



## ÅRSREGNSKAPET FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

### Enheten

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

### Regnskapsår

Årsregnskapets periode: 01.01.2024 - 31.12.2024

### 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: 25.06.2025

### Grunnlag for avgivelse

År 2024: Årsregnskapet er elektronisk innlevert  
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024

*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	2024	2023
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Revenue	2, 3	202 343 570	344 393 508
<b>Sum inntekter</b>		<b>202 343 570</b>	<b>344 393 508</b>
<b>Kostnader</b>			
Employee benefits expense	4	76 992 882	79 664 044
Depreciation and amortization	5, 6	71 401 562	126 028 654
Nedskrivning av varige driftsmidler og immaterielle eiendeler	5		
Other expenses	3, 4, 7	365 889 312	313 397 435
<b>Sum kostnader</b>		<b>514 283 757</b>	<b>519 090 133</b>
<b>Driftsresultat</b>		<b>-311 940 187</b>	<b>-174 696 625</b>
<b>Finansinntekter og finanskostnader</b>			
Income from subsidiaries	3	7 957 704	13 344 127
Annen renteinntekt	8	4 348 166	3 981 755
Other finance income	8	66 217 832	155 567 832
<b>Sum finansinntekter</b>		<b>78 523 702</b>	<b>172 893 713</b>
Annen rentekostnad	3, 8	58 976 781	72 214 528
Other finance expense	8	124 207 958	174 148 786
<b>Sum finanskostnader</b>		<b>183 184 739</b>	<b>246 363 314</b>
<b>Netto finans</b>		<b>-104 661 037</b>	<b>-73 469 601</b>
<b>Resultat før skattekostnad</b>		<b>-416 601 224</b>	<b>-248 166 226</b>
Income tax expense	9	212 920	30 378 415
<b>Årsresultat</b>	10	<b>-416 814 144</b>	<b>-278 544 641</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>-416 814 144</b>	<b>-278 544 641</b>
<b>Totalresultat</b>		<b>-416 814 144</b>	<b>-278 544 641</b>
<b>Overføringer og disponeringer</b>			



## Resultatregnskap

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
Udekket tap	10	-416 814 144	-278 544 641
Other equity	10		
<b>Sum overføringer og disponeringer</b>	10	<b>-416 814 144</b>	<b>-278 544 641</b>



### Balanse

Beløp i: NOK	Note	2024	2023
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Intangible assets	5	1 272 534 003	931 781 901
Utsatt skattefordel	9		
<b>Sum immaterielle eiendeler</b>		<b>1 272 534 003</b>	<b>931 781 901</b>
<b>Varige driftsmidler</b>			
Tomter m.m	6		
Machinery and equipment	6		
Skip, rigger o.l	6		
Machinery and equipment	6	2 632 738	2 073 205
<b>Sum varige driftsmidler</b>		<b>2 632 738</b>	<b>2 073 205</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	11		
Investering i annet foretak i samme konsern	11		
Lån til foretak i samme konsern	14	19 316 757	591 706
Investments in shares	11, 12	62 164 623	58 010 000
Long-term receivables	13	5 121 060	10 021 576
<b>Sum finansielle anleggsmidler</b>		<b>86 602 440</b>	<b>68 623 282</b>
<b>Sum anleggsmidler</b>		<b>1 361 769 180</b>	<b>1 002 478 388</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Accounts receivables	15	25 370 953	97 553 252
Intercompany short-term receivables	14		63 033 637
Other short-term receivables		549 876	318 793
Research and development grant receivable	16	4 750 000	4 750 000
Krav på innbetaling av selskapskapital		15 487 567	11 485 200
<b>Sum fordringer</b>		<b>46 158 396</b>	<b>177 140 881</b>
<b>Bankinnskudd, kontanter og lignende</b>			



### Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
Cash and cash equivalents	17	58 608 406	128 839 176
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>58 608 406</b>	<b>128 839 176</b>
<b>Sum omløpsmidler</b>		<b>104 766 802</b>	<b>305 980 057</b>
<b>SUM EIENDELER</b>		<b>1 466 535 982</b>	<b>1 308 458 446</b>

### BALANSE - EGENKAPITAL OG GJELD

#### Egenkapital

##### Innskutt egenkapital

Share capital	10, 18, 19	2 000 000	2 000 000
Overkurs	10		
Annen innskutt egenkapital	10	1 348 654 461	1 333 513 345
<b>Sum innskutt egenkapital</b>		<b>1 350 654 461</b>	<b>1 335 513 345</b>

##### Opptjent egenkapital

Other equity	10		
Result brought forward (aut)			
Udekket tap	10	880 731 013	463 916 870
<b>Sum opptjent egenkapital</b>		<b>-880 731 013</b>	<b>-463 916 870</b>

<b>Sum egenkapital</b>	10	<b>469 923 447</b>	<b>871 596 476</b>
------------------------	----	--------------------	--------------------

#### Gjeld

##### Langsiktig gjeld

Utsatt skatt	9		
<b>Annen langsiktig gjeld</b>			
Langsiktig konserngjeld	14	931 835 250	333 508 468
<b>Sum annen langsiktig gjeld</b>		<b>931 835 250</b>	<b>333 508 468</b>

<b>Sum langsiktig gjeld</b>		<b>931 835 250</b>	<b>333 508 468</b>
-----------------------------	--	--------------------	--------------------

##### Kortsiktig gjeld

Leverandørgjeld		18 323 941	16 863 356
Tax payable	9		



## Balanse

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
Public duties payable		24 109 605	17 391 259
Intercompany short-term payables	14	4 111 145	6 149 403
Loans from group companies	14		
Other current liabilities	20	18 232 594	62 949 483
<b>Sum kortsiktig gjeld</b>		<b>64 777 285</b>	<b>103 353 501</b>
<b>Sum gjeld</b>		<b>996 612 535</b>	<b>436 861 970</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>1 466 535 982</b>	<b>1 308 458 445</b>



## Brønnøysundregistrene

### ÅRSREGNSKAP FOR REGNSKAPSÅRET 2024 - GENERELL INFORMASJON

Journalnummer: 2025 597611

#### Enheten

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

#### Regnskapsår

Årsregnskapets periode: 01.01.2024 - 31.12.2024

#### 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: 25.06.2025

#### 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 2024: Årsregnskap er elektronisk innlevert.  
År 2023: Tall er hentet fra elektronisk innlevert årsregnskap fra 2024.

*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, 01.07.2025



Organisasjonsnr: 966 232 315  
FUNCOM OSLO AS

## RESULTATREGNSKAP

<b>Beløp i: NOK</b>	<b>Note</b>	<b>2024</b>	<b>2023</b>
<b>RESULTATREGNSKAP</b>			
<b>Inntekter</b>			
Revenue	2, 3	202 343 570	344 393 508
<b>Sum inntekter</b>		<b>202 343 570</b>	<b>344 393 508</b>
<b>Kostnader</b>			
Employee benefits expense	4	76 992 882	79 664 044
Depreciation and amortization	5, 6	71 401 562	126 028 654
Nedskrivning av varige driftsmidler og immaterielle eiendeler	5		
Other expenses	3, 4, 7	365 889 312	313 397 435
<b>Sum kostnader</b>		<b>514 283 757</b>	<b>519 090 133</b>
<b>Driftsresultat</b>		<b>-311 940 187</b>	<b>-174 696 625</b>
<b>Finansinntekter og finanskostnader</b>			
Income from subsidiaries	3	7 957 704	13 344 127
Annen renteinntekt	8	4 348 166	3 981 755
Other finance income	8	66 217 832	155 567 832
<b>Sum finansinntekter</b>		<b>78 523 702</b>	<b>172 893 713</b>
Annen rentekostnad	3, 8	58 976 781	72 214 528
Other finance expense	8	124 207 958	174 148 786
<b>Sum finanskostnader</b>		<b>183 184 739</b>	<b>246 363 314</b>
<b>Netto finans</b>		<b>-104 661 037</b>	<b>-73 469 601</b>
<b>Resultat før skattekostnad</b>		<b>-416 601 224</b>	<b>-248 166 226</b>
Income tax expense	9	212 920	30 378 415
<b>Årsresultat</b>	<b>10</b>	<b>-416 814 144</b>	<b>-278 544 641</b>
<b>Årsresultat etter minoritetsinteresser</b>		<b>-416 814 144</b>	<b>-278 544 641</b>
<b>Totalresultat</b>		<b>-416 814 144</b>	<b>-278 544 641</b>
<b>Overføringer og disponeringer</b>			
Udekket tap	10	-416 814 144	-278 544 641
Other equity	10		
<b>Sum overføringer og disponeringer</b>	<b>10</b>	<b>-416 814 144</b>	<b>-278 544 641</b>



Organisasjonsnr: 966 232 315  
FUNCOM OSLO AS

## BALANSE

Beløp i: NOK	Note	2024	2023
<b>BALANSE - EIENDELER</b>			
<b>Anleggsmidler</b>			
<b>Immaterielle eiendeler</b>			
Intangible assets	5	1 272 534 003	931 781 901
Utsatt skattefordel	9		
<b>Sum immaterielle eiendeler</b>		<b>1 272 534 003</b>	<b>931 781 901</b>
<b>Varige driftsmidler</b>			
Tomter m.m	6		
Machinery and equipment	6		
Skip, rigger o.l	6		
Machinery and equipment	6	2 632 738	2 073 205
<b>Sum varige driftsmidler</b>		<b>2 632 738</b>	<b>2 073 205</b>
<b>Finansielle anleggsmidler</b>			
Investering i datterselskap	11		
Investering i annet foretak i samme konsern	11		
Lån til foretak i samme konsern	14	19 316 757	591 706
Investments in shares	11, 12	62 164 623	58 010 000
Long-term receivables	13	5 121 060	10 021 576
<b>Sum finansielle anleggsmidler</b>		<b>86 602 440</b>	<b>68 623 282</b>
<b>Sum anleggsmidler</b>		<b>1 361 769 180</b>	<b>1 002 478 388</b>
<b>Omløpsmidler</b>			
<b>Varer</b>			
<b>Fordringer</b>			
Accounts receivables	15	25 370 953	97 553 252
Intercompany short-term receivables	14		63 033 637
Other short-term receivables		549 876	318 793
Research and development grant receivable	16	4 750 000	4 750 000
Krav på innbetaling av selskapskapital		15 487 567	11 485 200
<b>Sum fordringer</b>		<b>46 158 396</b>	<b>177 140 881</b>
<b>Bankinnskudd, kontanter og lignende</b>			
Cash and cash equivalents	17	58 608 406	128 839 176
<b>Sum bankinnskudd, kontanter og lignende</b>		<b>58 608 406</b>	<b>128 839 176</b>
<b>Sum omløpsmidler</b>		<b>104 766 802</b>	<b>305 980 057</b>



<b>SUM EIENDELER</b>		<b>1 466 535 982</b>	<b>1 308 458 446</b>
<b>BALANSE - EGENKAPITAL OG GJELD</b>			
<b>Egenkapital</b>			
<b>Innskutt egenkapital</b>			
Share capital	10, 18, 1	2 000 000	2 000 000
Overkurs	10		
Annen innskutt egenkapital	10	1 348 654 461	1 333 513 345
<b>Sum innskutt egenkapital</b>		<b>1 350 654 461</b>	<b>1 335 513 345</b>
<b>Opptjent egenkapital</b>			
Other equity	10		
Result brought forward (aut)			
Udekket tap	10	880 731 013	463 916 870
<b>Sum opptjent egenkapital</b>		<b>-880 731 013</b>	<b>-463 916 870</b>
<b>Sum egenkapital</b>	<b>10</b>	<b>469 923 447</b>	<b>871 596 476</b>
<b>Gjeld</b>			
<b>Langsiktig gjeld</b>			
Utsatt skatt	9		
<b>Annen langsiktig gjeld</b>			
Langsiktig konserngjeld	14	931 835 250	333 508 468
<b>Sum annen langsiktig gjeld</b>		<b>931 835 250</b>	<b>333 508 468</b>
<b>Sum langsiktig gjeld</b>		<b>931 835 250</b>	<b>333 508 468</b>
<b>Kortsiktig gjeld</b>			
Leverandørgjeld		18 323 941	16 863 356
Tax payable	9		
Public duties payable		24 109 605	17 391 259
Intercompany short-term payables	14	4 111 145	6 149 403
Loans from group companies	14		
Other current liabilities	20	18 232 594	62 949 483
<b>Sum kortsiktig gjeld</b>		<b>64 777 285</b>	<b>103 353 501</b>
<b>Sum gjeld</b>		<b>996 612 535</b>	<b>436 861 970</b>
<b>SUM EGENKAPITAL OG GJELD</b>		<b>1 466 535 982</b>	<b>1 308 458 445</b>



Organisasjonsnr: 966 232 315  
FUNCOM OSLO AS

NOTEOPPLYSNINGER - SELSKAP - alle poster oppgitt i hele tall

Note  
4

Antall årsverk i regnskapsåret  
148.00

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 Board of Directors Report - Funcom Oslo AS - 2024

In 2024, we prioritized ongoing investment in our major internal project, the open-world survival game *Dune Awakening*. At the same time, we remained committed to our flagship title, *Conan Exiles*, delivering multiple updates, including the final chapter of *Age of War* and the launch of a new era, *Age of Heroes*, enhancing the experience for our community. Additionally, the early access launch of *Aloft* in January 2025 reinforced 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 2024**

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, or 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. In 2024 we were working to prepare for the early access launch of *Aloft* in January 2025.
- **Intellectual property licenses:** Generation of activity, games, linear entertainment 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 is 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 2024 was NOK 202 343 570 (2023: NOK 344 393 508). The revenue decline is largely due to no major releases in 2024, and the aging of Conan Exiles.

### **Operating expenses**

Operating expenses for 2024 were NOK 514 283 757 (2023: NOK 519 090 133). Personnel expenses accounted for NOK 76 992 882 (2023: NOK 79 664 044).

### **Operating profit/loss**

The Company generated an operating loss of NOK -311 940 187 in 2024 (2023: NOK -174 696 625). The losses are due to heavy investments in Dune: Awakening.

### **Financial items**

Net financial expenses amounted to NOK -104 661 037 (2023: NOK -73 469 601).

### **Operating result**

The operating result before tax was NOK -416 601 224 (2023: NOK -248 544 641). Tax on ordinary result was NOK 212 920 (2023: NOK 30 378 415). The result for the year was NOK -416 814 144 (2023: NOK -278 544 641). The annual deficit is brought forward. The large decrease in tax is due to group contribution in 2023.

### **Cash flow**

The cash flow from operating activities was NOK -178 567 890 (2023: -7 596 812). Cash flow from investments activities were NOK -412 713 196 (2023: NOK -539 557 209) and cash flow from financing activities was NOK 521 050 316 (2023: NOK 589 699 735). Cash and cash equivalents at year end 2024 were NOK 58 608 406 (2023: NOK 128 839 176).

### **Financing and debt**

The Company's equity was NOK 469 923 447 at the end of 2024 (2023: NOK 871 596 476). The decrease in equity is due to losses following investments. The Company had total long-term liabilities of NOK 931 835 250 at the end of 2024 (2023: NOK 333 508 468).

### **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 balances 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 strong shareholder funding growth. The Company's strategy is to invest significantly in Dune: Awakening. In 2024, this has resulted in a loss of 417MNOK 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 and debt to equity conversion in Funcom SE. 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 2024, the Company 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 continues to work on 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.

The Company's development efforts are largely capitalized as intangible assets and constitute a core part of the Company's long-term value creation strategy. The Company's business model is fundamentally dependent on these intangible resources. Investments in internally developed games such as Dune: Awakening and proprietary tools like DreamWorld Technology are not only essential for enabling large-scale, persistent multiplayer experiences, but they also serve as long-term platforms for revenue generation through direct sales, in-game monetization, and IP licensing. DreamWorld Technology enables the Company to operate efficiently across projects, reduce time-to-market for future games, and maintain a technological edge in a highly competitive industry. Therefore, these intangible assets are not only a result of our R&D focus, but a central pillar in our ability to create value and remain sustainable as a video game developer and publisher.



## ***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 3.50% (2023 3.40%). The Company's employees have not experienced accidents or injuries related to the business.

Through our culture, recruiting 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, and 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 recruiting process, and we see a positive trend where the percentage of females has been increasing in the company the past years. All employees are given equal rights and have the same working hours. There were two people during 2024 in a part-time position, one female and one male. There are no temporary employees in the Company. 2.5% of employees were on parental leave during 2024, total of 110 weeks for males and 70 weeks for females. The higher number of weeks taken by males reflects the overall gender distribution within the company, where males make up the majority of employees. The Company continuously works to increase the percentage of women employed and have been hiring women in 2024.

- The percentage of women employed was 24% at the end of 2024 (24% in 2023).
- 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 is one woman on the board as of 31 December 2024.

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. The Company continues to evaluate and improve its due diligence processes in accordance with the requirements of the Act.

## ***Events after the balance sheet date***

Dune: Awakening launch has been announced for June 10<sup>th</sup>, 2025. This represents a



significant milestone for the Company and is expected to have a material impact on revenues in 2025.

Oslo, 22 May 2025

*Stian Drageset*

Stian Drageset (May 22, 2025 11:53 GMT+2)

Stian Drageset  
Board Chairman

*Rui Casais*

Rui Casais (May 22, 2025 13:51 GMT+2)

Rui Casais  
Board Member

*Natalia Salmina*

Natalia Salmina  
Board Member













# 2024 Board of Directors Report - Funcom Oslo AS

Final Audit Report

2025-05-22

Created:	2025-05-22
By:	Natalia Salmina (natalias@funcom.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAApVcNkD0QmuA0Z0vhfg9sk6P4h8cHJ3D

## "2024 Board of Directors Report - Funcom Oslo AS" History

-  Document created by Natalia Salmina (natalias@funcom.com)  
2025-05-22 - 9:33:27 AM GMT
-  Document emailed to Stian Drageset (stiandr@funcom.com) for signature  
2025-05-22 - 9:33:31 AM GMT
-  Document emailed to Rui Casais (rui@funcom.com) for signature  
2025-05-22 - 9:33:31 AM GMT
-  Document emailed to Natalia Salmina (natalias@funcom.com) for signature  
2025-05-22 - 9:33:32 AM GMT
-  Email viewed by Stian Drageset (stiandr@funcom.com)  
2025-05-22 - 9:41:42 AM GMT
-  Document e-signed by Stian Drageset (stiandr@funcom.com)  
Signature Date: 2025-05-22 - 9:53:27 AM GMT - Time Source: server
-  Email viewed by Rui Casais (rui@funcom.com)  
2025-05-22 - 11:51:28 AM GMT
-  Document e-signed by Rui Casais (rui@funcom.com)  
Signature Date: 2025-05-22 - 11:51:55 AM GMT - Time Source: server
-  Document e-signed by Natalia Salmina (natalias@funcom.com)  
Signature Date: 2025-05-22 - 11:58:14 AM GMT - Time Source: server
-  Agreement completed.  
2025-05-22 - 11:58:14 AM GMT





## Skattedirektoratet

Saksbehandler Torstein Kinden Helleland	Deres dato 22.09.2014	Vår dato 24.09.2014
Telefon 22078139	Deres referanse Anders Jacobsen	Vår referanse 2014/669594

BDO AS  
Postboks 1704 Vika  
0121 OSLO

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

Vi viser til deres brev av 22. september 2014 der det søkes om dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk for Funcom Oslo AS.

Skattedirektoratet gir på bakgrunn av en konkret helhetsvurdering Funcom Oslo AS dispensasjon fra kravet til å utarbeide årsregnskap og årsberetning på norsk språk, jf. regnskapsloven § 3-4 tredje ledd. Dispensasjonen forutsetter at opplysningene som vedtaket baserer seg på ikke endres vesentlig.

Kopi av dette brevet må sendes Regnskapsregisteret i Brønnøysund sammen med årsregnskapet. Det påligger den regnskapspliktige å dokumentere ved dette brev at tillatelsen er gitt.

### Bakgrunn

Funcom Oslo AS er datterselskap av det nederlandske selskapet Funcom NV. Samtlige styremedlemmer er utenlandske. Selskapets virksomhet er å utvikle, markedsføre og selge dataspill. Kundene er andre konsernselskaper. Arbeidsspråket er engelsk. En norsk oversettelse vil kun ha til formål å oppfylle regnskapslovens språkkrav.

### Skattedirektoratets 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 m.v., 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*

Postadresse  
Postboks 9200 Grønland  
0134 Oslo

Besøksadresse:  
Se [www.skatteetaten.no](http://www.skatteetaten.no)  
Org.nr: 996250318  
E-post: [skatteetaten.no/sendepost](mailto:skatteetaten.no/sendepost)

Sentralbord  
800 80 000  
Telefaks  
22 17 08 60



*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 Skattedirektoratets 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 Skattedirektoratet lagt særlig vekt på at selskapet inngår i et utenlandsk konsern. Eierkretsen er begrenset. Arbeidsspråket er engelsk. Virksomheten retter seg mot andre konsernselskaper. Videre er det vektlagt at ingen av styrets medlemmer er norsk språklige.

Vennligst oppgi vår referanse ved henvendelser i saken.

Med hilsen

Rune Tystad  
seniorrådgiver  
Rettsavdelingen, foretaksskatt  
Skattedirektoratet

Torstein Kinden Helleland

*Dokumentet er elektronisk godkjent og har derfor ikke håndskrevne signaturer*



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 2024, the revenue statement and cash flow statement for the year then ended, and notes to the financial statements, including a summary of significant accounting principles.

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 2024, 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 (management) is 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](http://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, 22 May 2025

**PricewaterhouseCoopers AS**

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



 Securely signed with Brevio

Revisjonsberetning

**Signers:**

<b>Name</b>	<b>Method</b>	<b>Date</b>
Nilsen, Eivind	BANKID	2025-05-22 14:17

**This document package contains:**

- Closing page (this page)
- The original document(s)
- The electronic signatures. These are not visible in the document, but are electronically integrated.



This file is sealed with a digital signature.  
The seal is a guarantee for the authenticity  
of the document.



# Annual Report 2024 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	2024	2023
Revenue	2, 3	202 343 570	344 393 508
<b>Total income</b>		<b>202 343 570</b>	<b>344 393 508</b>
Employee benefits expense	4	76 992 882	79 664 044
Depreciation and amortization	5, 6	71 401 562	126 028 654
Other expenses	3, 4, 7	365 889 312	313 397 435
<b>Total expenses</b>		<b>514 283 757</b>	<b>519 090 133</b>
<b>Operating profit</b>		<b>-311 940 187</b>	<b>-174 696 625</b>
<b>Financial income and expenses</b>			
Income from subsidiaries	3	7 957 704	13 344 127
Interest income	8	4 348 166	3 981 755
Other finance income	8	66 217 832	155 567 832
Interest expense	3, 8	58 976 781	72 214 528
Other finance expense	8	124 207 958	174 148 786
<b>Net financial items</b>		<b>-104 661 037</b>	<b>-73 469 601</b>
<b>Operating result before tax</b>		<b>-416 601 224</b>	<b>-248 166 226</b>
Income tax expense	9	212 920	30 378 415
<b>Net profit after tax</b>		<b>-416 814 144</b>	<b>-278 544 641</b>
<b>Result for the year</b>	<b>10</b>	<b>-416 814 144</b>	<b>-278 544 641</b>
<b>Attributable to</b>			
Settling loss brought forward	10	-416 814 144	-278 544 641
<b>Total brought forward</b>	<b>10</b>	<b>-416 814 144</b>	<b>-278 544 641</b>



### Funcom Oslo AS

Balance sheet as at 31.12

Assets	Note	2024	2023
<b>Non-current assets</b>			
<b>Intangible assets</b>			
Intangible assets	5	1 272 534 003	931 781 901
<b>Total intangible assets</b>		<b>1 272 534 003</b>	<b>931 781 901</b>
<b>Property, plant and equipment</b>			
Machinery and equipment	6	2 632 738	2 073 205
<b>Total property, plant and equipment</b>		<b>2 632 738</b>	<b>2 073 205</b>
<b>Non-current financial assets</b>			
Investments in shares	11, 12	62 164 623	58 010 000
Long-term receivables	13	5 121 060	10 021 576
Intercompany long-term receivables	14	19 316 757	591 706
<b>Total non-current financial assets</b>		<b>86 602 440</b>	<b>68 623 282</b>
<b>Total long-term assets</b>		<b>1 361 769 180</b>	<b>1 002 478 388</b>
<b>Current assets</b>			
<b>Debtors</b>			
Accounts receivables	15	25 370 953	97 553 252
Intercompany short-term receivables	14	0	63 033 637
Other short-term receivables		549 876	318 793
Research and development grant receivable	16	4 750 000	4 750 000
Short-term prepaid and deferred expenses		15 487 567	11 485 200
<b>Total receivables</b>		<b>46 158 396</b>	<b>177 140 881</b>
Cash and cash equivalents	17	58 608 406	128 839 176
<b>Total current assets</b>		<b>104 766 802</b>	<b>305 980 057</b>
<b>Total assets</b>		<b>1 466 535 982</b>	<b>1 308 458 446</b>



### Funcom Oslo AS

Balance sheet as at 31.12

Equity and liabilities	Note	2024	2023
<b>Equity</b>			
<b>Paid-in capital</b>			
Share capital	10, 18, 19	2 000 000	2 000 000
Other paid-up equity	10	1 348 654 461	1 333 513 345
<b>Total paid-up equity</b>		<b>1 350 654 461</b>	<b>1 335 513 345</b>
<b>Retained earnings</b>			
Uncovered loss	10	-880 731 013	-463 916 870
<b>Total retained earnings</b>		<b>-880 731 013</b>	<b>-463 916 870</b>
<b>Total equity</b>	<b>10</b>	<b>469 923 447</b>	<b>871 596 476</b>
<b>Liabilities</b>			
Intercompany long-term debt	14	931 835 250	333 508 468
<b>Total non-current liabilities</b>		<b>931 835 250</b>	<b>333 508 468</b>
<b>Current liabilities</b>			
Trade payables		18 323 941	16 863 356
Public duties payable		24 109 605	17 391 259
Intercompany short-term payables	14	4 111 145	6 149 403
Other current liabilities	20	18 232 594	62 949 483
<b>Total current liabilities</b>		<b>64 777 285</b>	<b>103 353 501</b>
<b>Total liabilities</b>		<b>996 612 535</b>	<b>436 861 970</b>
<b>Total equity and liabilities</b>		<b>1 466 535 982</b>	<b>1 308 458 445</b>

Oslo, 22.05.2025

*Stian Skirstad Drageset*

Stian Skirstad Drageset (May 22, 2025 11:54 GMT-2)

Stian Skirstad Drageset  
Chairman of the board

*Rui Manuel Monteiro Casais*

Rui Manuel Monteiro Casais (May 22, 2025 13:53 GMT-2)

Rui Manuel Monteiro Casais  
Member of the board

*Natalia Salmina*

Natalia Salmina  
Member of the board



### Funcom Oslo AS

Cash flow statement for the year ended 31.12

	Note	2024	2023
<b>Cash flows from operating activities</b>			
Profit/loss before tax		-416 601 224	-248 166 226
Taxes paid		-212 920	-454 721
Ordinary depreciation	6	1 382 860	1 315 730
Amortization	5	70 018 703	124 712 924
Agio/ disagio non-cash effect		57 990 633	18 580 954
RSU grants		15 141 115	17 731 065
Accrued (not paid) interest		58 976 349	68 850 002
Change in accounts receivable		72 182 299	5 845 421
Change in accounts payable		1 460 586	-1 470 115
Proceeds from group contributions and partnerships		-7 957 704	-13 344 127
Change in other accrual items		-26 946 218	17 853 023
Prepaid and deferred expenses		-4 002 367	949 257
<b>Net cash flows from operating activities</b>		<b>-178 567 890</b>	<b>-7 596 812</b>
<b>Cashflow from investing activities</b>			
Payments to buy tangible assets	6	-1 942 392	-1 368 436
Investment in intangible assets	5	-410 770 804	-538 188 773
<b>Net cash flows from investing activities</b>		<b>-412 713 196</b>	<b>-539 557 209</b>
<b>Cash flows from financing activities</b>			
Proceeds from new long-term liabilities		508 492 814	595 828 840
Proceeds from long-term receivables		364 583	48 019
Repayment of current liabilities		3 531 862	18 197 945
Proceeds from Group contributions		15 724 781	12 020 821
<b>Net cash flows from financing activities</b>		<b>521 050 316</b>	<b>589 699 735</b>
Net change in cash and cash equivalents		-70 230 770	42 545 714
Cash and cash equivalents at the start of the period		128 839 176	86 293 463
<b>Cash and cash equivalents at the end of the period</b>	17	<b>58 608 406</b>	<b>128 839 176</b>



## 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 2023 and 2024.

### **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.

## Note 2 Revenue

	<b>2024</b>	<b>2023</b>
Revenue Funcom Store	11 543 109	11 260 783
Revenue from Third Parties	190 800 462	332 380 873
Revenue from Group Companies	0	751 852
<b>Total</b>	<b>202 343 570</b>	<b>344 393 508</b>

## Revenue by market

Norway	1%
EU	23%
US	42%
Other	34%
<b>Total</b>	<b>100%</b>



## Note 3 Related-party transactions

Remuneration to executives is disclosed in note 4, and balance with group companies is disclosed in note 14.

<b>Related-party transactions:</b>	<b>2024</b>	<b>2023</b>
Intercompany sales	0	751 852
Group contribution from subsidiaries	7 311 192	13 344 127
Participant's share of revenue	646 512	
<b>Total income</b>	<b>7 957 704</b>	<b>14 095 979</b>

### **Intercompany expenses**

Funcom Inc	130 654 365	126 212 139
Funcom Games Beijing	131 955	181 668
Zona Paradoxal Lda	79 512 171	57 349 108
Heroic Signatures DA	15 563 188	25 044 751
Sunhammer AB	83 725 914	83 620 942
Funcom Games Bucharest	49 868 129	37 257 967
Funcom UK Ltd	4 359 979	0
Yager Development GmbH*	20 492 493	112 564 371
Lab42 Limited*	6 824 110	9 163 214
<b>Total Intercompany expenses</b>	<b>391 132 305</b>	<b>451 394 160</b>

### **Interest expenses, Intercompany debt**

Intercompany expense Funcom Inc	5 722 280	3 364 330
Intercompany expense Funcom SE	53 254 068	68 850 002
<b>Total Intercompany interest expenses</b>	<b>58 976 349</b>	<b>72 214 332</b>

\* Tencent subsidiaries

Funcom Inc, Funcom Games Beijing, Zona Paradoxal Lda, Heroic Signatures DA, Sunhammer AB, Funcom Games Bucharest, and Funcom UK Ltd are sister companies of Funcom Oslo AS and are 100% subsidiaries of Funcom SE. All intercompany transactions relate to joint game development, except for Heroic Signatures, where the cost pertains to royalties for the Conan IP.



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

<b>Payroll expenses</b>	<b>2024</b>	<b>2023</b>
Salaries	112 342 092	107 897 305
Share option based remuneration	17 240 741	17 243 916
Social security fees	18 991 786	16 935 395
Pension expenses	3 999 867	3 538 048
Tax refund (Skattefunn)	-4 750 000	-4 750 000
Capitalization of salary costs	-72 820 702	-65 819 304
Other	1 989 098	4 618 684
<b>Total</b>	<b>76 992 882</b>	<b>79 664 044</b>

<b>Total capitalized expenses</b>	<b>2024</b>	<b>2023</b>
Salary expenses	-72 820 702	-65 819 304
General and administrative expenses	-337 950 103	-472 369 468
<b>Total</b>	<b>-410 770 804</b>	<b>-538 188 772</b>

<b>FTE employees in the accounting year</b>	<b>148</b>	<b>136</b>
---	------------	------------

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. 148 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. No new RSU scheme has been granted during 2024. The 2023 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.

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 2024. 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 2024 is disclosed below.

### Remuneration of Executive, Rui Casais for 2024

<b>Salary</b>	<b>Bonus</b>	<b>Pension</b>	<b>Share based</b>	<b>Other</b>	<b>Total</b>
2 659 256	992	58 668	3 311 376	8 817	6 039 109

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. 2024 bonus was earned in 2024, paid out in 2025.



<b>Auditor's remuneration</b>	<b>2024</b>	<b>2023</b>
Statutory audit	488 553	544 529
Other services, non-audit	167 453	30 000
<b>Total</b>	<b>656 006</b>	<b>574 529</b>

## Note 5 Intangible assets

	<b>Licenses and software</b>	<b>Games</b>	<b>Total</b>
Acquisition cost 01.01.2024	939 940	1 694 568 759	1 695 508 699
Additions	0	410 770 804	410 770 804
Disposal*	939 940	206 245 661	207 185 601
<b>Acquisition cost 31.12.2024</b>	<b>0</b>	<b>1 899 093 902</b>	<b>1 899 093 902</b>
Accumulated amortization 31.12.2024*	0	626 559 899	626 559 899
Accumulated write-downs 31.12.2024*	0	0	0
<b>Book value as at 31.12.2024</b>	<b>0</b>	<b>1 272 534 003</b>	<b>1 272 534 003</b>
The year's amortization	31 801	69 986 901	70 018 703
The year's impairment		0	0
Amortization rates	33%	20-50%	
Estimated useful life	3 years	2-5 years	

\* In 2024, intangible assets completed depreciation and are no longer in use. They were removed from the balance sheet, including impairment losses of 140M NOK is as a result of unannounced games being cancelled in 2022, 2020 and 2015.

## Note 6 Fixed assets

	<b>Inventories</b>	<b>IT-equipment</b>	<b>Total fixed assets</b>
Acquisition cost 01.01.2024	8 882 664	15 511 632	24 394 296
Additions	208 975	1 733 417	1 942 392
Reclassification*	-1 734 827	1 734 827	0
Disposals**	682 803	1 725 606	2 408 409
<b>Acquisition cost 31.12.2024</b>	<b>6 674 009</b>	<b>17 254 270</b>	<b>23 928 279</b>
Accumulated depreciation 31.12.2024**	6 323 388	14 972 154	21 295 542
<b>Book value as at 31.12.2024</b>	<b>350 621</b>	<b>2 282 116</b>	<b>2 632 737</b>
The year's depreciation	196 732	1 186 128	1 382 860
Depreciation rates	20%	33%	
Estimated useful life	5 years	3 years	



<b>Annual rent of non-capitalized assets</b>	<b>Rental period</b>	<b>2024</b>	<b>2023</b>
Office rent	1 year	8 462 932	7 396 977
Rent, IT-equipment	less than 1 year	915 135	979 605

\* Reclassification in note for prior year 2022/2023 IT-equipment shown under inventories

\*\* In 2024, fixed assets completed depreciation and are no longer in use. They were removed from the balance sheet.

## Note 7 Other expenses

Related-party expenses are disclosed in note 3.

<b>Other expenses</b>	<b>2024</b>	<b>2023</b>
Hosting cost	8 891 697	8 187 505
Purchase of game development services	534 594 530	632 966 251
Capitalization of G&A	-337 950 103	-472 369 468
Advertising costs	78 225 294	21 134 683
Royalties	43 539 941	90 579 247
Other	38 587 952	32 899 217
<b>Total</b>	<b>365 889 312</b>	<b>313 397 435</b>

## Note 8 Other financial/interest income and expenses

	<b>2024</b>	<b>2023</b>
Income from currency differences (agio)	16 519 379	28 045 446
Other financial income	508	0
Income from currency differences, group companies (agio)	49 697 946	127 522 386
<b>Other financial income</b>	<b>66 217 832</b>	<b>155 567 832</b>

	<b>2024</b>	<b>2023</b>
Expenses from currency differences (disagio)	-15 858 059	-35 596 395
Expenses from currency differences, group companies (disagio)	-108 349 899	-138 552 392
<b>Other financial expenses</b>	<b>-124 207 958</b>	<b>-174 148 786</b>

	<b>2024</b>	<b>2023</b>
Interest income	4 348 166	3 981 755
<b>Interest income</b>	<b>4 348 166</b>	<b>3 981 755</b>

	<b>2024</b>	<b>2023</b>
Interest expenses	-432	-196
Interest expenses, group companies	-58 976 349	-72 214 332
<b>Interest expenses</b>	<b>-58 976 781</b>	<b>-72 214 528</b>



## Note 9 Tax

<b>This year's tax expense</b>	<b>2024</b>	<b>2023</b>
Entered tax on ordinary profit/loss:		
Withheld tax paid abroad	212 920	454 720
Tax effect group contribution received	0	-10 931 692
Changes in deferred tax assets	0	40 855 387
<b>Tax expense on ordinary profit/loss</b>	<b>212 920</b>	<b>30 378 415</b>
Taxable income:		
Result before tax	-416 601 224	-248 166 226
Permanent differences	4 532 627	-437 671
Changes in temporary differences	-325 608 875	-395 882 555
Group contribution received	7 311 192	63 033 637
Cut interest deduction	54 628 615	0
<b>Taxable income</b>	<b>-675 737 664</b>	<b>-581 452 814</b>
Payable tax in the balance:		
Payable tax on this year's result	-1 608 462	-13 867 400
Payable tax on received Group contribution	1 608 462	13 867 400
<b>Total payable tax in the balance</b>	<b>0</b>	<b>0</b>

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

	<b>2024</b>	<b>2023</b>	<b>Difference</b>
Intangible assets	1 223 666 927	901 717 116	-321 949 811
Gains on realised assets	-81 434	-101 792	-20 358
Unearned income	-2 630 810	-6 269 516	-3 638 706
<b>Total</b>	<b>1 220 954 683</b>	<b>895 345 808</b>	<b>-325 608 875</b>
Tax loss carried forward	-1 916 785 256	-1 241 047 592	675 737 664
Not employed return allowance	-8 636 995	-13 868 645	-5 231 650
Cut interest deduction	-67 748 598	-13 119 983	54 628 615
Not included in the deferred tax calculation	772 216 167	372 690 413	-399 525 754
<b>Deferred tax assets (22 %)</b>	<b>0</b>	<b>0</b>	<b>0</b>

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 01.01.2024	2 000 000	939 730 246	393 783 100	-463 916 870	871 596 476
Result for the year				-416 814 144	-416 814 144
Restricted stock units			15 141 115		15 141 115
<b>As at 31.12.2024</b>	<b>2 000 000</b>	<b>939 730 246</b>	<b>408 924 215</b>	<b>-880 731 013</b>	<b>469 923 448</b>

## Note 11 Partnerships

Following the merger described in note 12 Funcom Oslo AS owns 50% of the partnership shares in Heroic Signatures DA as at 19.12.2024

	Municipality	Owner - Interest	Book value	Net profit 2024	Equity capital 31.12.2024
Heroic Signatures DA	Oslo	50%	62 164 623	15 516 288	120 257 979

## Note 12 Parent-subsiary merger

A parent-subsiary merger was carried out between Funcom Oslo Licensing AS (target company) and Funcom Oslo AS (acquiring company), effective as of December 19th 2024. The merger was based on the principle of tax continuity.

Funcom Oslo AS was the sole shareholder of Funcom Oslo Licensing AS, holding 100% of the shares. Following the merger, Funcom Oslo Licensing AS was dissolved.

Funcom Oslo AS is 100% owned by Funcom SE which has been granted the right not to prepare consolidated financial statements from financial year 2022 according to Accounting Act § 3-7. The consolidated statements of ultimate mother company, Tencent Holdings Limited are available on their website Tencent.com.

## Note 13 Receivables with a maturity later than one year

	2024	2023
Deposits	5 121 060	3 149 661
Other	0	6 871 915
<b>Total long-term receivables</b>	<b>5 121 060</b>	<b>10 021 576</b>



## Note 14 Balance with Group companies

### Receivables from Group Companies

#### Long-term receivables

	2024	2023
Nephilim LLC	660 403	591 706
Rot Mist Ltd	18 656 355	0
<b>Total</b>	<b>19 316 757</b>	<b>591 706</b>

#### Short-term receivables

	2024	2023
Received Group Contribution from Funcom Licensing*	0	13 344 127
Received Group Contribution from Funcom SE	0	49 689 510
<b>Total</b>	<b>0</b>	<b>63 033 637</b>

### Debt to Group Companies

#### Long-term debt

	2024	2023
Funcom SE	785 753 451	238 246 425
Funcom Games Beijing	305 269	139 239
Funcom Games Bucharest S.R.L.	19 740 804	11 119 779
Funcom INC	85 948 572	57 082 518
Funcom Oslo Licensing AS	0	1 410 787
Zona Paradoxal LDA	24 887 500	18 317 420
Sunhammer AB	14 899 944	7 192 300
Funcom UK Ltd	299 710	0
<b>Total</b>	<b>931 835 250</b>	<b>333 508 468</b>

#### Short-term debt

	2024	2023
Heroic Signatures DA	4 111 145	6 149 403
<b>Total</b>	<b>4 111 145</b>	<b>6 149 403</b>

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

\*2024 group contribution from Funcom Oslo Licensing not on the balance sheet per 31.12 due to merger.

## Note 15 Debtors and liabilities

	2024	2023
Trade debtors at nominal value	8 673 459	71 360 800
Accrued, not invoiced revenue	16 697 494	26 192 452
Bad debts provision	0	0
<b>Total receivables</b>	<b>25 370 953</b>	<b>97 553 252</b>



## Note 16 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.

	<b>2024</b>	<b>2023</b>
Total costs related to Skattefunn (Research and development)	30 353 232	28 227 494
Reduction due to 25 million threshold	5 353 232	3 227 494
Allowed basis for tax refund	25 000 000	25 000 000
<b>19% of the costs is given in tax refund</b>	<b>4 750 000</b>	<b>4 750 000</b>

## Note 17 Restricted bank deposits, overdraft facilities

	<b>2024</b>	<b>2023</b>
Non-restricted cash at bank and in hand	48 472 232	119 205 947
Restricted cash	10 136 174	9 633 230
<b>Total cash</b>	<b>58 608 406</b>	<b>128 839 176</b>

## Note 18 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 19 Going concern

The Company's key funding sources are the cash balance, revenues from released games, future pipeline, and strong shareholder funding. The Company's strategy is to invest significantly in Dune: Awakening. In 2024, this has resulted in a loss of 417MNOK 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, which is planned for June 10th 2025. Management has addressed the group's going concern uncertainty through additional financing arrangements from a strong parent company and debt to equity conversion in Funcom SE. Based on the above, the going concern assumption is justified and consequently the financial statements have been prepared on a going concern basis.

## Note 20 Other current liabilities

	<b>2024</b>	<b>2023</b>
Accrued royalties	4 626 068	36 144 333
Deferred revenue	2 630 810	6 269 516
Other	10 975 716	20 535 634
<b>Total other current liabilities</b>	<b>18 232 594</b>	<b>62 949 483</b>












# Årsregnskap Funcom Oslo AS 2024

Final Audit Report

2025-05-22

Created:	2025-05-22
By:	Natalia Salmina (natalias@funcom.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAsLSO1i58cN9_V-lofmrDr5GlvAC2IW_J

## "Årsregnskap Funcom Oslo AS 2024" History

-  Document created by Natalia Salmina (natalias@funcom.com)  
2025-05-22 - 9:31:36 AM GMT
-  Document emailed to Stian Skirstad Drageset (stiandr@funcom.com) for signature  
2025-05-22 - 9:31:41 AM GMT
-  Document emailed to Rui Manuel Monteiro Casais (rui@funcom.com) for signature  
2025-05-22 - 9:31:41 AM GMT
-  Document emailed to Natalia Salmina (natalias@funcom.com) for signature  
2025-05-22 - 9:31:41 AM GMT
-  Email viewed by Stian Skirstad Drageset (stiandr@funcom.com)  
2025-05-22 - 9:53:33 AM GMT
-  Document e-signed by Stian Skirstad Drageset (stiandr@funcom.com)  
Signature Date: 2025-05-22 - 9:54:55 AM GMT - Time Source: server
-  Email viewed by Rui Manuel Monteiro Casais (rui@funcom.com)  
2025-05-22 - 11:53:22 AM GMT
-  Document e-signed by Rui Manuel Monteiro Casais (rui@funcom.com)  
Signature Date: 2025-05-22 - 11:53:39 AM GMT - Time Source: server
-  Document e-signed by Natalia Salmina (natalias@funcom.com)  
Signature Date: 2025-05-22 - 11:58:59 AM GMT - Time Source: server
-  Agreement completed.  
2025-05-22 - 11:58:59 AM GMT

