

Greater Bag of Holding ApS

Gammel mønt 2, 1117 Copenhagen

CVR no. 40 64 83 21

Annual report 2024/25

Approved at the Company's annual general meeting on 25 September 2025

Chair of the meeting:

.....
Martin Buhl Svanum

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Statement by the Executive Board

Today, the Executive Board has discussed and approved the annual report of Greater Bag of Holding ApS for the financial year 1 April 2024 - 31 March 2025.

The annual report is prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Company at 31 March 2025 and of the results of the Group's and the Company's operations and of the consolidated cash flows for the financial year 1 April 2024 - 31 March 2025.

Further, in our opinion, the Management's review gives a fair review of the matters discussed in the Management's review.

We recommend that the annual report be approved at the annual general meeting.

Copenhagen, 13 August 2025

Executive Board:

.....
Christian Ole Elverdam

.....
Hakan B. Abrak

Independent auditor's report

To the shareholders of Greater Bag of Holding ApS

Opinion

We have audited the consolidated financial statements and the parent company financial statements of Greater Bag of Holding ApS for the financial year 1 April 2024 - 31 March 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including accounting policies, for the Group and the Parent Company, and a consolidated cash flow statement. The consolidated financial statements and the parent company financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the consolidated financial statements and the parent company financial statements give a true and fair view of the financial position of the Group and the Parent Company at 31 March 2025, and of the results of the Group's and Parent Company's operations as well as the consolidated cash flows for the financial year 1 April 2024 - 31 March 2025 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the consolidated financial statements and the parent company financial statements" (hereinafter collectively referred to as "the financial statements") section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Management's responsibilities for the financial statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Group's and the Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

Independent auditor's report

- u Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- u Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Parent Company's internal control.
- u Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- u Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's and the Parent Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and the Parent Company to cease to continue as a going concern.
- u Evaluate the overall presentation, structure and contents of the financial statements, including the note disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- u Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the Management's review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 13 August 2025

EY Godkendt Revisionspartnerselskab

CVR no. 30 70 02 28

Birgit Morville Schrøder
State Authorised Public Accountant
mne21337

Martin Fuglkjær Kristensen
State Authorised Public Accountant
mne51046

Management's review

Company details

Name	Greater Bag of Holding ApS
Address, Postal code, City	Gammel mønt 2, 1117 Copenhagen
CVR no.	40 64 83 21
Registered office	Copenhagen
Financial year	1 April 2024 - 31 March 2025
Executive Board	Christian Ole Elverdam Hakan B. Abrak
Auditors	EY Godkendt Revisionspartnerselskab Dirch Passers Allé 36, P.O. Box 250, 2000 Frederiksberg, Denmark

Management's review

Financial highlights for the Group

DKK'000	2024/25	2023/24	2022/23	2021/22	2020/21
Key figures					
Revenue	396,482	281,477	713,465	588,406	502,586
Operating profit/loss	24,296	52,294	385,922	241,076	337,330
Net financials	-3,992	12,250	-25,787	8,510	-4,807
Profit for the year	133,435	49,334	277,907	194,112	264,405
Balance sheet					
Total assets	1,035,882	1,069,100	1,035,634	883,401	658,113
Investments in property, plant and equipment	13,470	7,431	10,686	7,849	3,521
Equity	815,961	926,101	877,625	599,718	408,126
Financial ratios					
Return on assets	2.3%	5.0%	40.2%	31.3%	72.4%
Equity ratio	63.2%	61.0%	59.9%	48.7%	44.8%
Return on equity	16.1%	5.1%	36.7%	35.2%	83.5%
Employees					
Average number of full-time employees	432	296	245	210	158

The financial ratios stated under "Financial highlights" have been calculated as follows:

Operating profit/loss	$\frac{\text{Profit/loss before net financials +/- Other operating income and other operating expenses}}{\text{Average assets}} \times 100$
Return on assets	$\frac{\text{Profit/loss from operating activities}}{\text{Average assets}} \times 100$
Equity ratio	$\frac{\text{Equity excl. non-controlling interests, year-end}}{\text{Total equity and liabilities, year-end}} \times 100$
Return on equity	$\frac{\text{Profit/loss for the year after tax excl. non-controlling interests}}{\text{Average equity excl. non-controlling interests}} \times 100$

Management's review

Management commentary

Principal activities

The Group develops, publishes, and markets video games for the global audience. Our mission is to create world-class games based on original characters, universes, and concepts, built on proprietary technology.

The Group primarily focuses on internally created IP, while selectively working with high profile licensed IPs.

Development in activities and financial matters

The income statement for 2024/25 shows a profit of DKK 133,435 thousand against a profit of DKK 49,334 thousand last year, and the balance sheet at 31 March 2025 shows equity of DKK 815,961 thousand.

Revenue for FY25 was expected to range between DKK 250 and 300 million. However, we significantly exceeded this and reached DKK 402 million - primarily driven by the success of our live services for World of Assassination (WOA), especially the Exclusive Targets featuring Jean Claude van Damme. This and the recognition of VGTR for 2 years had a direct impact on profit before tax, where a loss of DKK 45-55 million had been anticipated, but a profit of DKK 142 million was realized.

No new major releases were launched during this fiscal year, as the Group focused on ongoing long-term developments of key IPs. However, the Group established a new publishing Group, IO Interactive Partners A/S, which released its first externally developed title on 10 June 2025.

This year's result was affected by a change in the way results from subsidiaries are measured under the Group's accounting policy. An amount of DKK 23 million relating to the previous financial year was recognized as a cost in the profit and loss statement for this year.

Management considers the result for the year to be satisfactory.

FY25 was a year of continued development focus. Alongside ongoing work on internally developed IP, we continue to generate revenue from catalogue titles and maintain strong community engagement around WOA. In addition to investments in our major productions, we see the potential to launch a game experience closely related to WOA. These initiatives, combined with the long-term production cycles, have a planned impact on the Group's free cash flow.

Knowledge resources

The Group's long-term strategic goal is to diversify its IP portfolio by developing original titles that reach audiences beyond our established Hitman fanbase. Operating as a multi-project AAA studio presents both creative and operational complexity, but we are pleased with the progress of both our licensed James Bond project and our original Fantasy project.

We believe that the talent we continue to attract across the Group, together with the advancements of our production pipelines and proprietary technology to support competitive game features, provides a strong foundation for delivering our upcoming titles, driving long-term growth, and sustaining the Group's competitive edge for many years to come.

Financial risks and use of financial instruments

Operating as a multi-project studio across several countries introduces both new opportunities and challenges. While Hitman continues to generate activity and revenue through ongoing live services and community engagement, our primary development focus is on the James Bond and Fantasy projects. The latter is being developed in partnership with an external publisher and financier. Both projects naturally carry higher financial and creative risk.

The Group is exposed to foreign currency risks. The revenue is in DKK, USD and EUR, as our cost is in DKK, EUR, SEK, GBP and TRY. The Group is reducing the foreign exchange risk by hedging part of revenue to one or more of the other currencies.

Management's review

Research and development activities

Staying at the forefront of game technology and innovative gameplay features is a key competitive factor for the Group. We will continue to invest significantly in the development of our proprietary game engine, including the implementation of new systems such as animation, rendering, and other core technologies.

Outlook

We have decided to change the accounting year to follow the calendar year. The next accounting period will therefore cover 9 months and end on 31 December 2025.

The Group continues to invest in its two major development projects. At the same time, we are encouraged by the ongoing performance of WOA. During this period, the Hitman universe will launch on iOS and Mac, and our first externally developed title under the IO Interactive Partners label was released in June 2025. For the 9-month period, revenue is expected to range between DKK 350-400 million. The result before tax is expected to be a profit, within a range of approximately DKK 30-50 million.

The Group is committed to becoming one of the most impactful game studios in the world.

Events after the balance sheet date

As planned, the Group's first externally developed game, published under IO Interactive Partners, was released on the 10 June 2025. In addition, the Group has announced that the James Bond project is set for release in 2026. These events do not materially affect the Group's financial position after the financial year end.

Report on data ethics

Responsibility for data ethics, including policy assessment, ongoing evaluation, and further development across the company, rests with the CFO and is managed on a daily basis by the Legal department. The Group's data ethics policy is based on four core principles:

- u Personal data shall only be processed where a valid legal basis has been established
- u Processing shall be transparent for the data subject
- u Personal data shall be protected
- u Data collection shall be limited to what is necessary, and the purposes for processing shall be clearly defined.

The Group ensures that all employees and partners handle personal data in an ethical and responsible way. Employees receive ongoing instruction in data ethics and data security.

Management's review

Corporate social responsibility

This section outlines the Group's policies, actions, results, and risks across human rights and talent opportunity, social and employee conditions, anti-corruption, and climate and environmental matters.

Responsibility for ESG rests with the CFO, supported by the Legal department. Key ESG topics are reviewed within the Groups broader governance processes. ESG reporting is included exclusively in the management review – no separate sustainability reports are published.

The Group conducted an internal assessment to identify the ESG topics most relevant to its business strategy and stakeholders. As a result, the company prioritized:

- u Equal opportunity for all talents
- u Climate impact, particularly Scope 3 downstream emissions
- u Talent retention and employee engagement

Equal Opportunity for Talent and Human Rights

Talent is the heart of everything the Group does. We are driven by the pursuit of discovering and nurturing potential, regardless of background, identity, or circumstance. Equal opportunity for talent is not just a value – it's a guiding principle. What matters is skill, drive, and passion. We believe in working within the same time zone to foster close collaboration and a shared creative flow. It's not about where you work from – it's about what you bring.

We are firmly committed to upholding human rights and fostering a workplace that is safe, respectful, and inclusive. Everyone should have the freedom to contribute, grow, and thrive without discrimination, bias, or harassment.

Actions

- u Recruitment processes centered on merit and potential, including anonymized screening to reduce bias
- u Flexible work arrangements supporting remote collaboration across regions
- u Human rights embedded in the company's Code of Conduct and internal values
- u Outreach to educational institutions and underrepresented communities to discover emerging talent

Results in the reporting year

- u Talent successfully hired and retained across multiple countries and time zones
- u Internal engagement surveys indicate strong trust in fairness, dignity, and access to opportunity
- u 22% of employees identify as other than male, consistent with industry benchmarks

Risks and due diligence

Limited access to talent and representation is considered a strategic risk. The Group regularly monitors equity data, employee feedback, and industry trends to ensure continuous alignment with human rights and equal opportunity values.

Management's review

Social and Employee Conditions

The Group aims to ensure equal opportunities in pay, promotion, and career development, regardless of gender, identity, or background. Retaining highly specialized talent is a strategic priority for the Group's continued success.

Actions

- u Weekly employee engagement surveys addressing responsibility, leadership, and fairness
- u Internal and external benchmarking for salary reviews
- u Annual reviews of employee development and pay progression led by people-managers and supported by HR
- u Operation of a whistleblower channel for reporting serious misconduct

Results in the reporting year

- u No critical reports were received through the whistleblower channel
- u Salary and progression reviews confirmed compliance with principles of fairness and equal opportunity
- u Employee engagement survey results reflect a high level of trust in fairness and treatment within the company

Risks and due diligence

The main social risk identified is the industry-wide turnover of specialist talent. The Group addresses this through a strong focus on leadership development, career progression, and employee satisfaction.

Anti-Corruption and Compliance

The Group enforces a zero-tolerance policy toward all forms of corruption, including bribery, kickbacks, and facilitation payments. This standard applies to all employees, contractors, and partners. The Group is also committed to full compliance with international sanctions and export control laws.

Actions

- u Establishment of a central procurement function in Q1 2024
- u Mandatory legal and financial review of all supplier agreements prior to COO approval
- u Implementation of a sanctions and export control compliance policy, ensuring adherence to relevant EU and US trade restrictions, including those introduced in response to geopolitical developments such as the war in Ukraine
- u Ongoing monitoring of sanctions regimes as part of risk assessments
- u Preparation of a Code of Conduct for suppliers and contractors, to be included in all new agreements from 2024

Results in the reporting year

- u No cases of corruption or compliance violations identified
- u No ethics or misconduct reports submitted via the whistleblower channel
- u Full adherence to applicable sanctions maintained throughout the year

Risks and due diligence

Most suppliers are based in low-risk regions (EU, UK, USA). While detailed mapping of value chain risks is not currently planned, the Group continuously monitors regulatory developments and adjusts its controls to ensure compliance.

Management's review

Climate and Environmental Matters

The Group is committed to minimizing its environmental footprint. Recognizing the impact of digital distribution, cloud computing, and travel, the company focuses on improving transparency and efficiency, with particular attention to Scope 3 emissions.

Actions

- u Implementation of a travel management system to track CO₂ data from employee travel
- u Collaboration with the Danish Technological Institute and Vision Denmark to analyze Scope 3 emissions
- u Monitoring of best practice models from Sweden and Finland for industry-specific environmental performance
- u Active engagement with Microsoft Azure to track and influence emissions reductions in data centers

Results in the reporting year

- u Scope 1 and 2 emissions accounted for approximately 1% of total emissions
- u Scope 3 downstream emissions accounted for approximately 93%, primarily related to player usage, digital distribution, and cloud hosting
- u Microsoft committed to 100% renewable energy sourcing for its data centers, expected to significantly reduce the Groups indirect emissions over time

Risks and due diligence

The most significant environmental risk relates to downstream Scope 3 emissions, over which the Group has limited direct control. Nevertheless, the Group remains focused on transparency, data quality, and collaboration with partners to promote broader decarbonization.

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Income statement

Note	DKK'000	Group		Parent company	
		2024/25	2023/24	2024/25	2023/24
3	Revenue	396,482	281,477	0	0
	Work performed for own account and capitalised	122,270	239,582	0	0
5	Other operating income	123,958	179	0	0
4	Other external expenses	-173,277	-184,377	-69	-37
	Gross profit	469,433	336,861	-69	-37
6	Staff costs	-280,349	-213,929	0	0
	Amortisation/depreciation and impairment of intangible assets and property, plant and equipment	-40,830	-70,459	0	0
	Other operating expenses	-2,159	-1	0	0
	Profit/loss before net financials	146,095	52,472	-69	-37
	Income from investments in group enterprises	0	0	108,775	32,682
	Financial income	14,880	19,892	0	0
7	Financial expenses	-18,872	-7,642	-4,916	0
	Profit before tax	142,103	64,722	103,790	32,645
8	Tax for the year	-8,668	-15,388	1,229	8
	Profit for the year	<u>133,435</u>	<u>49,334</u>	<u>105,019</u>	<u>32,653</u>
	Specification of the Group's results of operations:				
	Shareholders in Greater Bag of Holding ApS	104,947	32,653		
	Non-controlling interests	28,488	16,681		
		<u>133,435</u>	<u>49,334</u>		

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Balance sheet

Note	DKK'000	Group		Parent company	
		2024/25	2023/24	2024/25	2023/24
	ASSETS				
	Fixed assets				
10	Intangible assets				
	Completed development projects	23,429	15,661	0	0
	Acquired intangible assets	6,093	18,247	0	0
	Goodwill	6,249	12,498	0	0
	Development projects in progress and prepayments for intangible assets	362,011	263,034	0	0
		<u>397,782</u>	<u>309,440</u>	<u>0</u>	<u>0</u>
11	Property, plant and equipment				
	Fixtures and fittings, other plant and equipment	20,042	14,772	0	0
	Leasehold improvements	5,379	3,580	0	0
	Property, plant and equipment under construction	0	801	0	0
		<u>25,421</u>	<u>19,153</u>	<u>0</u>	<u>0</u>
12	Investments				
	Investments in group enterprises	0	0	653,792	652,060
	Deposits, investments	8,683	7,510	0	0
		<u>8,683</u>	<u>7,510</u>	<u>653,792</u>	<u>652,060</u>
	Total fixed assets	<u>431,886</u>	<u>336,103</u>	<u>653,792</u>	<u>652,060</u>
	Non-fixed assets				
	Receivables				
	Trade receivables	45,027	51,590	0	0
15	Deferred tax assets	0	0	1,148	0
	Corporation tax receivable	103	399	0	0
	Other receivables	128,236	10,748	0	44
	Prepayments	10,052	6,256	0	3,824
		<u>183,418</u>	<u>68,993</u>	<u>1,148</u>	<u>3,868</u>
13	Cash	<u>420,578</u>	<u>664,004</u>	<u>341</u>	<u>881</u>
	Total non-fixed assets	<u>603,996</u>	<u>732,997</u>	<u>1,489</u>	<u>4,749</u>
	TOTAL ASSETS	<u><u>1,035,882</u></u>	<u><u>1,069,100</u></u>	<u><u>655,281</u></u>	<u><u>656,809</u></u>

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Balance sheet

Note	DKK'000	Group		Parent company	
		2024/25	2023/24	2024/25	2023/24
		EQUITY AND LIABILITIES			
		Equity			
14	Share capital	40	40	40	40
	Net revaluation reserve according to the equity method	0	0	452,402	542,060
	Retained earnings	654,854	651,818	202,452	109,758
	Shareholders in Greater Bag of Holding ApS' share of equity	654,894	651,858	654,894	651,858
	Non-controlling interests	161,067	274,243	0	0
	Total equity	815,961	926,101	654,894	651,858
	Provisions				
15	Deferred tax	61,036	55,615	0	0
	Total provisions	61,036	55,615	0	0
	Liabilities other than provisions				
	Current liabilities other than provisions				
	Prepayments received from customers	48,210	0	0	0
	Trade payables	23,691	9,429	48	1,138
	Corporation tax payable	2,441	30,688	0	124
	Payables to shareholders and management	339	3,689	339	3,689
	Other payables	84,204	43,578	0	0
		158,885	87,384	387	4,951
	Total liabilities other than provisions	158,885	87,384	387	4,951
	TOTAL EQUITY AND LIABILITIES	1,035,882	1,069,100	655,281	656,809

1 Accounting policies

2 Events after the balance sheet date

9 Appropriation of profit

16 Contractual obligations and contingencies, etc.

17 Security and collateral

18 Related parties

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Statement of changes in equity

		Group				
Note	DKK'000	Share capital	Retained earnings	Total	Non-controlling interests	Total equity
	Equity at 1 April 2024	40	651,818	651,858	274,243	926,101
	Adjusted equity at 1 April 2024	40	651,818	651,858	274,243	926,101
	Transfer through appropriation of profit	0	105,411	105,411	28,488	133,899
	Other value adjustments of equity	0	-102,375	-102,375	-91,989	-194,364
	Dividend	0	0	0	-49,675	-49,675
	Equity at 31 March 2025	40	654,854	654,894	161,067	815,961

		Parent company			
Note	DKK'000	Share capital	Net revaluation reserve according to the equity method	Retained earnings	Total
	Equity at 1 April 2023	40	491,854	128,169	620,063
9	Transfer, see "Appropriation of profit"	0	0	32,653	32,653
	Adjustment of investments through foreign exchange adjustments	0	-858	0	-858
	Equity at 1 April 2024	40	542,060	109,758	651,858
9	Transfer, see "Appropriation of profit"	0	-90,050	195,069	105,019
	Adjustment of investments through foreign exchange adjustments	0	392	0	392
	Other value adjustments of equity	0	0	-102,375	-102,375
	Equity at 31 March 2025	40	452,402	202,452	654,894

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Cash flow statement

		<u>Group</u>	
Note	DKK'000	<u>2024/25</u>	<u>2023/24</u>
	Profit for the year	133,435	49,334
19	Adjustments	<u>49,498</u>	<u>85,847</u>
	Cash generated from operations (operating activities)	182,933	135,181
20	Changes in working capital	<u>-14,834</u>	<u>133,149</u>
	Cash generated from operations (operating activities)	168,099	268,330
	Income taxes paid	<u>-29,587</u>	<u>-45,088</u>
	Cash flows from operating activities	<u>138,512</u>	<u>223,242</u>
	Additions of intangible assets	-122,270	-163,301
	Additions of property, plant and equipment	-14,456	-7,431
	Purchase of financial assets	-1,173	0
	Other cash flows from investing activities	<u>-194,364</u>	<u>0</u>
	Cash flows to investing activities	<u>-332,263</u>	<u>-170,732</u>
	Dividends paid	<u>-49,675</u>	<u>0</u>
	Cash flows from financing activities	<u>-49,675</u>	<u>0</u>
	Net cash flow	-243,426	52,510
	Cash and cash equivalents at 1 April	<u>664,004</u>	<u>611,494</u>
	Cash and cash equivalents at 31 March	<u><u>420,578</u></u>	<u><u>664,004</u></u>

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Notes to the financial statements

1 Accounting policies

The annual report of Greater Bag of Holding ApS for 2024/25 has been prepared in accordance with the provisions in the Danish Financial Statements Act applying to large reporting class C entities.

The accounting policies used in the preparation of the financial statements are consistent with those of last year.

Reporting currency

The financial statements are presented in Danish kroner (DKK'000).

Consolidated financial statements

Control

The consolidated financial statements comprise the Parent Company and group entities controlled by the Parent Company.

Control means a parent company's power to direct a group entity's financial and operating policy decisions. Besides the above power, the parent company should also be able to yield a return from its investment.

In assessing if the parent company controls an entity, de facto control is taken into consideration as well.

The existence of potential voting rights which may currently be exercised or converted into additional voting rights is considered when assessing if an entity can become empowered to direct another entity's financial and operating decisions.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rate at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rate at the balance sheet date. The difference between the exchange rates at the balance sheet date and the date at which the receivable or payable arose or was recognised in the most recent financial statements is recognised in the income statement as financial income or financial expenses.

Income statement

Revenue

The group has chosen IAS 18 as interpretation for revenue recognition.

Income from the rendering of services, is recognised as revenue as the services are rendered, implying that revenue corresponds to the market value of the services rendered in the year (production method).

Licence and royalty income is recognised over the term of the agreement in accordance with the contents of the agreement.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Notes to the financial statements

1 Accounting policies (continued)

Other operating income

Other operating income comprise items secondary to the principal activities of the Company, including government grants of Video Games Tax Relief (VGTR), refund of wages and salaries, gains on the disposal of intangible assets and property, plant and equipment, etc. Compensation and grants are recognised when there is reasonable assurance that the entity will comply with the conditions attaching to them and the grants will be received.

Work performed for own account and capitalised

Work performed on own account and risk and recognised as assets includes staff costs regarding work performed in the financial year in relation to the construction of one or more assets recognised in the balance sheet.

Other external expenses

Other external expenses include the year's expenses relating to the Company's core activities, including expenses relating to distribution, sale, advertising, administration, premises, payments under operating leases, etc.

Staff costs

Staff costs comprise wages and salaries, including holiday allowance and pensions, and other social security costs, etc., for the Company's employees.

Amortisation/depreciation

The item comprises amortisation/depreciation of intangible assets and property, plant and equipment.

The basis of depreciation, which is calculated as cost less any residual value, is depreciated on an expected revenue adjusted basis over the expected useful life. The expected useful lives of the assets are as follows:

Acquired intangible assets	3 years
Fixtures and fittings, other plant and equipment	3-5 years
Leasehold improvements	5 years

Depreciation is based on the residual value of the asset and is reduced by impairment losses, if any. The depreciation period and the residual value are determined at the acquisition date and are reassessed annually. Where the residual value exceeds the carrying amount of the asset, no further depreciation charges are recognised.

In the case of changes in the depreciation period or the residual value, the effect on the depreciation charges is recognised prospectively as a change in accounting estimates.

Other operating expenses

Other operating expenses comprise items of a secondary nature relative to the Company's core activities, including losses on the sale of fixed assets.

Profit/loss from investments in group entities

The income statement includes the proportional share of the underlying companies' profit or loss after elimination of internal profit/loss and after tax. In group entities, the full elimination of internal profit and loss is carried out without regard to ownership shares.

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Notes to the financial statements

1 Accounting policies (continued)

The proportionate share of the individual group entities' profit/loss after tax after full elimination of internal gains/losses are recognised in the parent company's income statement.

Financial income and expenses

Financial income and expenses are recognised in the income statements at the amounts that concern the financial year. Net financials include interest income and expenses as well as allowances and surcharges under the advance-payment-of-tax scheme, etc.

Tax

Tax for the year includes current tax on the year's expected taxable income and the year's deferred tax adjustments. The portion of the tax for the year that relates to the profit/loss for the year is recognised in the income statement, whereas the portion that relates to transactions taken to equity is recognised in equity.

The Company and its Danish group entities are jointly taxed. The total Danish income tax charge is allocated between profit/loss-making Danish entities in proportion to their taxable income (full absorption).

Jointly taxed entities entitled to a tax refund are reimbursed by the management company based on the rates applicable to interest allowances, and jointly taxed entities which have paid too little tax pay a surcharge according to the rates applicable to interest surcharges to the management company.

Balance sheet

Intangible assets

Goodwill is amortised over the expected economic life of the asset, measured by reference to Management's experience in the individual business segments. Goodwill is amortised on a straight-line basis over the amortisation period, which is 7 years.

Acquired intangible assets include trademarks and licences.

Acquired intangible assets are measured at cost less accumulated amortisation and impairment losses.

Development costs comprise expenses, salaries and amortisation directly attributable to development activities.

Development projects that are clearly defined and identifiable, where the technical feasibility, sufficient resources and a potential future market or development opportunities are identifiable and where the Company intends to produce, market or use the project, are recognised as intangible assets provided that the cost can be measured reliably and that there is sufficient assurance that future earnings can cover production costs, selling costs and administrative expenses and development costs. Other development costs are recognised in the income statement as incurred.

Development costs that are recognised in the balance sheet are measured at cost less accumulated amortisation and impairment losses.

On completion of a development project, development costs are amortised based on expected future sales. The amortisation period is usually 3 years.

Gains and losses on the sale of intangible assets are recognised in the income statement under "Other operating income" or "Other operating expenses", respectively. Gains and losses are calculated as the difference between the selling price less selling expenses and the carrying amount at the time of sale.

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Notes to the financial statements

1 Accounting policies (continued)

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

Leases

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

On initial recognition, leases for assets that transfer substantially all the risks and rewards incident to ownership to the Company (finance leases) are measured in the balance sheet at the lower of fair value and the present value of future lease payments.

Leases that do not transfer substantially all the risks and rewards incident to ownership to the entity are operating leases. Payments relating to operating leases and any other leases are recognised in the income statement over the term of the lease. The Company's total liabilities relating to operating leases and other leases are disclosed under contingencies.

Investments in group entities

Equity investments in group entities are measured according to the equity method. Equity investments in joint ventures are also measured according to the equity method in the consolidated financial statements.

On initial recognition, equity investments in group entities are measured at cost, i.e. plus transaction costs. The cost is allocated in accordance with the acquisition method; see the accounting policies regarding business combinations.

The cost is adjusted by shares of profit/loss after tax calculated in accordance with the Group's accounting policies less or plus unrealised intra-group gains/losses.

Identified increases in value and goodwill, if any, compared to the underlying entity's net asset value are amortised in accordance with the accounting policies for the assets and liabilities to which they can be attributed. Negative goodwill is recognised in the income statement.

Dividend received is deduced from the carrying amount.

Equity investments in group entities measured at net asset value are subject to impairment test requirements if there is any indication of impairment.

Impairment of fixed assets

The carrying amount of intangible assets, property, plant and equipment and investments in group entities is assessed for impairment on an annual basis.

Impairment tests are conducted on assets or groups of assets when there is evidence of impairment. The carrying amount of impaired assets is reduced to the higher of the net selling price and the value in use (recoverable amount).

The recoverable amount is the higher of the net selling price of an asset and its value in use. The value in use is calculated as the present value of the expected net cash flows from the use of the asset or the group of assets and the expected net cash flows from the disposal of the asset or the group of assets after the end of the useful life.

Previously recognised impairment losses are reversed when the reason for recognition no longer exists. Impairment losses on goodwill are not reversed.

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Notes to the financial statements

1 Accounting policies (continued)

Receivables

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Receivables are measured at amortised cost.

An impairment loss is recognised if there is objective evidence that a receivable or a group of receivables is impaired. If there is objective evidence that an individual receivable has been impaired, an impairment loss is recognised on an individual basis.

Cash

Cash and cash equivalents comprise cash.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in group entities and associates relative to cost. The reserve can be eliminated in case of losses, realisation of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Income taxes

Current tax payables and receivables are recognised in the balance sheet as the estimated income tax charge for the year, adjusted for prior-year taxes and tax paid on account.

Deferred tax is measured according to the liability method on all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised on temporary differences relating to goodwill which is not deductible for tax purposes and on office premises and other items where temporary differences, apart from business combinations, arise at the date of acquisition without affecting either profit/loss for the year or taxable income. Where alternative tax rules can be applied to determine the tax base, deferred tax is measured based on Management's intended use of the asset or settlement of the liability, respectively.

Deferred tax is measured according to the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. Deferred tax assets are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity. Changes in deferred tax due to changes in the tax rate are recognised in the income statement.

Liabilities

The Company has chosen IAS 39 as interpretation for liabilities.

Financial liabilities are recognised at the date of borrowing at the net proceeds received less transaction costs paid. On subsequent recognition, financial liabilities are measured at amortised cost, corresponding to the capitalised value, using the effective interest rate. Accordingly, the difference between the proceeds and the nominal value is recognised in the income statement over the term of the loan. Financial liabilities also include the capitalised residual lease liability in respect of finance leases.

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Notes to the financial statements

1 Accounting policies (continued)

Other liabilities are measured at net realisable value.

Prepayments received from customers

Prepayments recognised under "Liabilities" comprise prepayments received from customers regarding subsequent financial reporting years.

Cash flow statement

The cash flow statement shows the Company's net cash flows broken down according to operating, investing and financing activities, the year's changes in cash and cash equivalents as well as the cash and cash equivalents at the beginning and the end of the year.

Cash flows from operating activities are calculated as the profit/loss for the year adjusted for non cash operating items, changes in working capital and paid corporate income tax.

Cash flows from investing activities comprise payments in connection with acquisitions and disposals of entities and activities and of intangible assets, property, plant and equipment and investments.

Cash flows from financing activities comprise changes in the size or composition of the Company's share capital and related expenses as well as raising of loans, repayment of interest bearing debt and payment of dividends to shareholders.

Cash and cash equivalents comprise cash.

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Notes to the financial statements

2 Events after the balance sheet date

As planned, the Group's first externally developed game, published under IO Interactive Partners, was released on the 10 June 2025. In addition, the Group has announced that the James Bond project is set for release in 2026. These events do not materially affect the Group's financial position after the financial year end.

DKK'000	Group		Parent company	
	2024/25	2023/24	2024/25	2023/24
3 Segment information				
Breakdown of revenue by geographical segment:				
Europe	128,019	65,037	0	0
America	205,898	182,178	0	0
Others	62,565	34,262	0	0
	<u>396,482</u>	<u>281,477</u>	<u>0</u>	<u>0</u>

Parent company

The Parent company does not have any revenue.

4 Fee to the auditors appointed in general meeting

Total fees to EY	<u>847</u>	<u>700</u>	<u>38</u>	<u>38</u>
Statutory audit	308	365	20	20
Tax assistance	464	289	0	0
Other assistance	75	46	18	18
	<u>847</u>	<u>700</u>	<u>38</u>	<u>38</u>

5 Other operating income

Other operating income	<u>123,958</u>	<u>179</u>	<u>0</u>	<u>0</u>
	<u>123,958</u>	<u>179</u>	<u>0</u>	<u>0</u>

Other operating income includes Video Games Tax Relief (VGTR)

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Notes to the financial statements

DKK'000	Group		Parent company	
	2024/25	2023/24	2024/25	2023/24
6 Staff costs and incentive programmes				
Wages/salaries	256,462	198,369	0	0
Pensions	9,829	6,233	0	0
Other social security costs	14,058	9,327	0	0
	<u>280,349</u>	<u>213,929</u>	<u>0</u>	<u>0</u>
Average number of full-time employees	<u>432</u>	<u>296</u>	<u>0</u>	<u>0</u>

Group

Total remuneration to group Management and Board: DKK 5,389 thousand (2023/24: DKK 7,859 thousand)

Incentive programmes

The group has established a stock option scheme in connection with a previous management buy-out. The scheme is not recognized in the balance sheet, as the likelihood of exercise is assessed to be low at the balance sheet date. The scheme is continuously reassessed.

Parent company

The parent Company has no employees.

7 Financial expenses

Interest expenses, participating interests	191	0	191	0
Other financial expenses	<u>18,681</u>	<u>7,642</u>	<u>4,725</u>	<u>0</u>
	<u>18,872</u>	<u>7,642</u>	<u>4,916</u>	<u>0</u>

DKK'000	Group		Parent company	
	2024/25	2023/24	2024/25	2023/24
8 Tax for the year				
Estimated tax charge for the year	3,247	1,162	0	-8
Deferred tax adjustments in the year	<u>5,421</u>	<u>14,226</u>	<u>-1,229</u>	<u>0</u>
	<u>8,668</u>	<u>15,388</u>	<u>-1,229</u>	<u>-8</u>

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Notes to the financial statements

DKK'000	Parent company	
	2024/25	2023/24
9 Appropriation of profit		
Recommended appropriation of profit		
Net revaluation reserve according to the equity method	-90,050	0
Retained earnings	195,069	32,653
	<u>105,019</u>	<u>32,653</u>

10 Intangible assets

DKK'000	Group				
	Completed development projects	Acquired intangible assets	Goodwill	Development projects in progress and prepayments for intangible assets	Total
Cost at 1 April 2024	507,826	36,735	43,743	263,034	851,338
Additions	0	0	0	122,270	122,270
Disposals	0	0	0	-2,055	-2,055
Transferred	21,238	0	0	-21,238	0
Cost at 31 March 2025	<u>529,064</u>	<u>36,735</u>	<u>43,743</u>	<u>362,011</u>	<u>971,553</u>
Impairment losses and amortisation at 1 April 2024	492,165	18,488	31,245	0	541,898
Amortisation for the year	13,470	12,154	6,249	0	31,873
Impairment losses and amortisation at 31 March 2025	<u>505,635</u>	<u>30,642</u>	<u>37,494</u>	<u>0</u>	<u>573,771</u>
Carrying amount at 31 March 2025	<u>23,429</u>	<u>6,093</u>	<u>6,249</u>	<u>362,011</u>	<u>397,782</u>

Development projects in progress

Development projects in progress include development of future game releases. The related expenses primarily consist of internal expenses in the form of staff costs

When investing in development of games an initial salesbudget is drafted to make sure it is a profitable investment. Management continuously follow up on the progress to make sure the plan is being followed. Furthermore it is considered that the company has the intentions and means to finalize the development projects in progress.

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Notes to the financial statements

11 Property, plant and equipment

DKK'000	Group			Total
	Fixtures and fittings, other plant and equipment	Leasehold improvements	Property, plant and equipment under construction	
Cost at 1 April 2024	37,918	13,041	801	51,760
Additions	11,480	2,976	0	14,456
Transferred	801	0	-801	0
Cost at 31 March 2025	50,199	16,017	0	66,216
Impairment losses and depreciation at 1 April 2024	23,146	9,461	0	32,607
Depreciation	7,011	1,177	0	8,188
Impairment losses and depreciation at 31 March 2025	30,157	10,638	0	40,795
Carrying amount at 31 March 2025	20,042	5,379	0	25,421

12 Investments

DKK'000	Parent company Investments in group enterprises
Cost at 1 April 2024	110,000
Additions	91,390
Cost at 31 March 2025	201,390
Value adjustments at 1 April 2024	542,060
Foreign exchange adjustments	391
Dividend received	-198,825
Profit/loss for the year	108,776
Value adjustments at 31 March 2025	452,402
Carrying amount at 31 March 2025	653,792

Parent company

Name	Domicile	Interest
IO Interactive A/S	Copenhagen, Denmark	80.01%
IO Interactive AB	Malmö, Sweden	100.00%
IOI Barcelona S.L	Barcelona, Spain	100.00%
ISI Istanbul LS	Istanbul, Turkey	100.00%
IOI Brighton	Brighton, England	100.00%
IOI Partners	Copenhagen, Denmark	100.00%

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Notes to the financial statements

13 Cash

Of the Groups total Cash, DKK 82,397 thousand are tied up in an account for 6 months, to meet the production needs 6 months ahead.

14 Share capital

The parent's share capital has remained DKK 40 thousand over the past 5 years.

15 Deferred tax

Deferred tax relates to:

	Group		Parent company	
	2024/25	2023/24	2024/25	2023/24
DKK'000				
Intangible assets	80,374	65,879	0	0
Property, plant and equipment	-809	-736	0	0
Tax loss	-18,529	-9,528	-1,148	0
	<u>61,036</u>	<u>55,615</u>	<u>-1,148</u>	<u>0</u>

16 Contractual obligations and contingencies, etc.

Other financial obligations

Other rent and lease liabilities:

	Group		Parent company	
	2024/25	2023/24	2024/25	2023/24
DKK'000				
Rent and lease liabilities	<u>39,507</u>	<u>32,024</u>	<u>0</u>	<u>0</u>

Parent company

As management company, the Company is jointly taxed with other Danish group entities. The Company is jointly and severally with other jointly taxed group entities for payment of income taxes and withholding taxes.

17 Security and collateral

Group

The group has not provided any security or other collateral in assets at 31 March 2025.

Parent company

The parent Company has not provided any security or other collateral in assets at 31 March 2025.

Consolidated financial statements and parent company financial statements 1 April 2024 - 31 March 2025

Notes to the financial statements

18 Related parties

Group

Greater Bag of Holding ApS' related parties comprise the following:

Significant influence

<u>Related party</u>	<u>Domicile</u>	<u>Basis for significant influence</u>
Abrak Holding ApS	Copenhagen	Shares
Elverdam Holding ApS	Copenhagen	Shares

Related party transactions

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(6) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.

Parent company

Significant influence

<u>Related party</u>	<u>Domicile</u>	<u>Basis for significant influence</u>
Abrak Holding ApS	Copenhagen	Shares
Elverdam Holding ApS	Copenhagen	Shares

Transactions with related parties

The Company solely discloses related party transactions that have not been carried out on an arm's length basis, cf. section 98c(6) of the Danish Financial Statements Act.

All transactions have been carried out on an arm's length basis.

DKK'000	Group	
	<u>2024/25</u>	<u>2023/24</u>
19 Adjustments		
Amortisation/depreciation and impairment losses	40,830	70,459
Tax for the year	8,668	15,388
	<u>49,498</u>	<u>85,847</u>
20 Changes in working capital		
Change in receivables	-114,721	58,921
Change in trade and other payables	51,539	70,878
Other changes in working capital	48,348	3,350
	<u>-14,834</u>	<u>133,149</u>