55,325</b>	<b>4,466</b>	<b>8.1%</b>

The **Premium Games** operating segment represented 76% of the consolidated net revenue compared to 89% for the previous fiscal year, due to the significant weight of the Free to Play revenue on the consolidated revenues.

Video games developed by the internal studios and using fully owned intellectual properties (IPs) accounted for 32% of the total revenues for the operating segment from 30% as of December 31<sup>st</sup>, 2021. 23% of revenues were made by co-owned IPs and long-term agreements (i.e. video games on which the Group holds licensing rights for more than ten years) compared to a 45% as of December 31<sup>st</sup>, 2021.

The promotional activities performed by the Group in the period for Death Stranding, personal computer rights version only, enabled a significant growth in “publishing agreements” revenues.

A breakdown of Premium Games revenue by the type of rights held by the Group as of December 31<sup>st</sup>, 2022 is provided below with comparative figures as of December 31<sup>st</sup>, 2021:



The **Italian Distribution** operating sector revenue decreased by Euro 620 thousand from Euro 2.081 thousand to Euro 1.461 thousand.

Digital Bros Group’s revenue and margins by operating segments for the first half of fiscal year 2022-2023 are as follows:

Euro thousand	Premium Games	Free to Play	Italian Distrib.	Other Activities	Holding	Total
Net revenue	45,396	12,456	1,461	478	0	59,791
Gross operating margin (EBITDA)	21,374	1,869	(406)	(114)	(4,146)	18,577
Operating margin (EBIT)	15,235	1,483	(493)	(287)	(4,591)	11,347

**Total operating costs** amounted to Euro 28,997 thousand, increased by 40.8% compared to the previous fiscal year. **Payroll costs** grew by Euro 5.065 thousand following the acquisition and the incorporation of several new development studios that have significantly increased the Group workforce. **Cost for services** (mainly advertising related) increased by Euro 3,138 thousand following in-person events and exhibitions resuming, as COVID-19 restrictions have been lifted, plus the advertising investments made by the newly consolidated 505 Go!.

Gross operating margin (**EBITDA**) for the period amounted to Euro 18,577 thousand, corresponding to 31.1% of the consolidated net revenue, slightly decreasing by Euro 1,140 thousand from the Euro 19,717 thousand realized in the previous fiscal year.

**Depreciation** and **amortization** decreased by Euro 128 thousand. **Asset impairment charge** amounted to Euro 580 thousand.

**Impairment reversal** consisted of the difference between the price paid for the acquisition of D3Go Inc. and the net equity of the American subsidiary at the date of the consolidation.

Operating margin (**EBIT**) amounted to Euro 11,347 thousand, corresponding to 19% of the consolidated net revenue, decreasing by Euro 879 thousand compared to Euro 12,226 thousand as of December 31<sup>st</sup>, 2021.

**Net interest income** was positive by Euro 3,807 thousand compared to Euro 2,500 thousand realized in the previous fiscal year.

**Profit before tax** for the period ended December 31<sup>st</sup>, 2022 amounted to Euro 15,154 thousand, a Euro 427 thousand increase compared to profit before tax of Euro 14,726 thousand as of December 31<sup>st</sup>, 2021.

**Net profit** amounted to Euro 10,981 thousand compared to Euro 10,390 thousand as of December 31<sup>st</sup>, 2021.

**Net profit attributable to the shareholders of the Parent Company** was Euro 11,291 thousand. **Net profit attributable to non-controlling interests** was negative for Euro 310 thousand.

**Basic earnings per share** and **diluted earnings per share** respectively were Euro 0.79 and Euro 0.77 compared to Euro 0.75 and Euro 0.72 earnings per share as of December 31<sup>st</sup>, 2021.

### **NET FINANCIAL POSITION**

In relation to the significant investment plan implemented by the Group, as expected, the net financial position decreased by Euro 23,238 thousand (positive Euro 3,707 thousand as of June 30<sup>th</sup>, 2022) to negative Euro 19,531 thousand. Net of IFRS 16 recognized financial payables, the net financial position amounted to negative Euro 13,354 thousand.

### **TREASURY SHARES**

As of December 31<sup>st</sup>, 2022 Digital Bros S.p.A. did not hold any treasury shares, and no transactions have been performed in the period, in accordance with Art. 2428 paragraph 2.3 of the Italian Civil Code.

### **SIGNIFICANT EVENT DURING THE PERIOD**

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

### **SIGNIFICANT EVENTS OCCURRED AFTER DECEMBER 31<sup>ST</sup>, 2022**

No significant events occurred after the end of the reporting period.

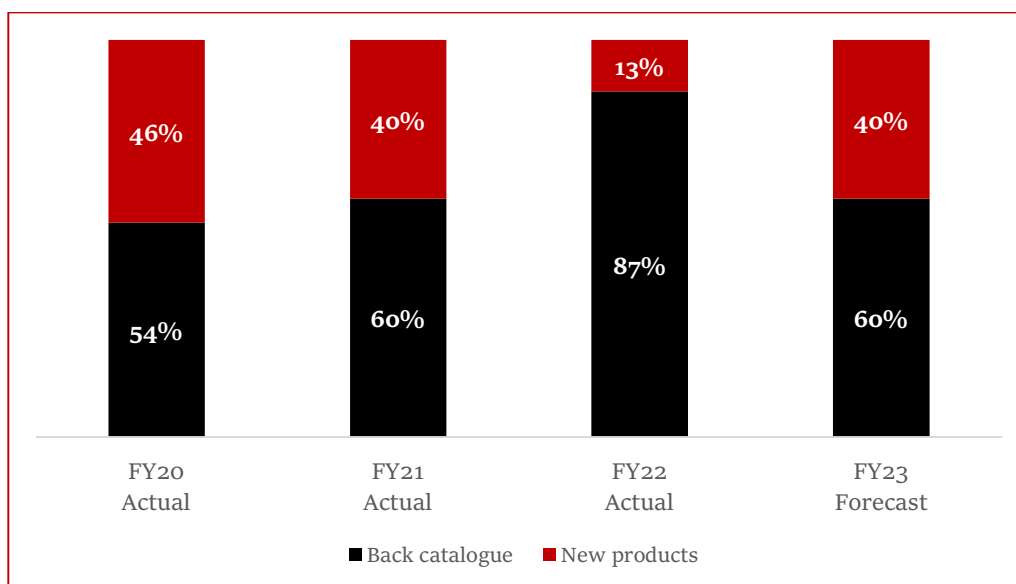
### **BUSINESS OUTLOOK**

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

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

The mix of product revenue as of June 30<sup>th</sup>, 2022, made by back catalogue products and by Assetto Corsa, which enabled a significant EBIT growth, is expected to be modified when the new releases will hit the market. In fact, the launch of new intellectual properties will initially reduce margin percentages on sales due to the initial investments needed for launch. Consolidated EBIT for the fiscal year is expected to remain the same as in previous.

A breakdown of back catalogue and new releases of Premium Games' revenue expected for the full fiscal year with previous years comparisons is shown in the chart below. The new launches during the second half of the fiscal year will take the sale of new releases to the 40% of the full year forecast revenues.



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

#### ALTERNATIVE PERFORMANCE RATIOS

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

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

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

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

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

#### DIGITAL BROS GROUP

Listed on the Euronext STAR Milan and part of Euronext Tech Leaders, Digital Bros Group is a global company that has been operating since 1989 as a developer, publisher and distributor of video games through its brand 505 Games. The Group markets its contents on both retail and digital channels. Digital Bros Group is active around the world through its own direct operations in Italy, United States, UK, France, Spain, Germany, Czech Republic, China, Japan, Australia and Canada with 404 employees.

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**DIGITAL BROS GROUP - FINANCIAL STATEMENTS**

 Consolidated balance sheet as of December 31<sup>st</sup>, 2022

Euro thousand		December 31 <sup>st</sup> , 2022	December 31 <sup>st</sup> , 2021
<b>Non-current assets</b>			
1	Property, plant and equipment	10,523	10,353
2	Investment properties	0	0
3	Intangible assets	137,619	104,089
4	Equity investments	12,554	7,511
5	Non-current receivables and other assets	17,507	14,072
6	Deferred tax assets	16,011	12,829
7	Non-current financial activities	22,063	18,257
<b>Total non-current assets</b>		<b>216,277</b>	<b>167,111</b>
<b>Current assets</b>			
8	Inventories	3,751	4,173
9	Trade receivables	21,444	27,781
10	Tax receivables	2,110	2,926
11	Other current assets	13,040	13,030
12	Cash and cash equivalents	11,021	10,961
13	Other current financial assets	479	329
<b>Total current assets</b>		<b>51,845</b>	<b>59,200</b>
<b>TOTAL ASSETS</b>		<b>268,122</b>	<b>226,311</b>
<b>Shareholders' equity</b>			
14	Share capital	(5,706)	(5,705)
15	Reserves	(25,461)	(22,030)
16	Treasury shares	0	0
17	Retained earnings	(116,878)	(108,160)
<b>Equity attributable to the shareholders of the Parent Company</b>		<b>(148,045)</b>	<b>(135,895)</b>
<b>Equity attributable to non-controlling interests</b>		<b>(1,113)</b>	<b>(1,423)</b>
<b>Total net equity</b>		<b>(149,158)</b>	<b>(137,318)</b>
<b>Non-current liabilities</b>			
18	Employee benefits	(857)	(761)
19	Non-current provisions	(81)	(81)
20	Other non-current payables and liabilities	(4,622)	(1,954)
21	Non-current financial liabilities	(16,698)	(15,213)
<b>Total non-current liabilities</b>		<b>(22,258)</b>	<b>(18,009)</b>
<b>Current liabilities</b>			
22	Trade payables	(48,266)	(52,125)
23	Tax payables	(7,789)	(3,575)
24	Short term provisions	(0)	0
25	Other current liabilities	(4,255)	(4,657)
26	Current financial liabilities	(36,396)	(10,627)
<b>Total current liabilities</b>		<b>(96,706)</b>	<b>(70,984)</b>
<b>TOTAL LIABILITIES</b>		<b>(118,964)</b>	<b>(88,993)</b>
<b>TOTAL NET EQUITY AND LIABILITIES</b>		<b>(268,122)</b>	<b>(226,311)</b>



Consolidated profit and loss statement for the period ended December 31<sup>st</sup>, 2022

Euro thousand		December 31 <sup>st</sup> , 2022	December 31 <sup>st</sup> , 2021
1	Gross revenue	59,837	55,518
2	Revenue adjustments	(46)	(193)
<b>3</b>	<b>Net revenue</b>	<b>59,791</b>	<b>55,325</b>
4	Purchase of products for resale	(1,538)	(2,804)
5	Purchase of services for resale	(4,364)	(2,958)
6	Royalties	(13,864)	(13,693)
7	Changes in inventories of finished products	(422)	(714)
<b>8</b>	<b>Total cost of sales</b>	<b>(20,188)</b>	<b>(20,169)</b>
<b>9</b>	<b>Gross profit (3+8)</b>	<b>39,603</b>	<b>35,156</b>
10	Other income	7,971	5,155
11	Costs for services	(7,343)	(4,205)
12	Rent and leasing	(309)	(233)
13	Payroll costs	(20,567)	(15,502)
14	Other operating costs	(778)	(654)
<b>15</b>	<b>Total operating costs</b>	<b>(28,997)</b>	<b>(20,594)</b>
<b>16</b>	<b>Gross operating margin (EBITDA) (9+10+15)</b>	<b>18,577</b>	<b>19,717</b>
17	Depreciation and amortization	(7,463)	(7,591)
18	Provisions	0	0
19	Asset impairment charge	(580)	(58)
20	Impairment reversal	813	158
<b>21</b>	<b>Total depreciation, amortization and impairment adjustments</b>	<b>(7,230)</b>	<b>(7,491)</b>
<b>22</b>	<b>Operating margin (EBIT) (16+21)</b>	<b>11,347</b>	<b>12,226</b>
23	Interest and financial income	7,535	3,846
24	Interest and financial expenses	(3,728)	(1,346)
<b>25</b>	<b>Net interest income/(expenses)</b>	<b>3,807</b>	<b>2,500</b>
<b>26</b>	<b>Profit/ (loss) before tax (22+25)</b>	<b>15,154</b>	<b>14,726</b>
27	Current tax	(4,247)	(4,569)
28	Deferred tax	74	233
<b>29</b>	<b>Total taxes</b>	<b>(4,173)</b>	<b>(4,336)</b>
<b>30</b>	<b>Net profit/loss</b>	<b>10,981</b>	<b>10,390</b>
	attributable to the shareholders of the Parent Company	11,291	10,625
	attributable to non-controlling interests	(310)	(235)
	<b>Earnings per share:</b>		
<b>33</b>	<b>Basic earnings per share (in Euro)</b>	<b>0.79</b>	<b>0.75</b>
<b>34</b>	<b>Diluted earnings per share (in Euro)</b>	<b>0.77</b>	<b>0.72</b>

**Consolidated comprehensive income statement as of December 31<sup>st</sup>, 2022**

<b>Euro thousand</b>	<b>December 31<sup>st</sup>, 2022</b>	<b>December 31<sup>st</sup>, 2021</b>
<b>Profit (Loss) for the period (A)</b>	<b>10,981</b>	<b>10,390</b>
Actuarial gain (loss)	(3)	(20)
Income tax relating to actuarial gain (loss)	1	5
Changes in the fair value	5,042	(2,331)
Tax effect regarding fair value measurement of financial assets	(1,210)	559
<b>Items that will not be subsequently reclassified to profit or loss (B)</b>	<b>3,830</b>	<b>(1,787)</b>
Exchange differences on translation of foreign operations	(649)	476
<b>Items that will subsequently be reclassified to profit or loss (C)</b>	<b>(649)</b>	<b>476</b>
<b>Total other comprehensive income D= (B)+(C)</b>	<b>3,181</b>	<b>(1,311)</b>
<b>Total comprehensive income (loss) (A)+(D)</b>	<b>14,162</b>	<b>9,079</b>
Attributable to:		
<b>Shareholders of the Parent Company</b>	<b>14,472</b>	<b>9,314</b>
<b>Non-controlling interests</b>	<b>(310)</b>	<b>(235)</b>

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



Consolidated cash flow statement as of December 31<sup>st</sup>, 2022

Euro thousand		December 31 <sup>st</sup> , 2022	December 31 <sup>st</sup> , 2021
<b>A.</b>	<b>Opening net cash/debt</b>	<b>10,961</b>	<b>35,509</b>
<b>B.</b>	<b>Cash flows from operating activities</b>		
	Profit (loss) for the period	10,981	10,390
	<i>Depreciation, amortization and non-monetary costs:</i>		
	Provisions and impairment losses	(580)	(58)
	Amortization of intangible assets	6,118	6,683
	Depreciation of property, plant and equipment	1,345	908
	Net change in tax advance	(3,182)	(1,248)
	Net change in employee benefit provisions	96	52
	Net change in other non-current liabilities	3,276	(723)
	<b>SUBTOTAL B.</b>	<b>18,054</b>	<b>16,004</b>
<b>C.</b>	<b>Change in net working capital</b>		
	Inventories	422	714
	Trade receivables	6,473	(937)
	Current tax assets	816	(600)
	Other current assets	(10)	(321)
	Trade payables	(3,859)	(6,766)
	Current tax liabilities	4,214	2,249
	Current provisions	0	(0)
	Other current liabilities	(402)	(766)
	Other non-current liabilities	2,668	(924)
	Non-current receivables and other assets	(3,435)	(1,574)
	<b>SUBTOTAL C.</b>	<b>6,887</b>	<b>(8,925)</b>
<b>D.</b>	<b>Cash flows from investing activities</b>		
	Net payments for intangible assets	(39,204)	(25,039)
	Net payments for property, plant and equipment	(1,515)	(1,851)
	Net payments for non-current financial assets	(5,043)	2,360
	<b>SUBTOTAL D.</b>	<b>(45,762)</b>	<b>(24,530)</b>
<b>E.</b>	<b>Cash flows from financing activities</b>		
	Capital increases	1	0
	Changes in financial liabilities	27,254	12,974
	Changes in financial assets	(3,956)	(413)
	<b>SUBTOTAL E.</b>	<b>23,299</b>	<b>12,561</b>
<b>F.</b>	<b>Changes in consolidated equity</b>		
	Dividends paid	(2,568)	(2,567)
	Changes in treasury shares held	0	0
	Increases (decreases) in other equity components	0	0
	<b>SUBTOTAL F.</b>	<b>(2,568)</b>	<b>(2,567)</b>
<b>G.</b>	<b>Cash flow for the period (B+C+D+E+F)</b>	<b>60</b>	<b>(7,457)</b>
<b>H.</b>	<b>Closing net cash/debt (A+G)</b>	<b>11,021</b>	<b>28,052</b>

Consolidated statement of changes in equity as of December 31<sup>st</sup>, 2022

Euro thousand	Share capital (A)	Share premium reserve	Legal reserve	IAS transition reserve	Currency translation reserve	Other reserves	Total reserves (B)	Treasury shares (C)	Retained earnings	Profit (loss) for the year	Total retained earnings (D)	Equity of parent company shareholders (A+B+C+D)	Equity of non-controlling interests	Total equity
<b>Total on July 1<sup>st</sup>, 2021</b>	<b>5,704</b>	18,486	1,141	1,367	(1,339)	3,361	<b>23,016</b>	<b>0</b>	50,156	32,025	<b>82,181</b>	<b>110,901</b>	<b>890</b>	<b>111,791</b>
Allocation of previous year result							<b>0</b>		32,025	(32,025)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Dividend paid									(2,567)		<b>(2,567)</b>	<b>(2,567)</b>		<b>(2,567)</b>
Other changes						165	<b>165</b>				<b>0</b>	<b>165</b>	<b>423</b>	<b>588</b>
Comprehensive income (loss)					476	(1,787)	<b>(1,311)</b>			10,625	<b>10,625</b>	<b>9,314</b>	<b>(235)</b>	<b>9,079</b>
<b>Total on December 31<sup>st</sup>, 2021</b>	<b>5,704</b>	18,486	1,141	1,367	(863)	1,739	<b>21,870</b>	<b>0</b>	79,614	10,625	<b>90,239</b>	<b>117,813</b>	<b>1,078</b>	<b>118,891</b>
<b>Total on July 1<sup>st</sup>, 2022</b>	<b>5,705</b>	18,507	1,141	1,367	(611)	1,626	<b>22,030</b>	<b>0</b>	79,614	28,546	<b>108,160</b>	<b>135,895</b>	<b>1,423</b>	<b>137,318</b>
Capital increases	1	21					<b>21</b>				<b>0</b>	<b>22</b>		<b>22</b>
Allocation of previous year result							<b>0</b>		28,546	(28,546)	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Dividend paid									(2,568)		<b>(2,568)</b>	<b>(2,568)</b>		<b>(2,568)</b>
Other changes						79	<b>79</b>		(5)		<b>(5)</b>	<b>74</b>		<b>74</b>
Comprehensive income (loss)					(649)	3,980	<b>3,331</b>			11,291	<b>11,291</b>	<b>14,622</b>	<b>(310)</b>	<b>14,312</b>
<b>Total on December 31<sup>st</sup>, 2022</b>	<b>5,706</b>	18,528	1,141	1,367	(1,260)	5,685	<b>25,461</b>	<b>0</b>	105,587	11,291	<b>116,878</b>	<b>148,045</b>	<b>1,113</b>	<b>149,158</b>

Consolidated profit and loss statement per operating segment as of December 31<sup>st</sup>, 2022

Consolidated amounts in Euro thousand		Free to Play	Premium Games	Italian Distribution	Other Activities	Holding	Total
1	Gross revenue	12,456	45,396	1,507	478	0	59,837
2	Revenue adjustments	0	0	(46)	0	0	(46)
<b>3</b>	<b>Net revenue</b>	<b>12,456</b>	<b>45,396</b>	<b>1,461</b>	<b>478</b>	<b>0</b>	<b>59,791</b>
4	Purchase of products for resale	0	(459)	(1,079)	0	0	(1,538)
5	Purchase of services for resale	(1,829)	(2,535)	0	0	0	(4,364)
6	Royalties	(3,419)	(10,445)	0	0	0	(13,864)
7	Changes in inventories of finished products	0	(239)	(183)	0	0	(422)
<b>8</b>	<b>Total cost of sales</b>	<b>(5,248)</b>	<b>(13,678)</b>	<b>(1,262)</b>	<b>0</b>	<b>0</b>	<b>(20,188)</b>
<b>9</b>	<b>Gross profit (3+8)</b>	<b>7,208</b>	<b>31,718</b>	<b>199</b>	<b>478</b>	<b>0</b>	<b>39,603</b>
10	Other income	1,886	6,085	0	0	0	7,971
11	Costs for services	(1,685)	(4,206)	(142)	(302)	(1,008)	(7,343)
12	Rent and leasing	(122)	(45)	(7)	(3)	(132)	(309)
13	Payroll costs	(5,316)	(11,887)	(425)	(272)	(2,667)	(20,567)
14	Other operating costs	(102)	(291)	(31)	(15)	(339)	(778)
<b>15</b>	<b>Total operating costs</b>	<b>(7,225)</b>	<b>(16,429)</b>	<b>(605)</b>	<b>(592)</b>	<b>(4,146)</b>	<b>(28,997)</b>
<b>16</b>	<b>Gross operating margin (EBITDA) (9+10+15)</b>	<b>1,869</b>	<b>21,374</b>	<b>(406)</b>	<b>(114)</b>	<b>(4,146)</b>	<b>18,577</b>
17	Depreciation and amortization	(1,199)	(5,574)	(72)	(173)	(445)	(7,463)
18	Provisions	0	0	0	0	0	0
19	Asset impairment charge	0	(565)	(15)	0	0	(580)
20	Impairment reversal	813	0	0	0	0	813
<b>21</b>	<b>Total depreciation, amortization and impairment adjustments</b>	<b>(386)</b>	<b>(6,139)</b>	<b>(87)</b>	<b>(173)</b>	<b>(445)</b>	<b>(7,230)</b>
<b>22</b>	<b>Operating margin (EBIT) (16+21)</b>	<b>1,483</b>	<b>15,235</b>	<b>(493)</b>	<b>(287)</b>	<b>(4,591)</b>	<b>11,347</b>