



ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Enheten

Organisasjonsnummer: 966 232 315
Organisasjonsform: Aksjeselskap
Foretaksnavn: FUNCOM OSLO AS
Forretningsadresse: Kirkegata 15
0153 OSLO

Regnskapsår

Årsregnskapets periode: 01.01.2023 - 31.12.2023

Konsern

Morselskap i konsern: Nei

Regnskapsregler

Regler for små foretak benyttet: Nei
Benyttet ved utarbeidelsen av årsregnskapet til selskapet: Regnskapslovens alminnelige regler

Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Stian Skirstad Drageset
Dato for fastsettelse av årsregnskapet: 24.06.2024

Grunnlag for avgivelse

År 2023: Årsregnskapet er elektronisk innlevert
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 02.07.2025



Resultatregnskap

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
Inntekter			
Revenue	2, 3	344 393 508	398 550 402
Sum inntekter		344 393 508	398 550 402
Kostnader			
Employee benefits expense	4	79 664 044	65 851 684
Depreciation and amortization	5, 6	126 028 654	144 523 114
Nedskrivning av varige driftsmidler og immaterielle eiendeler	5		41 934 665
Other expenses	3, 4, 7	313 397 435	302 262 822
Sum kostnader		519 090 133	554 572 286
Driftsresultat		-174 696 625	-156 021 884
Finansinntekter og finanskostnader			
Income from subsidiaries	3	13 344 127	12 225 804
Annen renteinntekt	8	3 981 755	816 131
Other finance income	8	155 567 832	97 668 571
Sum finansinntekter		172 893 713	110 710 507
Annen rentekostnad	3, 8	72 214 528	25 129 484
Other finance expense	8	174 148 786	133 830 383
Sum finanskostnader		246 363 314	158 959 867
Netto finans		-73 469 601	-48 249 360
Ordinært resultat før skattekostnad		-248 166 226	-204 271 244
Income tax expense	9	30 378 415	-41 654 002
Ordinært resultat etter skattekostnad		-278 544 641	-162 617 242
Årsresultat	10	-278 544 641	-162 617 242
Årsresultat etter minoritetsinteresser		-278 544 641	-162 617 242
Totalresultat		-278 544 641	-162 617 242



Resultatregnskap

Beløp i: NOK	Note	2023	2022
Overføringer og disponeringer			
Udekket tap	10	-278 544 641	-162 617 242
Other equity	10		
Sum overføringer og disponeringer	10	-278 544 641	-162 617 242



Balanse

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	5	931 781 901	518 306 053
Utsatt skattefordel	9		40 855 387
Sum immaterielle eiendeler		931 781 901	559 161 440
Varige driftsmidler			
Tomter m.m	6		
Machinery and equipment	6		
Skip, rigger o.l	6		
Machinery and equipment	6	2 073 205	2 020 498
Sum varige driftsmidler		2 073 205	2 020 498
Finansielle anleggsmidler			
Investering i datterselskap	11		
Investering i annet foretak i samme konsern	11		
Lån til foretak i samme konsern	13	591 706	573 378
Investments in shares	11	58 010 000	58 010 000
Long-term receivables	12	10 021 576	3 066 738
Sum finansielle anleggsmidler		68 623 282	61 650 116
Sum anleggsmidler		1 002 478 388	622 832 054
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables	14	97 553 252	103 398 673
Intercompany short-term receivables	13	63 033 637	27 626 841
Other short-term receivables		318 793	3 118 738
Research and development grant receivable	15	4 750 000	4 750 000
Krav på innbetaling av selskapskapital		11 485 200	12 434 457
Sum fordringer		177 140 881	151 328 709
Bankinnskudd, kontanter og lignende			



Balanse

Beløp i: NOK	Note	2023	2022
Cash and cash equivalents	16	128 839 176	86 293 463
Sum bankinnskudd, kontanter og lignende		128 839 176	86 293 463
Sum omløpsmidler		305 980 057	237 622 171
SUM EIENDELER		1 308 458 446	860 454 225

BALANSE - EGENKAPITAL OG GJELD

Egenkapital

Innskutt egenkapital

Share capital	10, 17	2 000 000	1 000 000
Overkurs	10		
Annen innskutt egenkapital	10	1 333 513 345	337 294 217
Sum innskutt egenkapital		1 335 513 345	338 294 217

Opptjent egenkapital

Other equity	10, 19		
Result brought forward (aut)			
Udekket tap	10	463 916 870	185 372 229
Sum opptjent egenkapital		-463 916 870	-185 372 229
Sum egenkapital	10	871 596 476	152 921 988

Gjeld

Langsiktig gjeld

Utsatt skatt	9		
Annen langsiktig gjeld			
Langsiktig konserngjeld	13	333 508 468	590 457 666
Sum annen langsiktig gjeld		333 508 468	590 457 666
Sum langsiktig gjeld		333 508 468	590 457 666

Kortsiktig gjeld

Leverandørgjeld		16 863 356	18 333 470
Tax payable	9		
Public duties payable		17 391 259	15 957 712



Balanse

Beløp i: NOK	Note	2023	2022
Intercompany short-term payables	13	6 149 403	10 286 844
Loans from group companies	13		
Other current liabilities	18	62 949 483	72 496 545
Sum kortsiktig gjeld		103 353 501	117 074 571
Sum gjeld		436 861 970	707 532 237
SUM EGENKAPITAL OG GJELD		1 308 458 445	860 454 225



Brønnøysundregistrene

ÅRSREGNSKAP FOR REGNSKAPSÅRET 2023 - GENERELL INFORMASJON

Journalnummer: 2024 556701

Enheten

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Organisasjonsform: Aksjeselskap
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Årsregnskapet fastsatt av kompetent organ

Bekreftet av representant for selskapet: Stian Skirstad Drageset
Dato for fastsettelse av årsregnskapet: 24.06.2024

Revisjon

Ekstern autorisert regnskapsfører har i løpet av regnskapsåret bistått ved den løpende regnskapsføringen eller utført andre tjenester for selskapet enn å utarbeide årsregnskapet: Ja

Grunnlag for avgivelse

År 2023: Årsregnskap er elektronisk innlevert.
År 2022: Tall er hentet fra elektronisk innlevert årsregnskap fra 2023.

Det er ikke krav til at årsregnskapet m.v. som sendes til Regnskapsregisteret er undertegnet. Kontrollen på at dette er utført ligger hos revisor/enhetens øverste organ. Sikkerheten ivaretas ved at innsender har rolle/rettighet for innsending av årsregnskapet via Altinn, og ved at det bekreftes at årsregnskapet er fastsatt av kompetent organ.

Brønnøysundregistrene, 02.07.2024



Organisasjonsnr: 966 232 315
FUNCOM OSLO AS

RESULTATREGNSKAP

Beløp i: NOK	Note	2023	2022
RESULTATREGNSKAP			
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Totalresultat		-278 544 641	-162 617 242
Overføringer og disponeringer			
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Other equity	10		
Sum overføringer og disponeringer	10	-278 544 641	-162 617 242





Organisasjonsnr: 966 232 315
FUNCOM OSLO AS

BALANSE

Beløp i: NOK	Note	2023	2022
BALANSE - EIENDELER			
Anleggsmidler			
Immaterielle eiendeler			
Intangible assets	5	931 781 901	518 306 053
Utsatt skattefordel	9		40 855 387
Sum immaterielle eiendeler		931 781 901	559 161 440
Varige driftsmidler			
Tomter m.m	6		
Machinery and equipment	6		
Skip, rigger o.l	6		
Machinery and equipment	6	2 073 205	2 020 498
Sum varige driftsmidler		2 073 205	2 020 498
Finansielle anleggsmidler			
Investering i datterselskap	11		
Investering i annet foretak i samme konsern	11		
Lån til foretak i samme konsern	13	591 706	573 378
Investments in shares	11	58 010 000	58 010 000
Long-term receivables	12	10 021 576	3 066 738
Sum finansielle anleggsmidler		68 623 282	61 650 116
Sum anleggsmidler		1 002 478 388	622 832 054
Omløpsmidler			
Varer			
Fordringer			
Accounts receivables	14	97 553 252	103 398 673
Intercompany short-term receivables	13	63 033 637	27 626 841
Other short-term receivables		318 793	3 118 738
Research and development grant receivable	15	4 750 000	4 750 000
Krav på innbetaling av selskapskapital		11 485 200	12 434 457
Sum fordringer		177 140 881	151 328 709
Bankinnskudd, kontanter og lignende			
Cash and cash equivalents	16	128 839 176	86 293 463
Sum bankinnskudd, kontanter og lignende		128 839 176	86 293 463
Sum omløpsmidler		305 980 057	237 622 171



SUM EIENDELER		1 308 458 446	860 454 225
BALANSE - EGENKAPITAL OG GJELD			
Egenkapital			
Innskutt egenkapital			
Share capital	10, 17	2 000 000	1 000 000
Overkurs	10		
Annen innskutt egenkapital	10	1 333 513 345	337 294 217
Sum innskutt egenkapital		1 335 513 345	338 294 217
Opptjent egenkapital			
Other equity	10, 19		
Result brought forward (aut)			
Udekket tap	10	463 916 870	185 372 229
Sum opptjent egenkapital		-463 916 870	-185 372 229
Sum egenkapital	10	871 596 476	152 921 988
Gjeld			
Langsiktig gjeld			
Utsatt skatt	9		
Annen langsiktig gjeld			
Langsiktig konserngjeld	13	333 508 468	590 457 666
Sum annen langsiktig gjeld		333 508 468	590 457 666
Sum langsiktig gjeld		333 508 468	590 457 666
Kortsiktig gjeld			
Leverandørgjeld		16 863 356	18 333 470
Tax payable	9		
Public duties payable		17 391 259	15 957 712
Intercompany short-term payables	13	6 149 403	10 286 844
Loans from group companies	13		
Other current liabilities	18	62 949 483	72 496 545
Sum kortsiktig gjeld		103 353 501	117 074 571
Sum gjeld		436 861 970	707 532 237
SUM EGENKAPITAL OG GJELD		1 308 458 445	860 454 225



Organisasjonsnr: 966 232 315
FUNCOM OSLO AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note
4

Antall årsverk i regnskapsåret
136.00

Sum Beløp

Balanseført verdi 31.12. Varige driftsmidler Immaterielle eiend.

Konsernregnskap

Morselskapet sitt navn

Forretningskontor for morselskapet

Begrunnelse for at datterselskap er utelatt fra konsolideringen

Samlet beløp - tilknyttet selskap Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - foretak i samme konsern Årets Fjorårets

Samlet beløp - felles kontrollert virksomhet Årets Fjorårets

Pantstillelse Beløp

Beholdning av egne aksjer Antall Pålydende Andel av aksjek.



Annual Report 2023 Funcom Oslo AS

Revenue statement
Balance sheet
Cash flows
Notes to the Accounts

Org.no.: 966 232 315



Funcom Oslo AS

Revenue statement for the year ended 31.12

Operating income and operating expenses	Note	2023	2022
Revenue	2, 3	344 393 508	398 550 402
Total income		344 393 508	398 550 402
Employee benefits expense	4	79 664 044	65 851 684
Depreciation and amortization	5, 6	126 028 654	144 523 114
Impairment	5	0	41 934 665
Other expenses	3, 4, 7	313 397 435	302 262 822
Total expenses		519 090 133	554 572 286
Operating profit		-174 696 625	-156 021 884
Financial income and expenses			
Income from subsidiaries	3	13 344 127	12 225 804
Interest income	8	3 981 755	816 131
Other finance income	8	155 567 832	97 668 571
Interest expense	3, 8	72 214 528	25 129 484
Other finance expense	8	174 148 786	133 830 383
Net financial items		-73 469 601	-48 249 360
Operating result before tax		-248 166 226	-204 271 244
Income tax expense	9	30 378 415	-41 654 002
Net profit after tax		-278 544 641	-162 617 242
Result for the year	10	-278 544 641	-162 617 242
Attributable to			
Settling loss brought forward	10	-278 544 641	-162 617 242
Total brought forward	10	-278 544 641	-162 617 242



Funcom Oslo AS

Balance sheet as at 31.12

Assets	Note	2023	2022
Non-current assets			
Intangible assets			
Intangible assets	5	931 781 901	518 306 053
Deferred tax assets	9	0	40 855 387
Total intangible assets		931 781 901	559 161 440
Property, plant and equipment			
Machinery and equipment	6	2 073 205	2 020 498
Total property, plant and equipment		2 073 205	2 020 498
Non-current financial assets			
Investments in shares	11	58 010 000	58 010 000
Long-term receivables	12	10 021 576	3 066 738
Intercompany long-term receivables	13	591 706	573 378
Total non-current financial assets		68 623 282	61 650 116
Total long-term assets		1 002 478 388	622 832 054
Current assets			
Debtors			
Accounts receivables	14	97 553 252	103 398 673
Intercompany short-term receivables	13	63 033 637	27 626 841
Other short-term receivables		318 793	3 118 738
Research and development grant receivable	15	4 750 000	4 750 000
Short-term prepaid and deferred expenses		11 485 200	12 434 457
Total receivables		177 140 881	151 328 709
Cash and cash equivalents	16	128 839 176	86 293 463
Total current assets		305 980 057	237 622 171
Total assets		1 308 458 446	860 454 225





Funcom Oslo AS

Balance sheet as at 31.12

Equity and liabilities	Note	2023	2022
Equity			
Paid-in capital			
Share capital	10, 17	2 000 000	1 000 000
Other paid-up equity	10	1 333 513 345	337 294 217
Total paid-up equity		1 335 513 345	338 294 217
Retained earnings			
Uncovered loss	10	-463 916 870	-185 372 229
Total retained earnings		-463 916 870	-185 372 229
Total equity	10	871 596 476	152 921 988
Liabilities			
Intercompany long-term debt	13	333 508 468	590 457 666
Total non-current liabilities		333 508 468	590 457 666
Current liabilities			
Trade payables		16 863 356	18 333 470
Public duties payable		17 391 259	15 957 712
Intercompany short-term payables	13	6 149 403	10 286 844
Other current liabilities	18	62 949 483	72 496 545
Total current liabilities		103 353 501	117 074 571
Total liabilities		436 861 970	707 532 237
Total equity and liabilities		1 308 458 445	860 454 225

Oslo, 13.06.2024


Stian Drageset (13. jun.. 2024 12:43 GMT+2)
Stian Skirstad Drageset
Chairman of the board


Erling Ellingsen (13. jun.. 2024 12:37 GMT+2)
Erling Ellingsen
Member of the board

Rui Manuel Monteiro Casais
Rui Manuel Monteiro Casais (13. jun.. 2024 12:40 GMT+2)
Rui Manuel Monteiro Casais
Member of the board



Funcom Oslo AS

Indirect cash flow for the year ended 31.12

	Note	2023	2022
Cash flows from operating activities			
Profit/loss before tax		-248 166 226	-204 271 244
Taxes paid		-454 721	-534 170
Ordinary depreciation	6	1 315 730	906 870
Amortization	5	124 712 924	143 616 244
Impairment of intangible assets	5	0	41 934 665
Agio/ disagio non-cash effect		18 580 954	40 835 770
RSU grants		17 731 065	13 691 512
Accrued (not paid) interest		68 850 002	24 068 376
Change in accounts receivable		5 845 421	-78 560 876
Change in accounts payable		-1 470 115	8 438 248
Items classified as investment or financing activities		-13 344 127	0
Change in other accrual items		17 853 023	39 586 102
Prepaid and deferred expenses		949 257	912 143
Net cash flows from operating activities		-7 596 812	30 623 643
Cashflow from investing activities			
Payments to buy tangible assets	6	-1 368 436	-1 286 879
Investment in intangible assets	5	-538 188 773	-288 877 478
Net cash flows from investing activities		-539 557 209	-290 164 357
Cash flows from financing activities			
Proceeds from new long-term liabilities		595 828 840	226 583 934
Proceeds from long-term receivables		48 019	13 448
Repayment of current liabilities		18 197 945	0
Proceeds from Group contributions		12 020 821	5 670 513
Net cash flows from financing activities		589 699 735	232 267 895
Net change in cash and cash equivalents		42 545 714	-27 272 819
Cash and cash equivalents at the start of the period		86 293 463	113 566 283
Cash and cash equivalents at the end of the period	16	128 839 176	86 293 463



Note 1 Accounting principles

The annual accounts have been prepared in conformity with the Accounting Act and accounting principles generally accepted in Norway. Functional currency is NOK for 2022 and 2023.

Going concern

The accounts have been prepared on a going concern basis.

Principal Agent Considerations

The Company evaluate sales of products and content via third party digital storefronts to determine whether revenues should be reported gross, or net of fees retained by the storefront. Key indicators that we evaluate in determining gross versus net treatment include, but are not limited to, the following:

- the party responsible for delivery/fulfilment of the product or service to the consumer;
- the party responsible for consumer billing, fee collection, and refunds;
- the storefront and terms of sale that govern the consumer's purchase of the product or service; and
- the party that sets the pricing with the consumer and has credit risk.

Based on evaluation of the above indicators we report revenues on a net basis. (i.e., net of fees retained by the storefront.)

Revenue recognition

The majority of the group's revenue is derived from selling digital games to third party PC and console platforms. Revenue is recognized at a point in time when a transaction occurs, regardless of when the cash flows for the transaction are received.

Third party platforms

Funcom recognizes revenue from third party platforms at a point in time when the relevant sale has occurred. In general, the transaction is complete when the third party receives the relevant game and can monetize it through its platform. Funcom determines the transaction price to be the amount of consideration which it expects to be entitled in exchange for transferring the promised services to the customer, net of deducted taxes, fees, and refund charges. No element of financing is deemed present as the sales are made with a credit term of 15-90 days, which is consistent with market practice. Revenue recognition of boxed video games sold through physical retail through a distribution channel is recognized according to the same principles. The revenue recognition principles for third party platforms are the same for PC and console.

Revenues from Funcom's own channels

Funcom sells subscriptions, virtual currencies, and virtual in-game items for digital PC games directly to the customer from Funcom's own online store. The payments are received through credit card providers with limited delay.

Subscriptions

Subscriptions are recognized on a straight-line basis over the subscription period as the service is provided. Services not delivered by year end are presented in the balance as deferred revenue.

Virtual currency

Revenue is recognized over time, spread out over the estimated duration of currency consumption. The estimated unused currencies by year end are presented in the balance as deferred revenue.

Virtual in-game items

Sales of virtual In-game items, such as virtual backpacks, are recognized at a point in time when the virtual item is made available to the customer.



Bundles

Funcom sells bundles with both subscription and virtual currency. These bundles include separate performance obligations that are also sold separately. The transaction price is allocated to the performance obligations based on its relative standalone selling price and is recognized over time.

Season passes

Funcom sell bundles in the form of season passes. Revenue from these bundles is recognized at different points in time allocated by the transaction price of its parts relative standalone price. At year-end the season pass is fully recognized.

Pre-orders

In cases where sales are made through pre-orders, the revenue is allocated to the release day, and presented in the balance as deferred revenue.

One-off deals

The Group has entered into agreements with game subscription services providers for one-off deals regarding the right-to-use license for some of our games. The terms vary from contract to contract and can include providing the customer with game-related materials, game-keys and license rights. The transaction price as agreed in the agreements is allocated to the different terms. The Company will recognize the revenue at the point in time when a term is fulfilled.

Classification of balance sheet items

Fixed assets include assets intended for long-term ownership and use. Assets relating to the trading cycle have been classified as current assets. Other receivables are classified as current assets if they are to be repaid within one year after the transaction date. Similar criteria apply to liabilities. First year's instalment on long term liabilities and long term receivables are, however, not classified as short term liabilities and current assets.

Other fixed assets are reflected in the balance sheet and depreciated to residual value over the asset's expected useful life on a straight-line basis. If changes in the depreciation plan occur the effect is distributed over the remaining depreciation period.

Investments in other companies

Except for short term investments in listed shares, the cost method is applied to investments in other companies. The cost price is increased when funds are added through capital increases or when group contributions are made to subsidiaries. Dividends received are initially taken to income. Dividends exceeding the portion of retained equity after the purchase are reflected as a reduction in purchase cost. Dividend/group contribution from subsidiaries are reflected in the same year as the subsidiary makes a provision for the amount. Dividend from other companies are reflected as financial income when it has been approved.

Foreign currency

Monetary foreign currency items are valued at the exchange rate on the balance sheet date.

Transactions concerning foreign currency are valued at the exchange rate on the date of the transaction.

Receivables

Receivables from customers and other receivables are entered at par value after deducting a provision for expected losses. The provision for losses is made on the basis of an individual assessment of the respective receivables.

Pensions

Defined contribution plan

With a defined contribution plan the company pays contributions to an insurance company. After the contribution has been made the company has no further commitment to pay. The contribution is recognized as payroll expenses. Prepaid contributions are reflected as an asset (pension fund) to the degree the contribution can be refunded or will reduce future payments.



Tax

The tax charge in the income statement includes both payable taxes for the period and changes in deferred tax. Deferred tax is calculated at relevant tax rates on the basis of the temporary differences which exist between accounting and tax values, and any carryforward losses for tax purposes at the year-end. Tax enhancing or tax reducing temporary differences, which are reversed or may be reversed in the same period, have been eliminated. The disclosure of deferred tax benefits on net tax reducing differences which have not been eliminated, and carryforward losses, is based on estimated future earnings. Deferred tax and tax benefits which may be shown in the balance sheet are presented net.

The company does not register deferred tax asset on the balance sheet as it is currently not probable that these assets can be recovered.

Intangible assets

Intangible assets are reflected in the balance sheet based on expected future revenues. These assets are amortized over the expected useful life on a straight-line basis. If changes occur in the expected future revenue the asset is written down in line with the new expectation

The carrying amount of Intellectual Properties, other than deferred tax assets are reviewed every Financial Year to determine whether there is any indication of impairment. If any such indication exists, then the assets' recoverable amount is estimated. An impairment loss is recognized if the carrying amount of the intellectual properties exceed the estimated recoverable amount. Impairment losses are recognized in the profit and loss statement.

R&D expenses are taken into the balance sheet providing a future financial benefit relating to the development of an identifiable intangible asset can be identified and the expenses can be reliably measured. Otherwise such expenses are expensed as and when incurred. R&D expenses are depreciated on a straight-line basis over the asset's expected useful life.

Cash Flow

The cash flow statement has been prepared according to the indirect method. Cash and cash equivalents include cash, bank deposits, and other short term investments which immediately and with minimal exchange risk can be converted into known cash amounts, with due date less than three months from purchase date.

Restatement

Last year's figures have been restated to provide a fairer basis for comparison. The change is a reclassification of the group contribution from short-term liabilities to short-term receivables, resulting in a total increase of NOK 15 076 450 to assets and liabilities.

Note 2 Revenue

	2023	2022
Revenue Funcom Store	11 260 783	10 296 014
Revenue from Third Parties	332 357 120	384 987 817
Revenue from Group Companies	751 852	3 266 572
Total	344 369 755	398 550 402



Note 3 Related-party transactions

Remuneration to executives is disclosed in note 4, and balance with group companies is disclosed in note 13.

Related-party transactions:	2023	2022
Intercompany sales	751 852	3 266 572
Group contribution from subsidiaries	13 344 127	12 225 804
Total income	14 095 979	15 492 376
Intercompany expenses		
Funcom Inc	126 212 139	105 443 302
Funcom Games Beijing	181 668	321 172
Zona Paradoxal Lda	57 349 108	38 192 400
Heroic Signatures DA	25 044 751	24 837 307
Sunhammer AB	83 620 942	52 668 531
Funcom Games Bucharest	37 257 967	19 122 411
Yager Development GmbH	112 564 371	0
Lab42 Limited	9 163 214	0
Shenzhen Tencent Network Information Technology Co. LTD	0	172 620
Total Intercompany expenses	451 394 160 240 757 743	
Interest expenses, Intercompany debt		
Intercompany expense Funcom Inc	3 364 330	1 045 865
Intercompany expense Funcom SE	68 850 002	24 068 376
Total Intercompany interest expenses	72 214 332	25 114 241



Note 4 Payroll expenses, number of employees, remunerations, loans to employees

Payroll expenses	2023	2022
Salaries	107 897 305	94 131 643
Share option based remuneration	17 243 916	15 622 016
Social security fees	16 935 395	14 001 174
Pension expenses	3 538 048	2 918 923
Tax refund (Skattefunn)	-4 750 000	-4 750 000
Capitalization of salary costs	-65 819 304	-54 979 050
Other	4 618 684	-1 093 021
Total	79 664 044	65 851 684

Total capitalized expenses	2023	2022
Salary expenses	-65 819 304	-54 979 050
General and administrative expenses	-472 369 468	-233 881 989
Total	-538 188 772	-288 861 039

FTE employees in the accounting year	136	118
---	------------	------------

The Company has a defined contribution pension for its employees. The Company's pension scheme satisfies the requirements of the Compulsory Occupational Pension. The agreements are in Storebrand Livsforsikring AS. 137 people are covered by the company's pension scheme.

The share-based option program has been closed following the acquisition and completion of the voluntary offer.

Following the closing of the previous share-based program, Tencent Holdings Limited has established a Restricted Stock Unit (RSU) program, for stocks in Tencent Holdings Limited, to the Company's management. In accordance with the contribution to the Company and Tencent and the continued employment in the Company, RSUs of par value HK\$0.00002 each in the share capital of the shares, subject to and in accordance with the provision hereof and the rules relating to the share award scheme, has been granted at market value of HK\$338,8 per RSU, the 2022 scheme was awarded at HK\$270,6 per RSU, the 2021 scheme was awarded at HK\$556, in addition to the 2020 scheme at market value of HK\$518.5 per RSU.

No loans have been granted to the Board chairman or other related parties. Funcom Oslo AS has not remunerated board members with board fee in 2023. Funcom Oslo AS has not formally employed or hired-in a General manager. Funcom SE CEO, Rui Casais is compensated in Funcom Oslo AS. His compensation for year 2023 is disclosed below.

Remuneration of Executive, Rui Casais for 2023

Salary	Bonus	Pension	Share based	Other	Total
2 699 383	992 603	41 903	1 516 378	8 617	5 258 884

There is a mutual notice period of three months. There is a severance pay equal to nine months base salary in addition to salary in the notice period, if the employment is terminated by the Company. The CEO has no entitlement to severance pay if he resigns from his position or is terminated due to material breach of employment contract. The CEO is eligible for a bonus. The bonus is subject to the board approval and varies based on company and personal performance. The share based option program and bonus are contingent on continued employment.



Expensed audit fee	2023	2022
Statutory audit	544 529	315 794
Other services	30 000	0
Total audit fees	574 529	315 794

Note 5 Intangible assets

	Licenses and software	Games	Total
Acquisition cost 01.01.2023	939 940	1 156 379 986	1 157 319 926
Additions	0	538 188 773	538 188 773
Disposal	0	0	0
Acquisition cost 31.12.2023	939 940	1 694 568 759	1 695 508 699
Accumulated amortization 31.12.2023	908 139	622 564 669	623 472 808
Accumulated write-downs 31.12.2023	0	140 253 990	140 253 990
Book value as at 31.12.2023	31 801	931 750 100	931 781 901
The year's amortization	54 517	124 658 407	124 712 924
The year's impairment		0	0
Amortization rates	33%	20-50%	
Estimated useful life	3 years	2-5 years	

An accumulated impairment loss of 140M NOK is as a result of unannounced games being cancelled in 2022, 2020 and 2015.

Note 6 Fixed assets

	Inventories	IT-equipment	Total fixed assets
Acquisition cost 01.01.2023	7 514 227	15 511 632	23 025 859
Additions	1 368 437	0	1 368 437
Acquisition cost 31.12.2023	8 882 664	15 511 632	24 394 296
Accumulated depreciation 31.12.2023	6 809 459	15 511 632	22 321 091
Book value as at 31.12.2023	2 073 205	0	2 073 205
The year's depreciation	1 315 730	0	1 315 730
Depreciation rates	20%	33%	
Estimated useful life	5 years	3 years	

Annual rent of non-capitalized assets	Rental period	2023	2022
Office rent	1 year	7 396 977	7 587 124
Rent, IT-equipment	less than 1 year	979 605	867 253



Note 7 Other expenses

Related-party expenses are disclosed in note 3.

Other expenses	2023	2022
Hosting cost	8 187 505	7 528 786
Purchase of game development services	632 966 251	328 289 698
Capitalization of G&A	-472 369 468	-233 881 989
Advertising costs	21 134 683	46 733 260
Royalties	90 579 247	123 920 030
Other	32 899 217	29 673 037
Total	313 397 435	302 262 822

Note 8 Other financial/interest income and expenses

	2023	2022
Income from currency differences (agio)	28 045 446	19 581 301
Income from currency differences, group companies (agio)	127 522 386	78 087 270
Other financial income	155 567 832	97 668 571

	2023	2022
Expenses from currency differences (disagio)	-35 596 395	-11 995 389
Expenses from currency differences, group companies (disagio)	-138 552 392	-121 834 995
Other financial expenses	-174 148 786	-133 830 383

	2023	2022
Interest income	3 981 755	816 131
Interest income	3 981 755	816 131

	2023	2022
Interest expenses	-196	-15 242
Interest expenses, group companies	-72 214 332	-25 114 241
Interest expenses	-72 214 528	-25 129 484



Note 9 Tax

This year's tax expense	2023	2022
Entered tax on ordinary profit/loss:		
Withheld tax paid abroad	454 720	534 170
Tax effect group contribution received	-10 931 692	0
Changes in deferred tax assets	40 855 387	-42 188 172
Tax expense on ordinary profit/loss	30 378 415	-41 654 002
Taxable income:		
Result before tax	-248 166 226	-204 271 244
Permanent differences	12 906 456	12 483 850
Changes in temporary differences	-395 882 555	-99 633 799
Group contribution received	49 689 510	15 076 450
Taxable income	-581 452 814	-276 344 743
Payable tax in the balance:		
Payable tax on this year's result	-13 867 400	-6 006 496
Payable tax on received Group contribution	13 867 400	6 006 496
Total payable tax in the balance	0	0

The tax effect of temporary differences and loss for to be carried forward that has formed the basis for deferred tax and deferred tax advantages, specified on type of temporary differences

	2023	2022	Difference
Intangible assets	901 717 116	502 991 785	-398 725 331
Gains on realised assets	-101 792	-127 240	-25 448
Unearned income	-6 269 516	-3 401 292	2 868 224
Total	895 345 808	499 463 253	-395 882 555
Tax loss carried forward	-1 241 047 592	-659 594 778	581 452 814
Not employed return allowance	-13 868 645	-12 454 795	1 413 850
Cut interest deduction	-13 119 983	-13 119 983	0
Not included in the deferred tax calculation	400 427 704	0	-400 427 704
Basis for deferred tax assets	27 737 291	-185 706 302	-213 443 593
Deferred tax assets (22 %)	6 102 204	-40 855 387	-46 957 591

Deferred tax not included in the balance sheet.



Note 10 Shareholders' equity

	Share capital	Share Premium	Paid in equity	Uncovered loss	Total equity capital
As at 01.01.2023	1 000 000		337 294 217	-185 372 229	152 921 988
Result for the year	0		0	-278 544 641	-278 544 641
Restricted stock units	0		17 731 065	0	17 731 065
Group contribution	0		38 757 818	0	38 757 818
Debt to equity conversion 24.11.2023	1 000 000	939 730 246			940 730 246
As at 31.12.2023	2 000 000	939 730 246	393 783 100	-463 916 870	871 596 476

Debt to equity conversion through increasing share capital with 1 000 000 and a total deposit of 939 730 246 as share premium. The increase is settled through conversion of Company's sole shareholder Funcom SE's USD 88 560 156 debt to equity.

Conversion rate 10.6225 as per 30.09.23 and is based on the mid-rate of the Central Bank of Norway.

Note 11 Subsidiaries

Funcom Oslo AS owns 100% of the shares in Funcom Oslo Licencing AS, which gives Funcom Oslo AS 100% of the votes in the company.

	Municipality	Owner - Interest	Book value	Net profit 2023	Equity capital 31.12.2023
Funcom Oslo Licencing AS	Oslo	100%	58 010 000	10 408 419	58 010 000

Note 12 Receivables with a maturity later than one year

	2023	2022
Deposit	3 149 661	3 066 738
Other	6 871 915	0
Total long-term receivables	10 021 576	3 066 738



Note 13 Balance with Group companies

Receivables from Group Companies

Long-term receivables

	2023	2022
Nephilim LLC	591 706	573 378
Total	591 706	573 378

Short-term receivables

	2023	2022
Sunhammer AB	0	0
Received Group Contribution from Funcom Licensing	13 344 127	12 225 804
Received Group Contribution from Funcom SE	49 689 510	15 076 450
Total	63 033 637	27 302 254

Debt to Group Companies

Long-term debt

	2023	2022
Funcom SE	238 246 425	543 503 670
Funcom Games Beijing	139 239	265 042
Funcom Games Bucharest S.R.L.	11 119 779	5 187 407
Funcom INC	57 082 518	27 296 984
Funcom Oslo Licensing AS	1 410 787	1 606 969
Zona Paradoxal LDA	18 317 420	12 597 595
Sunhammer AB	7 192 300	0
Total	333 508 468	590 457 666

Short-term debt

	2023	2022
Heroic Signatures DA	6 149 403	10 286 844
Total	6 149 403	10 286 844

The amount listed as receivables and debt to Group companies is the net amount of receivables and liabilities

Note 14 Debtors and liabilities

	2023	2022
Trade debtors at nominal value	71 360 800	5 744 776
Accrued, not invoiced revenue	26 192 452	97 653 897
Bad debts provision	0	0
Total receivables	97 553 252	103 398 673



Note 15 Research and development grant receivable

The company will receive 4 750 000,- as a tax refund for costs related to research and development projects. This arrangement is called Skattefunn which have funded projects such as Automated Test, an improved Artificial Intelligence system and a new system of generating "living" sand in game. The Company is at the moment working on one project, Living World, which is set to end by 2025.

This grant is calculated based on hours spent working on the project. 19% of the expenses are accrued as Skattefunn.

	2023	2022
Total costs related to Skattefunn (Research and development)	28 227 494	28 230 759
Reduction due to 25 million threshold	3 227 494	3 230 759
Allowed basis for tax refund	25 000 000	25 000 000
19% of the costs is given in tax refund	4 750 000	4 750 000

Note 16 Restricted bank deposits, overdraft facilities

	2023	2022
Non-restricted cash at bank and in hand	119 205 947	77 514 748
Restricted cash	9 633 230	8 778 715
Total cash	128 839 176	86 293 463

Note 17 Share capital and shareholder information

Share Capital NOK 2 000 000 consists of 125 000 shares at face value of NOK 16. All shares have equal rights.

The Company is a subsidiary of Funcom SE which has been granted the right not to prepare the consolidated accounts from financial year 2022. The Company is also a subsidiary of the Tencent Group, and Tencent Holding Limited is the Ultimate Parent Company of the Group.

The consolidated financial statements are not included based on Accounting Act § 3-7. The consolidated financial statements prepared by ultimate mother company, Tencent Holdings Limited are available on their website Tencent.com.

Note 18 Other current liabilities

	2023	2022
Accrued royalties	36 144 333	48 823 844
Deferred revenue	6 269 516	3 401 292
Other	20 535 634	20 271 409
Total other current liabilities	62 949 483	72 496 545



Note 19 Going concern

The Company's key funding sources are the cash balance, revenues from released games, future pipeline, and a strong shareholder funding growth. The Company's strategy is to invest significantly in Dune: Awakening. In 2023, this has resulted in a loss of 279MNOK and a negative cash flow from investing activities. The Company expects to continue to incur losses and negative cash flows until the release of Dune: Awakening. Management has addressed this uncertainty through additional financing arrangements from a strong parent company. Furthermore, management has taken measures to strengthen the equity position in 2023. Based on the above, the going concern assumption is justified and consequently the financial statements have been prepared on a going concern basis.













Funcom Oslo AS Annual Report 2023 v5 Final @13.06

Endelig revisjonsrapport

2024-06-13

Opprettet:	2024-06-13
Av:	Alexander Voldsund (voldsund@funcom.com)
Status:	Signert
Transaksjons-ID:	CBJCHBCAABAALvyUIYJYKAQgO8TqYrZNMzeYOVZut2S

"Funcom Oslo AS Annual Report 2023 v5 Final @13.06"-historikk

-  Dokument opprettet av Alexander Voldsund (voldsund@funcom.com)
2024-06-13 - 10:34:06 GMT
-  Dokument sendt via e-post til Rui Manuel Monteiro Casais (rui@funcom.com) for signering
2024-06-13 - 10:34:18 GMT
-  Dokument sendt via e-post til Stian Drageset (stiandr@funcom.com) for signering
2024-06-13 - 10:34:18 GMT
-  Dokument sendt via e-post til Erling Ellingsen (erling@funcom.com) for signering
2024-06-13 - 10:34:18 GMT
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2024-06-13 - 10:36:51 GMT
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2024-06-13 - 10:42:17 GMT
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Signaturdato: 2024-06-13 - 10:43:23 GMT - Tidskilde: server





✔ Avtale fullført.

2024-06-13 - 10:43:23 GMT



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Annual Board of Directors Report - Funcom Oslo AS - 2023

In 2023, the most important live game, Conan Exiles continued the strong games as a service performance highlighting the longevity of the game. We released multiple updates, including the final chapter of Age of Sorcery and three chapters of Age of War, further enriching the gaming experience for our community. Moreover, we strengthened our portfolio with three new DLC's for Metal: Hellsinger, a game which gathers overwhelmingly positive reviews with a consistent rating of 96% on Steam.

In line with our vision for future growth, we continued to make significant investments in a huge internal open-world survival game Dune Awakening. In addition, the full launch of Dune Spice Wars in September 2023 strengthened our position as a publisher.

The company's activities

The company's business is to develop, promote, operate, and sell video games as well as related activities. The Company is based in Oslo, Norway, and is part of the Funcom Group.

The Company holds a broad portfolio of released games and controls some great IPs well suited for games.

Operations in 2023

The four main revenue streams are as follows:

- **Games in operation & back catalogue:** the portfolio of games in operation includes *Conan Exiles*, *Metal: Hellsinger*, *Dune: Spice Wars*, *Secret World Legends*, *Age of Conan*, and *Anarchy Online*. These games are actively developed, new content is added, and events are held to support engagement, with Conan Exiles dominating the investments. The back catalogue includes *Mutant Year Zero*, *Conan Unconquered*, *Moons of Madness*, *Conan Chop Chop* and other smaller games that are monetized without any ongoing development work or cost. With frequent new releases we aim to increase the portfolio of operational games, increasing the stable base cash flow.
- **New internally developed games:** the current main focus of the Company is developing a large open-world survival game based on the DUNE IP, 'Dune Awakening'.
- **New publishing games:** The Company is supporting great developers to co-develop and/or publish games and bring them to market utilizing its internal resources that the external developers do not typically have themselves, such as Marketing, Sales, Community management, Online operations, Motion Capture, Localization, Quality Assurance and Customer Service and Technology and porting to console expertise.
- **Intellectual property licenses:** Generation of activity, games, and revenue from IP. This includes the interactive IP licenses held through Heroic Signatures DA, including *Conan the Barbarian*, *Mutant Year Zero*, *Solomon Kane* and other IPs, as well as internally developed IPs like *The Longest Journey*, *Anarchy Online* and *The Secret World*.

The Company focuses on the PC and Console digital markets. The company's main gaming segment, persistent open world multiplayer games. This requires a highly technically skilled organization to deliver on challenging multiplayer elements which represents a significant entry barrier. Funcom has developed these skills over several years working on MMO games. After Tencent acquired the Funcom Group, the focus on the persistent open world multiplayer segment has been further emphasized.



Funcom will continue to leverage the internal Technology team's know-how and competence gained during the creation of the DreamWorld Technology® to maintain a modern technological platform that all the Company's projects, internal or external, can leverage to obtain a key competitive advantage in the market.

Financial Summary for the Company

Operating income

Operating income for 2023 was NOK 344 393 508 (2022: NOK 398 550 402).

Operating expenses

Operating expenses for 2023 were NOK 519 090 133 (2022: NOK 554 572 286). Personnel expenses accounted for NOK 79 664 044 (2022: NOK 65 851 684).

Operating profit/loss

The Company generated an operating loss of NOK -174 696 625 in 2023 (2022: NOK -156 021 884). The losses are due to heavy investments in growth.

Financial items

Net financial expenses amounted to NOK -73 469 601 (2022: NOK -48 249 360).

Operating result

The operating result before tax was NOK -248 544 641 (2022: NOK -204 271 244). Tax on ordinary result was NOK 30 378 415 (2022: NOK -41 124 324). Result for the year was NOK -278 544 641 (2022: NOK -162 617 242). The annual deficit is brought forward.

Cash flow

The cash flow from operating activities was NOK -9 596 812 (2022: 30 623 643). Cash flow from investments activities were NOK -539 557 209 (2022: NOK -290 164 357) and cash flow from financing activities was NOK 591 699 735 (2022: NOK 232 267 895). Cash and cash equivalents at year end 2023 were NOK 128 839 176 (2022: NOK 86 293 463).

Financing and debt

The Company's equity was NOK 871 596 476 at the end of 2023 (2022: NOK 152 921 988). The Company had total long-term liabilities of NOK 332 097 681 at the end of 2023 (2022: NOK 588 850 697). A debt-to-equity conversion was made on November 24th, increasing the equity by NOK 940 730 236.

Risk factors

Increasing the frequency of game releases, adding externally developed games, releasing games on more platforms and adding revenue from intellectual property is intended to increase business model robustness, learning and ongoing cash flow. The Company's overall performance is still dependent on the revenues from existing and future games, and in particular the much anticipated open-world survival game 'Dune Awakening', which is the focus of current investments. Further risks:

- **Currency risk:** Sales and balances with other companies and customers are closely managed by the management of the Company and cash balance in relevant currencies are kept as a natural hedge against cost, to reduce significant currency risk. The Company does not use derivative instruments to manage its financial risk.
- **Credit risk:** Funcom's revenue is dominated by its three largest customers, namely



Microsoft/Xbox, Sony/PlayStation and Valve/Steam, digital platforms that sell games to end users. The Company also has customers that are end-users who purchase the right to play games and/or subscriptions through solid and well-known payment service provider firms. The Board therefore considers the Company's credit risk as low.

- **Liquidity risk:** The strong growth and continuous operations of the Company are reliant on revenue from released games and funding from Tencent. The revenue and loans provide the Company with sufficient liquidity. The Company is actively managing the cash flow to mitigate liquidity risk.
- **Market risk:** There will always be uncertainty associated with the performance of individual games, particularly before launch. The company reduces this by having multiple games, games as a service with significant revenue over many years and IP revenues.

The Group and members of the board are covered by a liability insurance policy. The liability insurance covers all subsidiaries.

Going concern

The accounts have been prepared on a going concern basis. The Company holds the intellectual property of the Group and performs itself the development projects and the operation of games.

The Company's key funding sources are the cash balance, revenues from released games, future pipeline, and a strong shareholder funding growth. The Company's strategy is to invest significantly in Dune: Awakening. In 2023, this has resulted in a loss of 279MNOK and a negative cash flow from investing activities. The Company expects to continue to incur losses and negative cash flows until the release of Dune: Awakening. Management has addressed this uncertainty through additional financing arrangements from a strong parent company. Furthermore, management has taken measures to strengthen the equity position in 2023. Based on the above, the going concern assumption is justified and consequently the financial statements have been prepared on a going concern basis.

Research and development

In 2023, the Company has continued to focus on further developing Dreamworld Technology with new functionalities and systems. The focus has been on developing the technology to function together with the Unreal Engine. The Company also started on a new R&D project "Living World", which focuses on developing a system for predicting and dynamically driving macro population movements, with unique, context-aware content generated on-demand. The primary purpose of this is to optimize population density and server clustering for improved player experience and hardware utilization in large scale open worlds.

Working environment and equal opportunities

The Board considers the working environment in the Company as satisfactory. The percentage absence of the total working force in the financial year was 3.40% (2022 2.25%). The Company's employees have not experienced accidents or injuries related to the business.

Through our culture, recruitment process, routines and practices, the Company ensures equal opportunities for employees regardless of ethnicity, age, gender, sexual orientation or religion. The Company strives to be a diverse workplace, where no discrimination of any kind is acceptable. There is a majority of men in the Company, mainly due to a low proportion of females in the gaming industry. The Company works continuously to increase the percentage of women employed to create a better balance, mainly through the recruitment process, and we see a



positive trend where the percentage of females has been increasing in the company the last three years. All employees are given equal rights and have the same working hours. There were three people during 2023 in a part-time position, two female and one male. There are no temporary employees in the Company. 1,30% of employees were on parental leave during 2023, total of 33 weeks for males and 53 weeks for females. The Company continuously works to increase the percentage of women employed and have been hiring women in 2023.

- The percentage of women employed was 24% at the end of 2023, up from 22% from 2022.
- The average salary for women is somewhat lower than for men mainly because average length of industry and company experience for woman in the company is shorter than for men and there are fewer women in the highest paid employee categories that are paid above average like executive management and coding.
- There were no women on the board as of 31 December 2023.

In compliance with the Act relating to equality and a prohibition against discrimination, we conducted a comparative analysis of salaries during the 2023 financial year to assess gender pay equality within our company. To illustrate comparable salary differences between genders employees have been divided into the following groups: animation, art, audio, design, finance, human resources, IT, marketing, production, programming, quality assurance, specialized art, studio management and studio operations. Of those groups, five had at least two persons of both genders, making comparison relevant. In two groups, females had a higher average compensation, and in three males had a higher average compensation. We further looked at seniority levels in addition to different job divisions (junior, intermediate, and senior). We saw no clear gender gap when comparing similar profiles. Our goal remains to ensure equitable compensation for similar positions with comparable experience and seniority levels.

Environmental report

While the Company's operations do not produce significant pollution or emissions, we do consume energy and resources through our use of technology and business travel. We are actively exploring ways to reduce our energy consumption, minimize waste, and promote sustainable business practices throughout our operations.

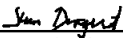
Transparency Act


The report regarding the company's work with the Transparency Act can be found on Funcom's official webpage.

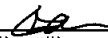
Events after the balance sheet date

There are no significant events after the balance sheet date that have an effect on the Company's business.

Oslo, 13 June 2024


Stian Drageset (13. jun.. 2024 12:33 GMT+2)
Stian Drageset
Board Chairman


Rui Manuel Monteiro Casais (13. jun.. 2024 11:08 GMT+2)
Rui Casais
Board Member


Erling Ellingsen (13. jun.. 2024 11:55 GMT+2)
Erling Ellingsen
Board Member













2023 Board of Directors Report - Funcom Oslo AS

Endelig revisjonsrapport

2024-06-13

Opprettet:	2024-06-13
Av:	Alexander Voldsund (voldsund@funcom.com)
Status:	Signert
Transaksjons-ID:	CBJCHBCAABAAQ3XvoL0y7264VmgEmnKOoeR1rcVTdrgg

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-  Dokument opprettet av Alexander Voldsund (voldsund@funcom.com)
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-  Dokument sendt via e-post til Stian Drageset (stiandr@funcom.com) for signering
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-  Dokument sendt via e-post til Erling Ellingsen (erling@funcom.com) for signering
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-  E-postmelding vist av Rui Manuel Monteiro Casais (rui@funcom.com)
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-  Dokument e-signert av Rui Manuel Monteiro Casais (rui@funcom.com)
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-  E-postmelding vist av Erling Ellingsen (erling@funcom.com)
2024-06-13 - 09:55:13 GMT
-  Dokument e-signert av Erling Ellingsen (erling@funcom.com)
Signaturdato: 2024-06-13 - 09:55:34 GMT - Tidskilde: server
-  E-postmelding vist av Stian Drageset (stiandr@funcom.com)
2024-06-13 - 10:31:07 GMT
-  Dokument e-signert av Stian Drageset (stiandr@funcom.com)
Signaturdato: 2024-06-13 - 10:33:04 GMT - Tidskilde: server





✔ Avtale fullført.

2024-06-13 - 10:33:04 GMT





To the General Meeting of Funcom Oslo AS

Independent Auditor's Report

Opinion

We have audited the financial statements of Funcom Oslo AS (the Company), which comprise the balance sheet as at 31 December 2023, the revenue statement and indirect cash flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion the financial statements comply with applicable statutory requirements, and the financial statements give a true and fair view of the financial position of the Company as at 31 December 2023, and its financial performance and its cash flows for the year then ended in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company as required by relevant laws and regulations in Norway and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

The Board of Directors and the Managing Director (management) are responsible for the information in the Board of Directors' report. The other information comprises information in the annual report, but does not include the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the information in the Board of Directors' report.

In connection with our audit of the financial statements, our responsibility is to read the Board of Directors' report. The purpose is to consider if there is material inconsistency between the Board of Directors' report and the financial statements or our knowledge obtained in the audit, or whether the Board of Directors' report otherwise appears to be materially misstated. We are required to report if there is a material misstatement in the Board of Directors' report. We have nothing to report in this regard.

Based on our knowledge obtained in the audit, it is our opinion that the Board of Directors' report

- is consistent with the financial statements and
- contains the information required by applicable statutory requirements.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Norwegian Accounting Act and accounting standards and practices generally accepted in Norway, 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 Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern. The financial statements use the going concern basis of accounting insofar as it is not likely that the enterprise will cease operations.

Auditor's Responsibilities for the Audit of the Financial Statements

PricewaterhouseCoopers AS, Dronning Eufemias gate 71, Postboks 748 Sentrum, NO-0106 Oslo
T: 02316, org. no.: 987 009 713 MVA, www.pwc.no
Statsautoriserte revisorer, medlemmer av Den norske Revisorforening og autorisert regnskapsførerselskap



Our objectives are to obtain reasonable assurance about 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 will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. For further description of Auditor's Responsibilities for the Audit of the Financial Statements reference is made to: <https://revisorforeningen.no/revisionsberetninger>

Oslo, 18 June 2024

PricewaterhouseCoopers AS

Eivind Nilsen
State Authorised Public Accountant
(This document is signed electronically)



 Securely signed with Brevio

Revisjonsberetning

Signers:

Name	Method	Date
Nilsen, Eivind	BANKID	2024-06-18 16:57

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Skatteetaten

Vår dato
09.06.2021

Din/Deres dato
27.04.2021

Saksbehandler
Lars Waalorp

800 80 000
Skatteetaten.no

Din/Deres referanse
AR427117385

Telefon
90833418

Org.nr
974761076

Vår referanse
2021/5683853

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U.off.

FUNCOM OSLO AS
Kirkegata 15
0153 OSLO

Att. Edvinas Kulravicius

Tillatelse til å utarbeide årsregnskap og årsberetning på engelsk for Funcom Oslo AS, org.nr. 966 232 315

Vi viser til deres henvendelse sendt inn 27. april 2021 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk for Funcom Oslo AS.

Skattekontoret gir på bakgrunn av en konkret helhetsvurdering Funcom Oslo AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen gjelder så lenge opplysningene som danner grunnlaget for vedtaket ikke endres vesentlig.

Kopi av dette brevet må sendes til Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Den regnskapspliktige må selv dokumentere ved dette brev at tillatelse er gitt.

Bakgrunn

Funcom Oslo AS er i vedtak datert 24. september 2014 gitt tillatelse til å bruke engelsk språk i årsregnskapet og årsberetningen. På grunn av endringer i konsernstrukturen har selskapet søkt om en fornyelse av tillatelsen.

Selskapet var tidligere et datterselskap av det nederlandske selskapet Funcom BV, men er nå eid av Funcom SE. Funcom SE er et Europeisk selskap registrert i Norge, og er i vedtak datert 4. mai 2021 gitt tillatelse til å bruke engelsk språk i årsregnskapet og årsberetningen.

Funcomgruppen utvikler og selger dataspill, og selskapets kunder, leverandører og de fleste andre brukere er i all hovedsak utenfor Norges grenser. Konsernets arbeidsspråk er engelsk. Et av selskapets styremedlemmer er utenlandsk.

Skattekontorets vurdering

Etter regnskapsloven § 3-4 tredje ledd skal "årsregnskapet og årsberetningen [...] være på norsk. Departementet kan ved [...] enkeltvedtak bestemme at årsregnskapet og/eller årsberetningen kan være på et annet språk."

I Ot. prp. nr. 42 (1997-1998) Om lov om årsregnskap mv., er det uttalt følgende om regnskapslovens formål, jf. pkt. 1.1:



"Regjeringen har som siktemål at regnskapsloven skal bidra til informative regnskaper for ulike grupper av regnskapsbrukere. Regnskapsbrukerne er dels investorer og kreditorer som tilfører kapital til foretakene, og dels andre grupper som har interesse av å vite hvordan foretaket drives, f.eks. de ansatte og lokalsamfunnet. Informasjonen til kapitalmarkedet skal gi grunnlag for riktig prising av finansielle objekter. Riktig prisdannelse på aksjer er en forutsetning for at ressursbruken i samfunnsøkonomien skal bli best mulig. Gode regnskaper vil også gjøre det vanskeligere for markedsdeltakere å ta ut spekulasjonsgevinster med basis i skjevt fordelt informasjon."

Det fremgår således at et av hovedformålene med regnskapsloven er å bidra til "informative regnskaper for ulike grupper av regnskapsbrukere". Regnskapsbrukere vil omfatte, jf. uttalelsen i proposisjonen, blant andre investorer, kreditorer, ansatte og lokalsamfunnet.

Det er etter skattekontorets vurdering derfor avgjørende ved vurdering av om dispensasjon fra kravet til å utarbeide årsregnskap og/eller årsberetning på norsk kan gis, at det ikke foreligger mulige brukere av regnskapsinformasjon som blir vesentlig berørt negativt ved en eventuell dispensasjon.

Det er særlig hensynet til brukerne av regnskapsinformasjon som skal vurderes ved en dispensasjonssøknad. I denne vurderingen har skattekontoret lagt særlig vekt på at selskapet inngår i et konsern hvor det morselskapet har tillatelse til å bruke engelsk språk i årsregnskapet og årsberetningen. Videre er det vektlagt at selskapet driver virksomhet i en bransje der alle sentrale aktører behersker og benytter engelsk.

Vennligst oppgi vår referanse ved henvendelse i saken.

Med hilsen

Lars Waalorp
seniorrådgiver
Brukerdialog, brukerkontakt
Skatteetaten

Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer.