

# QUARTERLY REPORT

**of Creepy Jar S.A.**

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**for the third quarter of 2022**



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**Warsaw, 24 November 2022**

## **DISCLAIMER**

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Creepy Jar S.A., its representatives and employees decline any responsibility in this regard.



# SUMMARY Q3 2022

## Sales

PLN **15.0** million  
sales revenues

**+6%** compared to PLN 14.1 million in Q3 2021

**319** thousand copies  
total gross sales of Green Hell

on PC/Steam platforms (250 thous.)  
Sony PlayStation and Microsoft Xbox (69 thous.) in Q3 2022

## Release



**Animal Husbandry**  
PC

release 01.08.2022

## Financial results

PLN **10.4** million  
EBITDA

**+3%** compared to PLN 10.1 million in Q3 2021

PLN **10.8** million  
net profit

**+19%** compared to PLN 9.1 million in Q3 2021

**72%**  
net profit margin

**+7 p.p.** compared to 65% in Q3 2021

## Production

PLN **1.6** million  
game production expenditures  
and costs

PLN **1.2** million  
expenditures on Chimera production in  
Q3 2022

PLN 5.8 million- total expenditures on Chimera  
production up to 30.09.2022



## SELECTED FINANCIAL DATA

Balance sheet	thous. PLN		thous. EUR	
	30.09.2022	31.12.2021	30.09.2022	31.12.2021
Fixed assets	13,581	5,377	2,789	1,169
Current assets	86,590	68,992	17,781	15,000
Equity	91,150	71,048	18,717	15,447
Provisions for liabilities	1,947	593	400	129
Long-term liabilities	106	228	22	50
Short-term liabilities	6,967	2,500	1,431	544
Prepayments and accruals	0	0	0	0

Book value (in PLN)	91,150,111	71,048,361	18,717,424	15,447,311
Number of ordinary shares (pcs.)	679,436	679,436	679,436	679,436
Book value per share (in PLN)	134.16	104.57	27.55	22.74
Diluted number of ordinary shares (pcs.)	699,364	698,203	699,364	698,203
Diluted book value per share (in PLN)	130.33	101.76	26.76	22.12

Profit and loss account	thous. PLN		thous. EUR	
	01.01.2022 -30.09.2022	01.01.2021 -30.09.2021	01.01.2022 -30.09.2022	01.01.2021 -30.09.2021
Net revenues from sales	43,047	35,307	9,182	7,745
Operating expenses	13,713	12,048	2,925	2,643
Profit (loss) on sales	29,334	23,259	6,257	5,102
Profit (loss) on operating activities	29,172	23,267	6,223	5,104
Gross profit (loss)	31,795	24,078	6,782	5,282
Net profit (loss)	29,350	21,139	6,261	4,637

Cash flow statement	thous. PLN		thous. EUR	
	01.01.2022 -30.09.2022	01.01.2021 -30.09.2021	01.01.2022 -30.09.2022	01.01.2021 -30.09.2021
Net cash flows from operating activities	36,992	24,534	7,891	5,382
Net cash flows from investment activities	-19,936	-2,565	-4,253	-563
Net cash flows from financial activities	-14,741	-111	-3,144	-24
Cash opening balance	59,736	27,993	12,742	6,141
Closing balance of cash	62,051	49,852	13,236	10,936

Principal items of the financial statements have been converted into EUR at the average exchange rates determined by the National Bank of Poland according to the following principle:

- Balance sheet at the exchange rate in force on the last date of a given period:
  - Exchange rate as at 30 September 2022 - 4.8698
  - Exchange rate as at 31 December 2021 - 4.5994
- Profit and loss account and cash flow statement at the average exchange rates in a given period, calculated as the arithmetic mean of the exchange rates in force on the last date of each month in a given period:
  - Average exchange rate for 3 quarters of 2022 - 4.6880
  - Average exchange rate for 3 quarters of 2021 - 4.5585



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**CONDENSED FINANCIAL STATEMENTS FOR THE THIRD QUARTER OF 2022****BALANCE SHEET**

(in PLN)

<b>ASSETS</b>	<b>30.09.2022</b>	<b>30.06.2022</b>	<b>31.12.2021</b>	<b>30.09.2021</b>
<b>I. Fixed assets</b>	<b>13,581,033</b>	<b>10,165,552</b>	<b>5,377,436</b>	<b>7,216,298</b>
1. Intangible assets	2,255,078	1,994,975	877,422	967,270
R&D expenses	1,798,803	1,994,975	876,334	962,918
1.2 other intangible assets	0	0	1,088	4,352
1.3 advances for intangible assets	456,276	0	0	0
2. Tangible fixed assets	694,857	694,816	716,598	748,507
2.1. other tangible fixed assets	694,857	694,816	716,598	748,507
a) land (including right to perpetual usufruct)	0	0	0	0
b) buildings, premises, right to premises and civil engineering works	195,046	201,831	158,486	170,353
c) technical equipment and machines	163,471	169,435	147,659	122,279
d) vehicles	280,099	323,550	410,454	453,906
e) other fixed assets	56,241	0	0	1,969
2.2. advances for tangible fixed assets under construction	0	0	0	0
3. Long-term receivables	2,904	2,904	2,904	0
3.1. From other entities	2,904	2,904	2,904	0
4. Long-term investments	0	0	0	0
5. Long-term prepayments	10,628,193	7,472,856	3,780,512	5,500,521
5.1. Deferred tax assets	4,849,784	2,874,317	132,573	3,007,791
5.2. Other accruals	5,778,409	4,598,539	3,647,939	2,492,730
<b>II. Current assets</b>	<b>86,589,536</b>	<b>74,528,235</b>	<b>68,992,052</b>	<b>59,366,122</b>
1. Inventory	1,301	0	0	0
2. Short-term receivables	8,454,787	13,156,950	8,835,797	9,312,351
2.1. From related parties	0	0	0	0
2.2. From other entities where the issuer has an interest in the capital	0	0	0	0
2.3. From other entities	8,454,787	13,156,950	8,835,797	9,312,351
a) trade receivables	6,940,407	12,090,778	5,937,361	7,862,600
- up to 12 months	6,940,407	12,090,778	5,937,361	7,862,600
- over 12 months	0	0	0	0
b) receivables from tax, subsidy, customs, social security and other benefits	84,488	21,836	2,633,423	331,354
c) other	1,429,893	1,044,337	265,013	1,118,397
d) claimed at court	0	0	0	0
3. Short-term investments	77,977,552	61,152,655	59,940,310	49,875,518
3.1. Short-term financial assets	77,977,552	61,152,655	59,940,310	49,875,518
a) in related parties	0	0	0	0
b) in other entities	15,861,659	7,912,614	233,327	0
c) cash and cash equivalents	62,115,893	53,240,042	59,706,984	49,875,518
- cash at hand and at bank	5,657,060	7,907,313	6,706,984	49,875,518
- other cash	56,458,832	45,332,729	53,000,000	0
- other pecuniary assets:	0	0	0	0
3.2. Other short-term investments	0	0	0	0
4. Short-term prepayments	155,896	218,629	215,944	178,254
<b>III. Called up share capital not paid</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>IV. Own shares (stocks)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>TOTAL ASSETS</b>	<b>100,170,569</b>	<b>84,693,787</b>	<b>74,369,489</b>	<b>66,582,420</b>

(in PLN)

LIABILITIES	30.09.2022	30.06.2022	31.12.2021	30.09.2021
<b>I. Equity</b>	<b>91,150,111</b>	<b>78,310,646</b>	<b>71,048,361</b>	<b>61,522,567</b>
1. Share capital	679,436	679,436	679,436	679,436
2. Supplementary capital	3,428,081	3,428,081	3,501,831	3,501,831
3. Revaluation reserve	0	0	0	0
4. Other reserves	57,692,155	55,612,625	37,630,894	36,069,337
4.1 Created in accordance with the company's articles of association	39,837,808	39,837,808	25,135,731	25,135,731
4.2 Created in connection with share-based payments	17,854,347	15,774,817	12,495,162	10,933,606
5. Accumulated profit (loss) from previous years	0	0	133,023	133,023
6. Net profit (loss)	29,350,440	18,590,504	29,103,176	21,138,939
7. Write-off on net profit during the financial year (negative value)	0	0	0	0
<b>II. Liabilities and provisions for liabilities</b>	<b>9,020,458</b>	<b>6,383,141</b>	<b>3,321,128</b>	<b>5,059,853</b>
1. Provisions for liabilities	1,946,908	1,386,175	593,056	1,407,263
1.1. Deferred tax liability	194,408	243,675	89,056	136,042
1.2. Provision for retirement and similar benefits	0	0	0	0
a) long-term	0	0	0	0
b) short-term	0	0	0	0
1.3. Other provisions	1,752,500	1,142,500	504,000	1,271,221
a) long-term	0	0	0	0
b) short-term	1,752,500	1,142,500	504,000	1,271,221
2. Long-term liabilities	106,352	147,495	228,176	267,714
2.1. To related parties	0	0	0	0
2.2. To other entities in which the entity has an equity interest	0	0	0	0
2.3. To other entities	106,352	147,495	228,176	267,714
a) credits and loans	0	0	0	0
b) arising from issuance of debt securities	0	0	0	0
c) other financial liabilities	106,352	147,495	228,176	267,714
d) bill of exchange liabilities	0	0	0	0
e) other	0	0	0	0
3. Short-term liabilities	6,967,198	4,849,470	2,499,895	3,384,876
3.1. Liabilities to related parties	0	0	0	0
3.2. Liabilities to other entities in which the entity has an interest in capital	0	0	0	0
3.3. Liabilities to other entities	6,967,198	4,849,470	2,499,895	3,384,876
a) credits and loans	0	0	0	0
b) arising from issuance of debt securities	0	0	0	0
c) other financial liabilities	503,270	509,918	155,671	153,966
d) trade liabilities	874,448	1,017,865	531,338	661,709
- up to 12 months	874,448	1,017,865	531,338	661,709
- over 12 months	0	0	0	0
e) received prepayments for deliveries and services	0	0	0	0
f) bill of exchange liabilities	0	0	0	0
g) tax, customs, insurance and other liabilities	5,501,980	3,264,283	66,406	2,483,245
h) payroll liabilities	87,500	57,405	1,746,480	84,136
i) other	0	0	0	1,820
3.4. Special funds	0	0	0	0
4. Prepayments and accruals	0	0	0	0
4.1. Negative goodwill	0	0	0	0
4.2. Other accruals	0	0	0	0
a) long-term	0	0	0	0
b) short-term	0	0	0	0
<b>TOTAL LIABILITIES</b>	<b>100,170,569</b>	<b>84,693,787</b>	<b>74,369,489</b>	<b>66,582,420</b>
	<b>30.09.2022</b>	<b>30.06.2022</b>	<b>31.12.2021</b>	<b>30.09.2021</b>
Book value (in PLN)	91,150,111	78,310,646	71,048,361	61,522,567
Number of ordinary shares (pcs.)	679,436	679,436	679,436	679,436
Book value per share (in PLN)	134.16	115.26	104.57	90.55
Diluted number of ordinary shares (pcs.)	699,364	698,606	698,203	698,283
Diluted book value per share (in PLN)	130.33	112.10	101.76	88.11

## PROFIT AND LOSS ACCOUNT (COMPARATIVE VARIANT)

(in PLN)

	01.07.2022 - 30.09.2022	01.07.2021 - 30.09.2021	01.01.2022 - 30.09.2022	01.01.2021 - 30.09.2021
<b>I. Net revenues from sales and equivalent, including revenues:</b>	<b>14,959,886</b>	<b>14,058,525</b>	<b>43,047,254</b>	<b>35,306,736</b>
- from related parties	0	0	0	0
1. Net revenues from sales of products	14,959,886	14,058,525	43,047,254	35,306,736
2. Change in the balance of products (increase - positive value, decrease - negative value)	0	0	0	0
3. Manufacturing cost of products for internal purposes	0	0	0	0
4. Net revenues from sales of goods and materials	0	0	0	0
<b>II. Operating expenses</b>	<b>4,854,403</b>	<b>4,132,996</b>	<b>13,713,374</b>	<b>12,047,836</b>
1. Amortisation and depreciation	323,503	168,525	744,744	1,426,726
2. Consumption of materials and energy	62,012	89,047	227,153	178,509
3. External services	1,272,194	1,290,714	4,156,990	3,281,747
4. Taxes and charges, including:	7,254	10,631	41,474	20,813
- excise duty	0	0	0	0
5. Payroll	2,999,228	2,499,609	7,974,688	6,875,665
6. Social security and other benefits, including	11,336	14,970	43,617	30,283
- pension	5,631	7,472	22,245	15,271
7. Other costs by type	178,877	59,499	524,707	234,092
8. Value of goods and materials sold	0	0	0	0
<b>III. Profit (loss) on sales (I-II)</b>	<b>10,105,482</b>	<b>9,925,530</b>	<b>29,333,880</b>	<b>23,258,900</b>
IV. Other operating revenues	4,504	4,504	13,517	9,519
1. Gain on disposal of non-financial fixed assets	0	0	0	0
2. Subsidies	0	0	0	0
3. Revaluation of non-financial assets	0	0	0	0
4. Other operating revenues	4,504	4,504	13,517	9,519
V. Other operating expenses	11,765	36	175,686	1,436
1. Loss on disposal of non-financial fixed assets	0	0	0	0
2. Revaluation of non-financial assets	0	0	0	0
3. Other operating expenses	11,765	36	175,686	1,436
<b>VI. Profit (loss) on operating activities (III+IV-V)</b>	<b>10,098,222</b>	<b>9,929,998</b>	<b>29,171,711</b>	<b>23,266,984</b>
VII. Financial revenues	1,733,445	528,965	3,343,431	881,846
1. Dividends and profit-sharing	0	0	0	0
2. Interest, including:	1,005,098	0	1,863,511	0
- from related parties	0	0	0	0
3. Gain on disposal of financial assets	0	0	0	0
4. Revaluation of financial assets	8,303	0	0	0
5. Other	720,044	528,965	1,479,920	881,846
VIII. Financial expenses	261,803	36,549	719,702	70,367
1. Interest, including:	6,338	36,549	16,831	70,367
- for related parties	0	0	0	0
2. Loss on disposal of financial assets, including:	255,465	0	126,945	0
- in related parties	0	0	0	0
3. Revaluation of financial assets	0	0	575,926	0
4. Other	0	0	0	0
<b>IX. Gross profit (loss) (VI+VII-VIII)</b>	<b>11,569,864</b>	<b>10,422,414</b>	<b>31,795,440</b>	<b>24,078,462</b>
X. Income tax	809,928	1,345,400	2,445,000	2,939,523
1. Current tax	2,834,662	2,389,349	7,056,859	5,806,431
2. Deferred tax	-2,024,734	-1,043,949	-4,611,859	-2,866,908
XI. Other statutory reductions in profit (increases in loss)	0	0	0	0
<b>XII. Net profit (loss) (IX-X-XI)</b>	<b>10,759,936</b>	<b>9,077,014</b>	<b>29,350,440</b>	<b>21,138,939</b>

	01.07.2022 - 30.09.2022	01.07.2021 - 30.09.2021	01.01.2022 - 30.09.2022	01.01.2021 - 30.09.2021
Net profit (loss) (annualized) (PLN)*	43,039,742	36,308,056	39,133,920	28,185,252
Weighted average number of ordinary shares	679,436	679,436	679,436	679,436
Profit (loss) per share (PLN)	63.35	53.44	57.60	41.48
Diluted weighted average number of ordinary shares	698,639	697,932	698,526	697,921
Diluted net profit (loss) per share (PLN)	61.61	52.02	56.02	40.38

In relation to the third quarter of 2022 and third quarter of 2021 net income of the period annualized by multiplying by 4. In relation to the periods including 1-3 quarters of 2022 and 1-3 quarters of 2021 net income of the period annualized by multiplying by 4 and dividing by 3.



# STATEMENT OF CHANGES IN EQUITY

(in PLN)

	01.07.2022 - 30.09.2022	01.01.2022 - 30.09.2022	01.01.2021 - 31.12.2021	01.01.2021 - 30.09.2021
<b>I. Opening balance of equity</b>	<b>78,310,645</b>	<b>71,048,361</b>	<b>35,481,063</b>	<b>35,481,063</b>
a) changes to the adopted accounting principles (policy)	0	0	0	0
b) adjustment of errors	0	0	0	0
<b>II. Opening balance of equity after adjustments</b>	<b>78,310,645</b>	<b>71,048,361</b>	<b>35,481,063</b>	<b>35,481,063</b>
<b>1. Opening balance of share capital</b>	<b>679,436</b>	<b>679,436</b>	<b>679,436</b>	<b>679,436</b>
1.1. Changes in the share capital	0	0	0	0
a) increase (due to)	0	0	0	0
b) decrease (due to)	0	0	0	0
1.2. Closing balance of share capital	679,436	679,436	679,436	679,436
<b>2. Opening balance of supplementary capital</b>	<b>3,428,081</b>	<b>3,501,831</b>	<b>3,501,831</b>	<b>3,501,831</b>
a) adjustments of errors	0	0	0	0
2.1. Opening balance of supplementary capital after adjustments	3,428,081	3,501,831	3,501,831	3,501,831
2.2. Changes in supplementary capital	0	-73,751	0	0
a) increase (due to)	0	0	0	0
- share issues above par	0	0	0	0
- profit distribution (statutory)	0	0	0	0
- profit distribution (over the statutorily required minimum value)	0	0	0	0
b) decrease (due to)	0	73,751	0	0
- loss coverage	0	73,751	0	0
2.3. Closing balance of supplementary capital	3,428,081	3,428,081	3,501,831	3,501,831
<b>3. Opening balance of revaluation reserve</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
3.1. Changes in revaluation reserve	0	0	0	0
a) increase (due to)	0	0	0	0
b) decrease (due to)	0	0	0	0
3.2. Closing balance of revaluation reserve	0	0	0	0
<b>4. Opening balance of other reserves</b>	<b>55,612,625</b>	<b>37,630,894</b>	<b>8,758,001</b>	<b>8,758,001</b>
4.1. Changes in other reserves	2,079,530	20,061,261	28,872,893	27,311,336
a) increase (due to)	2,079,530	20,063,565	28,872,893	27,311,336
- profit distribution	0	14,495,302	22,408,772	22,408,772
- share-based payment	2,079,530	5,359,184	6,464,121	4,902,565
- profit settlements from previous years	0	209,078	0	0
b) decrease (due to)	0	2,304	0	0
- loss settlements from previous years	0	2,304	0	0
4.2. Closing balance of other reserves	57,692,155	57,692,155	37,630,894	36,069,337
<b>5. Opening balance of previous years' profit (loss)</b>	<b>0</b>	<b>29,236,200</b>	<b>22,541,795</b>	<b>22,541,795</b>
5.1. Opening balance of previous years' profit	0	29,309,951	22,615,546	22,615,546
a) changes to the adopted accounting principles (policy)	0	0	0	0
b) adjustment of errors	0	0	0	0
5.2. Opening balance of previous years' profit after adjustments	0	29,309,951	22,615,546	22,615,546
a) increase (due to)	0	0	0	0
= undistributed profit	0	0	0	0
b) decrease (due to)	0	29,309,951	22,408,772	22,408,772
- profit distribution from previous years	0	14,702,077	22,408,772	22,408,772
- dividend payments	0	14,607,874	0	0
5.3. Closing balance of previous years' profit	0	0	206,774	206,774
5.4. Opening balance of previous years' loss	0	-73,751	-73,751	-73,751
a) changes to the adopted accounting principles (policy)	0	0	0	0
b) adjustment of errors	0	0	0	0
5.5. Opening balance of previous years' loss after adjustments	0	-73,751	-73,751	-73,751
a) increase (due to)	0	0	0	0
b) decrease (due to)	0	-73,751	0	0
- profit distribution from previous years	0	-73,751	0	0
5.6. Closing balance of previous years' loss	0	0	-73,751	-73,751
5.7. Closing balance of previous years' profit (loss)	0	0	133,023	133,023
<b>6. Net result</b>	<b>29,350,440</b>	<b>29,350,440</b>	<b>29,103,176</b>	<b>21,138,939</b>
a) net profit	29,350,440	29,350,440	29,103,176	21,138,939
b) net loss	0	0	0	0
c) write-offs from profit	0	0	0	0
<b>III. Closing balance of equity</b>	<b>91,150,111</b>	<b>91,150,111</b>	<b>71,048,361</b>	<b>61,522,567</b>
<b>IV. Equity including proposed profit distribution (loss coverage)</b>	<b>91,150,111</b>	<b>91,150,111</b>	<b>71,048,361</b>	<b>61,522,567</b>



## CASH FLOW STATEMENT

(in PLN)

	01.07.2022 - 30.09.2022	01.07.2021 - 30.09.2021	01.01.2022 - 30.09.2022	01.01.2021 - 30.09.2021
<b>A. Cash flows from operating activities</b>				
<b>I. Net profit/loss</b>	<b>10,759,936</b>	<b>9,077,014</b>	<b>29,350,440</b>	<b>21,138,939</b>
<b>II. Total adjustments</b>	<b>8,201,475</b>	<b>3,338,326</b>	<b>7,641,586</b>	<b>3,395,406</b>
1. Amortisation and depreciation	323,503	168,525	744,744	1,426,726
2. Exchange gains (losses)	69,509	-38,367	14,908	-39,782
3. Interest and profit sharing (dividend)	8,536	0	-342,865	0
4. Profit (loss) on investment activities	247,162	0	702,871	0
5. Change in provisions	560,733	517,110	1,353,852	1,298,258
6. Change in inventory	-1,301	0	-1,301	0
7. Change in receivables	4,702,163	921,829	381,010	-2,705,308
8. Change in short-term liabilities excluding credits and loans	2,124,375	1,054,437	4,119,703	1,509,332
9. Change in prepayments and accruals	-1,912,734	-981,293	-4,690,519	-2,996,385
10. Other adjustments	2,079,530	1,696,084	5,359,184	4,902,565
<b>III. Net cash flows from operating activities (I+II)</b>	<b>18,961,410</b>	<b>12,415,340</b>	<b>36,992,026</b>	<b>24,534,345</b>
<b>B. Cash flows from investing activities</b>				
<b>I. Inflows</b>	<b>7,744,535</b>	<b>0</b>	<b>7,873,055</b>	<b>0</b>
1. From financial assets, including:	7,744,535	0	7,873,055	0
b) in other entities	7,744,535	0	7,873,055	0
- disposal of financial assets	7,744,535	0	7,873,055	0
- interest	0	0	0	0
<b>II. Outflows</b>	<b>17,490,864</b>	<b>639,458</b>	<b>27,808,909</b>	<b>2,565,109</b>
1. Purchase of intangible assets and tangible fixed assets	1,763,517	639,458	4,231,129	2,565,109
2. Assets liabilities, including:	15,727,347	0	23,577,780	0
b) in other entities	15,727,347	0	23,577,780	0
- acquisition of financial assets	15,727,347	0	23,577,780	0
3. Other outflows from investment activities	0	0	0	0
<b>II. Net cash flows from investment activities (I-II)</b>	<b>- 9,746,329</b>	<b>- 639,458</b>	<b>- 19,935,854</b>	<b>- 2,565,109</b>
<b>C. Cash flows from financial activities</b>				
<b>I. Inflows</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>II. Outflows</b>	<b>45,825</b>	<b>37,366</b>	<b>14,741,187</b>	<b>110,904</b>
1. Dividends and other distributions to the owners	0	0	14,607,874	0
2. Payments of liabilities under the lease agreement	39,488	37,366	116,824	110,904
3. Interest	6,337	0	16,489	0
4. Other outflows from financial activities	0	0	0	0
<b>III. Net cash flows from financial activities (I-II)</b>	<b>-45,825</b>	<b>-37,366</b>	<b>-14,741,187</b>	<b>-110,904</b>
<b>D. Total net cash flows (A.III+B.III+C.III)</b>	<b>9,169,256</b>	<b>11,738,517</b>	<b>2,314,984</b>	<b>21,858,332</b>
<b>E. Balance sheet change in cash, including:</b>	<b>8,875,851</b>	<b>11,776,884</b>	<b>2,408,909</b>	<b>21,898,113</b>
- change in cash due to exchange rate differences	69,509	-38,367	30,782	-39,782
<b>F. Cash opening balance</b>	<b>52,882,172</b>	<b>38,113,094</b>	<b>59,736,444</b>	<b>27,993,279</b>
<b>G. Closing balance of cash (F+D), including:</b>	<b>62,051,428</b>	<b>49,851,611</b>	<b>62,051,428</b>	<b>49,851,611</b>
- of limited disposability	0	0	0	0

## ADDITIONAL INFORMATION TO THE CONDENSED FINANCIAL STATEMENTS FOR THE THIRD QUARTER OF 2022

### General information about Creepy Jar

**Creepy Jar S.A.** with its registered seat in Warsaw (hereinafter "**the Company**", "**the Issuer**" or "**Creepy Jar**") is a producer of computer games designed for various hardware platforms and publisher of its productions. The studio produces high-profile productions in the segment of independent games with the characteristics of high-budget titles, referred to in the industry as Premium Indie.

### Basic information about the Company

<b>Company:</b>	<b>Creepy Jar S.A.</b>
<b>Registered office</b>	Warsaw
<b>Address:</b>	ul. Czułowska 9, 01-360 Warsaw
<b>E-mail address:</b>	office@creepyjar.com
<b>Website:</b>	www.creepyjar.com
<b>Registry court</b>	District Court for the Capital City of Warsaw in Warsaw, XIV Commercial Division of the National Court Register
<b>KRS</b>	0000666293
<b>REGON</b>	366335731
<b>NIP</b>	1182136414
<b>ISIN</b>	PLCRPJR00019
<b>Major objects of activity (PKD)</b>	62, 01, Z, SOFTWARE ACTIVITIES

Creepy Jar S.A. was incorporated on 16 December 2016 by a notarial deed including the consent to the incorporation of the Company, the wording of the Articles of Association and the statement of consent to acquire the entire share capital (notarial deed drawn up before notary Sylwia Jankiewicz in the Notary Office in Kraków under Rep. A No. 4475/2016). The Company was registered in the National Court Register on 2 March 2017. The Company does not have any branches (facilities).

As of the date of this report, all shares of the Company are publicly traded on the regulated market (main market) of the Warsaw Stock Exchange S.A.

### Share capital

The Company's share capital amounts to PLN 679,436 (six hundred seventy-nine thousand four hundred thirty-six zlotys) and is divided into 679,436 (six hundred seventy-nine thousand four hundred thirty-six) ordinary bearer shares with a nominal value of PLN 1 (one zloty) each, including

- **500,000** (five hundred thousand) ordinary series A bearer shares with a nominal value of PLN 1.00 (one zloty) each,
- **147,082** (one hundred forty seven thousand eighty two) ordinary series B bearer shares with a nominal value of PLN 1.00 (one zloty) each,
- **32,354** (thirty two thousand three hundred fifty four) ordinary series C bearer shares with a nominal value of PLN 1.00 (one zloty) each;

To cover the series A shares subscribed for by Krzysztof Maciej Kwiatek, Krzysztof Sałek, Tomasz Michał Soból and Marek Jacek Soból in the share capital of the Company being established, the founders made individual non-cash contributions with a value of PLN 100,000 (one hundred thousand zlotys) each, with a total value of PLN



400,000 (four hundred thousand zlotys). These contributions were covered by copyrights to the concept of the game Green Hell.

The remaining Shares in the Issuer's share capital were covered by a cash contribution.

### Information on the Company's key products

Creepy Jar specializes in producing Premium Indie games for various hardware platforms, especially PC and consoles.

#### Green Hell

The Issuer's first production, Green Hell, is a realistic survival simulator set in the open world of the Amazon rainforest. Players take on the role of an anthropologist, Jake Higgins, who finds himself in a faithfully reproduced Amazon jungle full of deadly threats. He must quickly learn many survival techniques (lighting fires, building shelter, making tools, hunting, dressing wounds) that will allow him to survive in a hostile environment. At the same time, he cannot ignore his own physical and mental condition, which if ignored can pose a mortal threat to him. Green Hell is the first survival game set in the Amazon jungle and stands out from the competition with its diverse gameplay mechanics and compelling storyline. Green Hell was an international success and received high praise from players and reviewers (87% positive reviews on Steam). In July 2022, the total gross sales of the game on PC/Steam, PlayStation and Xbox platforms exceeded 3.5 million copies.

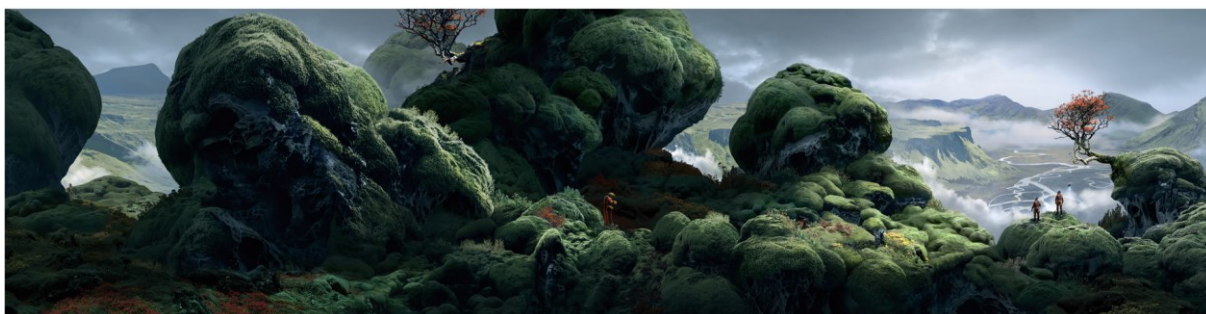
The PC version of Green Hell was released on 29 August 2018 on the Steam distribution platform in Early Access mode. The full version of the game (Full Release) was made available on 5 September 2019. Green Hell allows the game to be played in single player mode and from 7 April 2020 in co-op mode for up to 4 players. The game is currently available on PC/Steam, in version on PlayStation 4, Xbox One and Nintendo Switch consoles and Green Hell VR on Oculus Quest 2, Oculus Rift and Steam platforms. Since its early access release, the title has been regularly supported with updates containing improvements, new content and new story threads that clearly expand the game's content and provide players with more hours of entertainment. Green Hell has received over 80 updates so far, including several major extensions packs, such as co-op mode and story mode. The introduction of story mode to co-op mode or expansion packs of the Spirits of Amazonia series have had a significant impact on the title's development and the sales level.



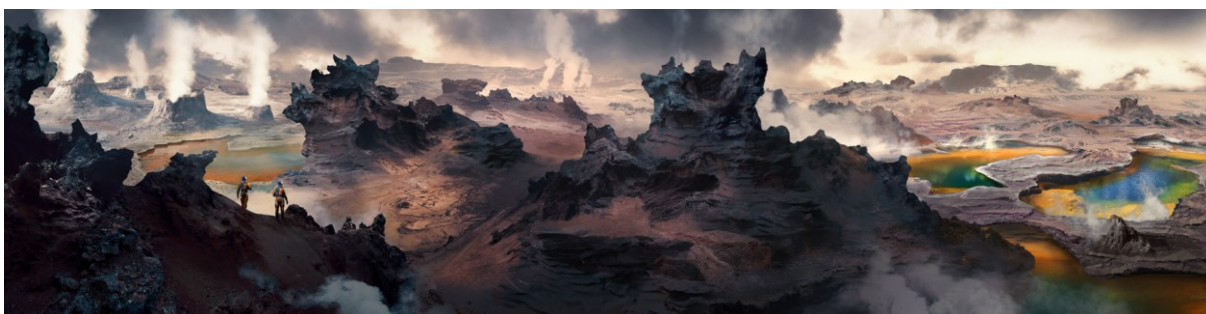


## Chimera

In late 2019 the Company has started working on a new project called Chimera. It will be an advanced base development simulator with survivalist elements, from a first-person perspective, set in a science-fiction setting. The game, unlike Green Hell, will be aimed at more casual players.

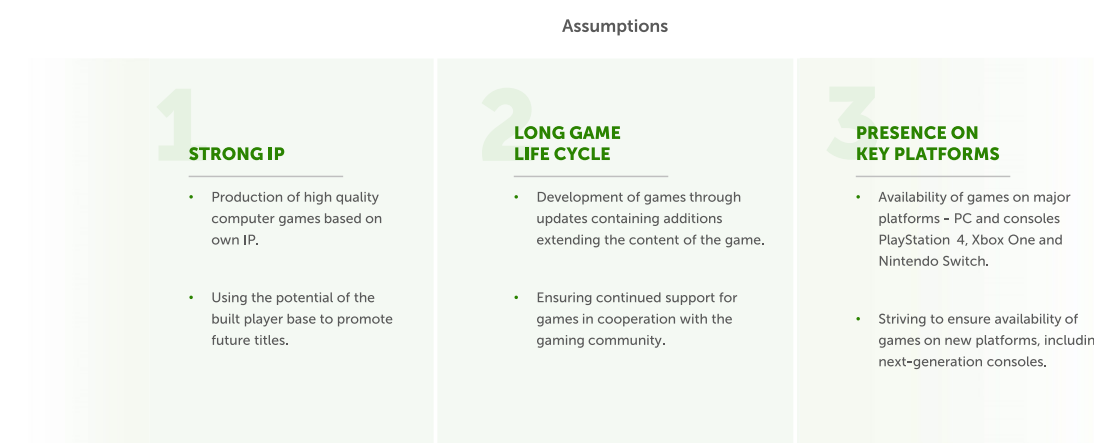


Chimera is being produced on Unreal Engine 5, one of the most advanced commercial game engines on the market. In the Issuer's opinion, Unreal Engine 5 offers technological and graphical capabilities which will allow to achieve above-average game quality. Additionally, thanks to the World Partition system, Unreal Engine 5 is conducive to building open worlds, in which Chimera will also be set.



The Issuer, as in the case of the first title, will probably decide to release Chimera in Early Access with the reservation that the game will have much more extensive content than Green Hell at the time of early access. Considering the success of the co-op mode in Green Hell, Chimera at the time of release will allow users to play in co-op mode for up to 4 players. The Issuer assumes that ultimately Chimera, due to its genre, will offer players an unlimited number of hours of gameplay. Compared to competitive titles the game will be distinguished by high dynamics of changes in the environment, attractive storylines and more survival elements, especially combat. The premiere date of the production has not yet been set.

## Business model



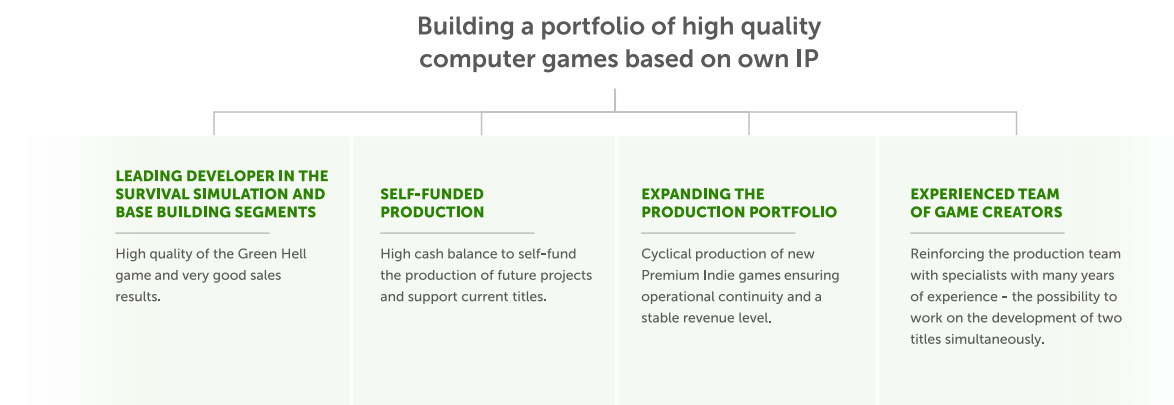
The Issuer specializes in the production of high quality computer games based on its own IP, which it finances independently without external publisher support. The success of Green Hell, the studio's first production, gives the Issuer the opportunity to use the potential of the already established, broad player base to promote the Company's subsequent titles.

The Company assumes cyclical production of new Premium Indie games, which will ensure operational continuity and a stable level of income, enabling the realization of subsequent original projects. The Issuer's business model assumes working on one leading project, while providing long-term support for previously released titles through updates containing free additions expanding their content. The support of the Company's products is realized in cooperation with the community of players. Thanks to this, it can respond in an optimum manner to the needs and expectations of the players with regard to the development of a given production, and thus increase its sales potential. The above activities are aimed at ensuring a long-term life cycle of the Issuer's games, which allows for generating revenues from product sales in the long term with relatively low involvement of Creepy Jar team in supporting the production. Currently, the leading title on which most of the team is working is Chimera. Green Hell, which premiered in early access format in September 2018, is supported and developed by a smaller, dedicated team.

The Issuer's business model is to have the studio's products present on all key hardware platforms in order to maximize their sales potential. Currently, the Company's only completed product is available on the most important (primarily in terms of number of users) platforms - PC and on PlayStation, Xbox, Nintendo Switch consoles (Forever Entertainment S.A. is responsible for porting and distribution) and Oculus Quest 2 (Incuvo S.A. is responsible for porting and distribution). Green Hell has not yet been released in a version dedicated to current generation consoles (PlayStation 5, Xbox Series X|S), but due to backward compatibility, owners of these consoles can play Green Hell in versions for previous generations (on PlayStation 4 and Xbox One). The Company is committed to ensuring the availability of its games on new platforms, including next-generation consoles.



## Basic assumptions of the Company's strategy



The main assumption of Creepy Jar S.A. development strategy is building a portfolio of high quality computer games based on own IP.

The company sells Green Hell game worldwide in digital distribution model. Sales strategy of the Issuer assumes successive development of products through regular updates with free additions significantly increasing game content. After purchase the customer receives support for the title in the long term without having to incur additional costs.

The Issuer assumes cyclical production of Premium Indie games ensuring operational continuity and a stable level of income in the long term. The company focuses on independently financing its future projects and supporting current titles, which enables it to have high cash balance (PLN 78.0 million as at 30.09.2022) obtained as a result of very good sales of Green Hell.

The Issuer is also a publisher of its productions (self-publishing model) on major hardware platforms. In an attempt to ensure availability of its titles on the maximum number of platforms in selected cases (Nintendo Switch, VR) the Company grants licenses to external specialized entities for porting the studio's games to new platforms and their distribution. By granting such licenses the Company may, in a cost-effective manner, ensure its share in a portion of revenues generated by licensees on these platforms by participating in their potential market success. At the same time the availability of the studio's production on many platforms allows the Company to diversify the sources of income from the sale of one product. The Issuer focuses exclusively on its own projects and does not foresee in the near future any publishing activity for external development teams.

The Issuer's development strategy is based on organic growth, which the Company intends to achieve by systematically expanding its portfolio of computer games for key hardware platforms. In the Issuer's opinion this will allow for gradual diversification of revenue sources and will provide the Company with funds necessary to implement further original projects.

Currently Creepy Jar creates a team of over 40 game creators whose competences cover key areas necessary for the production of high quality Premium Indie games. Company's development strategy assumes gradual reinforcement of the production team with specialists with many years of experience in gamedev industry in order to guarantee smooth production process and elimination of potential bottlenecks. The studio is also supported by external specialists working on music, storyline and outsourcing selected graphic elements.



## Information on the composition of the Management Board and the Supervisory Board of the Company

Composition of the Issuer's Management Board as at 30.09.2022:

Full name	Function
Krzysztof Kwiatek	President of the Board
Krzysztof Sałek	Member of the Board
Tomasz Soból	Member of the Board

There were no changes in the composition of the Issuer's Management Board in the reporting period.

Composition of the Issuer's Supervisory Board as at 30.09.2022:

Full name	Function
Michał Paziewski	Chairman of the Supervisory Board
Mirosława Cienkowska	Member of the Supervisory Board
Artur Lebieźniński	Member of the Supervisory Board
Tomasz Likowski	Member of the Supervisory Board
Piotr Piskorz	Member of the Supervisory Board

Composition of the Audit Committee:

Full name	Function
Mirosława Cienkowska	Chairwoman of the Audit Committee
Michał Paziewski	Member of the Audit Committee
Piotr Piskorz	Member of the Audit Committee

There were no changes in the composition of the Issuer's Supervisory Board in the reporting period.

## Information on the principles adopted when drawing up the report

These condensed financial statements (hereinafter referred to as "**Financial Statements**") have been prepared in accordance with the regulations:

- the Accounting Act of 29 September 1994 (consolidated text, Dz. U. 2021 item 217, as amended);
- Ordinance of the Minister of Finance of 5 October 2020 on the scope of information disclosed in financial statements and consolidated financial statements required in issue prospectuses for issuers based in the territory of the Republic of Poland and applying Polish accounting principles (consolidated text, Dz. U. 2020, item 2000) ("**Ordinance on issuers' statements**");
- Regulation of the Minister of Finance of 29 March 2018 on current and periodic information provided by issuers of securities and conditions for recognising as equivalent information required by the laws of a non-member state (Dz. U. of 2018, item 757). ("**Regulation on current and periodic information**")

The financial statements have been prepared on the assumption that the Company will continue as a going concern.

The financial statements were prepared for the period from 1 July 2022 to 30 September 2022. Comparable data are presented for the corresponding periods of 2021 in accordance with the Regulation on current and periodic information.

In the period covered by these Financial Statements, there were no material differences in estimates.

Unless otherwise indicated, all figures are presented in PLN and rounded to the nearest whole PLN.



### Methods of valuation of assets and liabilities and determination of the financial result

For the purpose of preparing these Financial Statements, methods of valuation of assets and liabilities were applied and the principles for determination of the financial result were in accordance with the Accounting Policy binding in the Company.

The accounting principles applied by the Company are adapted to the provisions resulting from the Accounting Act of 29 September 1994 (consolidated text: Dz. U. 2021 item 217) as amended.

#### Principles of recording fixed tangible and intangible assets

Fixed assets and intangible assets are values at purchase prices or production costs less depreciation or amortisation and impairment losses. The purchase price or production cost of a fixed assets is increased by the cost of its improvement.

The purchase price and production cost of fixed assets, tangible assets under construction and intangible assets include all their costs incurred by the Company for the period of construction, assembly, adaptation and improvement until the date of their adoption for use, including the cost of servicing liabilities incurred to finance them and the related exchange differences less the related revenue.

Depreciation of tangible and intangible assets is made starting from the month following the month in which they were accepted for use.

The straight-line method of depreciation is used for tangible and intangible assets, except for R&D works.

#### **Typical annual depreciation rates are as follows:**

Buildings and structures	1,5-4,5%
IT equipment	20-30%
Technical equipment and machines	10-20%
Vehicles	20%
Furniture, tools, instruments, movable property, equipment	20%
Licences, R&D expenses	10-50%
Other intangible assets	20%

In case of tangible and intangible assets acquires as used as well as those showing accelerated wear and tear and in untypical cases depreciation rates may be set outside the ranges indicated above.

For tangible and intangible assets for which depreciation rates specified in the Corporate Income Tax Act (tax rates) do not differ materially from the depreciation rates resulting from the economic useful lives, tax rates are applied.

Tangible assets and intangible assets with an expected useful life of more than one year and an initial value equal to or less than PLN 10,000.00 are entered in the balance sheet records of fixed assets and depreciated once in the month in which they are accepted for use.

The correctness of the applied depreciation periods and rates of tangibles and intangible assets is periodically verified by the Company.

#### Development costs

The costs of completed development works related to the production of games carried out by the Company, incurred prior to the production or application of technology are classified as intangible assets, if all of the following conditions are met:

- the product or production technology are precisely specified and the related development costs are reliably determined,
- the technical usefulness of the product or technology has been established and properly documented and on this basis the Company has made a decision to manufacture these products or to apply the technology,
- the development costs are expected to be covered by revenues from the sale of these products or application of technology.

The development costs are subject to straight-line amortisation over the economic useful life of the development results or in case of projects for which it is possible to determine the reliable estimates of the quantity or value of sales, the Company amortises the value of these projects using the natural method, in relation to the planned volume of sales. If in exceptional cases it is not possible to reliably estimate the economic useful life of the results of completed development works, the period of write-downs may not exceed 5 years.

Amortisation of completed development works is made starting from the month following the month in which they were accepted for use.

The principles specified above for making impairment losses apply to the costs of completed development works.

The costs of development works in the period until their completion are recognised as long-term prepayments.

#### Leasing

The Company applies the principles of qualification of lease, tenancy, leasing and other similar agreements provided for in Article 3 (4) and (5) of the Accounting Act. If the Company is a party to lease, tenancy, leasing or other similar agreements under which it has accepted third-party tangible or intangible assets for use, under which substantially all the risks and benefits resulting from the ownership of assets being the subject matter of the agreement are transferred, the subject matter of the agreement is recognised under assets in the balance sheet. The subject matter of the agreement is initially recognised at the lower of two values: the fair value or the present values of the minimum lease payments. Lease liabilities are valued at adjusted purchase price.

#### Investments

Investments include assets held for the purpose of obtaining economic benefits from appreciation in value of these assets, revenues resulting therefrom in the form of interest, dividends (shares in profit) or other benefits, including from business transactions, and in particular financial assets and those real estate and tangible and intangible assets that are not used by the Company, but are held in order to obtain economic benefits.

#### Receivables and liabilities not classified as investments or financial liabilities

Receivables are recognised at the amount required to be paid, while applying the prudent valuation principle. Receivables are revalued taking into account the degree of probability of their payment, by means of a revaluation write-down included respectively in other operating costs or financial costs - depending on the type of receivables to which the revaluation write-down relates. Revaluation write-downs are created for individual receivables. It is allowed to create revaluation write-downs for groups of receivables respectively to their overdue status, if receivables to which this approach is applied are not individually significant.

Liabilities are valued at the amount due.

Receivables are liabilities are classified as:

- short-term receivables or liabilities in relation to all trade receivables and liabilities and all or part of other receivables and liabilities that are due within 12 months of the balance sheet date,
- long-term receivables and liabilities - in relation to receivables other than short-term receivables.

Receivables and liabilities expressed in foreign currency as at the balance sheet date are valued using the average exchange rate announced by the National Bank of Poland at that date.

#### Prepayments and accruals

The Company makes prepayments in relation to costs incurred with regard to future reporting periods. Write-offs of prepayments are made according to the lapse of time or the amount of benefits, in accordance with the prudent valuation principle.

Game development costs incurred prior to the sale or application of new solutions are recognised as development expenditures in progress and presented as long-term accruals. When the work is completed and expenditures related to the implementation of a given project are recognised, the expenditures are transferred from the item of accruals to the item of costs of completed development works, presented in the balance sheet as intangible assets.

Accruals are made at the amount of probable liabilities falling due in the current reporting period, resulting in particular from services provided to the Company by contractors, when the amount of liability can be reliably estimated.

Accruals and deferred income are made in accordance with the prudence principle and include in particular the equivalent of funds received from or payable to contractors for services to be performed in subsequent reporting periods.

#### Provisions

Provisions are liabilities whose maturity date or amount is uncertain.

The Company creates provisions if it has a legal or constructive obligation resulting from past events and if it is probable that the settlement of this obligation will result in the use of the Company's already existing or future assets. Provisions are created if their amounts are material and reliable estimates can be made.

Provisions are created at the amount representing the best estimate of expenditures required to settle the present obligation as at the balance sheet date.

Provisions are not created for future operating losses.

#### Equity

Share capital is recognised at the amount specified in the Company's articles of association and entered in the court register.

Supplementary capital is recognised at the amount of the share premium as well as profit distribution and other amounts, if the Company's articles of association and relevant resolutions of its bodies so provide.

Other elements of equity are recognised in accordance with the provisions of the Commercial Companies Code, the Accounting Act, the Company's articles of association, resolutions of the Company's bodies and when so provided in this accounting policy (principles), including in connection with the share-based payments made by the Company. The manner of recognising components of equity in connection with share-based payments are described below.

#### Revenues and expenses

Revenues and expenses are recognised on an accrual basis, i.e. In the financial year to which they relate, irrespective of when the payment is received or made and in accordance with the principle of matching revenues and expenses and the prudence principle.

#### Operating revenues and expenses



Operating revenues and expenses include revenues and expenses related to the reporting period other than revenues and expenses from financial operations and revenues and expenses from income tax and other compulsory charges on the financial result.

Revenues from sales of products are recognised in the profit and loss account, if all of the following conditions are met:

- the amount of revenues can be measured reliably,
- there is a sufficiently high probability that the Company obtains economic benefits from the transaction,
- The significant risk and benefits resulting from ownership of assets subject to sales have been transferred to the buyer and the Company is no longer permanently involved in the management of the assets transferred not does it exercise effective control over them.

Revenues from sales include the disposal of products manufactured by the Company to which it has exclusive licensing rights from their manufacture or has acquired licences to publish or distribute them.

The Company licenses its software (intellectual property) to game distributors. The licence granted for a set period of time give the distributors access to the intellectual property in the form in which it exists during the licence period. The basis for revenue recognition constitute royalties from the sales of game distribution licences. These revenues depend on the amount of sales made by the distributor to the end user in a given reporting period. Revenue from sales of a given product is recognised in the period of sale based on sales reports to end users received by the Companies from game distributors.

Revenues include amounts received or due to products supplied to purchasers, less commissions or similar amounts for participation in sale charged by distributors in accordance with relevant agreements as well as trade discounts, if any, and value added tax (VAT). The amount of revenues is measured at the value of payment received or due. Other operating revenues and expenses include revenues and expenses related indirectly to the Company's operating activities.

#### Revenues and expenses of financial operations

Revenues and expenses of financial operations include in particular:

- profits and losses on the disposal and valuation of financial instruments other than receivables and liabilities resulting from operating activities,
- interest received and due as well as similar fees and commissions, if they do not increase the initial value of assets,
- dividends received and due,
- exchange differences if they are not charged to the initial value of assets.

Interest income and expenses are recognised using the effective interest rate. It is allowed to calculate interest on a simplified basis, if the difference between the amount of interest so determined and the amount resulting from the use of effective interest rate is immaterial.

#### Income tax

Current income tax is recognised in accordance with applicable tax laws. In connection with temporary differences between the book value of assets and liabilities and their tax value and tax loss deductible in the future the Company creates a provision and established deferred tax assets.

Deferred tax assets are established in the amount expected to be deducted from income tax in the future due to negative temporary differences that will reduce the income tax base and deductible tax loss in the future, in accordance with the prudence principle.



Deferred tax liability is established for the amount of income tax payable in the future in connection with positive temporary differences, i.e. differences that will increase the income tax base in the future.

The amount of deferred tax liabilities and assets is established taking into account the income tax rates applicable in the year when the tax obligation arose.

Deferred tax liabilities and assets may be presented in the balance sheet after offsetting, if the Company has a title authorising it to take them into account simultaneously when calculating the amount of tax liability.

#### Transactions in foreign currencies

Economic transactions expressed in foreign currencies are recognised in the accounting books as at the day of their performance at:

- the actually applied exchange rate on that day, resulting from the nature of operation - in case of selling or buying currencies and payment of receivables or liabilities,
- the average exchange rate announced by the National Bank of Poland on the day preceding that day - in case of paying receivables or liabilities, if it is not reasonable to apply the exchange rate referred to above as well as in case of other operations.

As at the balance sheet date assets and liabilities expressed in foreign currencies are values at the average exchange rate announced for a given currency by the National Bank of Poland for that day.

Exchange differences resulting from the valuation as at the balance sheet date of assets and liabilities expressed in foreign currencies, except for long-term investments, are resulting from the payment of receivables and liabilities in foreign currencies, as well as from the sale of currencies, are included respectively in financial revenues or expenditures, and in justified cases - in the production cost of products or purchase price of goods, as well as in the purchase price or production cost of fixed assets, fixed assets under construction or intangible assets.

#### Profit and loss account

The Company prepares a profit and loss account in a comparative version.

#### Cash flow statement

The Company prepares a cash flow statement using indirect method.

#### Statement of changes in equity

The Company prepares a statement of changes in equity.

#### Financial instruments

Shares and stocks in subordinated entities classified as fixed assets are values at purchase price less impairment losses.

Financial instruments other than shares and stocks in subordinated entities, rights and obligations under lease and insurance agreements as well as financial instruments issued by the Company, constituting its equity instruments, are recognised and valued in accordance with the Regulation of the Minister of Finance of 12 December 2001 on detailed principles of recognition, valuation methods, scope of disclosure and manner of presentation of financial instruments (as amended).

Financial assets are classified in one of the following categories:

- financial assets held for trading,
- loans granted and own receivables,

- financial assets held to maturity,
- financial assets available for sale.

Financial liabilities are classified in one of the following categories:

- financial liabilities held for trading,
- other financial liabilities.

Financial assets are classified as current assets, if they are payable and due or intended for disposal within 12 months of the balance sheet date or from the date of their establishment, issue or acquisition or if they are cash equivalents. In other cases financial assets are included in fixed assets.

Financial liabilities are classified as short-term liabilities if they are due within 12 months of the balance sheet date. In other cases financial assets are included in fixed assets.

Financial assets are entered in the accounting books on the date of concluding an agreement at the purchase price, i.e. at the fair value of the expenses incurred or other assets transferred in exchange, whereas financial liabilities at the fair value of the amount received or the value of other assets received. When determining the fair value at that date the transaction costs incurred by the Company are taken into account; transaction costs can be ignored when determining the fair value if they are immaterial. Transaction of buying and selling financial instruments made in regulated trading are entered in the accounting books on the date of their settlement.

#### Hedge accounting

The Company does not apply hedge accounting.

#### Share-based payments

In case of share-based payments (also settled in other equity instruments) granted to employees, associates and members of the Company's Management Board, the fair value of the instruments is determined at the grant date. To determine the fair value of the instruments granted, an option pricing model is applied which takes into account, among other things, the Company's share price as at the vesting date, the volatility of the share price, the risk-free interest rate, the exercise price of the option and the period in which the option may be exercised.

The fair value of equity-settled share-based payments determined at the grant date is charged to compensation expense on a straight-line basis over the vesting period, taking into account the terms and conditions of the instruments granted based on the Company's respective estimates, with a corresponding increase to reserves. At each balance sheet date, the Company revises its estimates of the number of equity instruments expected to be granted. The impact, if any, of the revision of the original estimates is recognised in the profit and loss account over the remaining period of the grant, with a corresponding adjustment to the share-based payment reserve. Stock options or other rights outstanding under share-based payment arrangements are not financial instruments.

#### **Information on changes in Accounting Policy in the current financial year and their effect on the financial result and equity**

In the reported period the Issuer's Accounting Policy has not changed.

#### **Amount and type of items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, value or frequency**

In the financial results for the third quarter of 2022 the Issuer does not identify amounts or items affecting assets, liabilities, equity, net income or cash flows that are unusual because of their nature, value or frequency.



### Explanations concerning seasonality or cyclicity of the issuer's activities in the presented period

In the financial results for the third quarter of 2022, the Issuer does not identify the phenomenon of seasonality or cyclicity.

At the same time, it should be emphasized that the highest sales revenue to date have been recorded in periods immediately following the game's launch (including on new platforms) or the addition of new updates (e.g. co-op mode, expansion packs of Spirits of Amazonia series). In the periods between significant updates or expansions, turnover can be significantly lower, which can result in significant differences in revenue values and disparities in financial performance from one reporting period to the next. The Issuer tries to minimise this effect by releasing the game on new platforms and adding further free updates that expand the content of Green Hell. As a consequence, the Issuer tries to extend the life of the product on the market and at the same time to spread sales over various periods of the year.

### Information on write-downs of inventories to net realisable value and reversal of write-downs

In the third quarter of 2022, the Issuer did not make any inventory write-downs.

### Information on impairment losses on financial assets, property, plant and equipment, intangible assets or other assets, and reversal of such write-offs

In the third quarter of 2022, the Issuer did not make any impairment losses on assets.

### Information on the creation, increase, use and release of provisions

(in PLN)

Provisions	01.01.2022 - 30.09.2022	01.01.2022 - 30.06.2022	01.01.2021 - 31.12.2021	01.01.2021 - 30.09.2021
Opening balance	504,000	504,000	0	0
Release of provisions	0	0	0	0
Use of provisions	529,000	506,500	0	38,600
Creation of provisions	1,777,500	1,145,000	504,000	1,309,821
<b>Closing balance, including:</b>	<b>1,752,500</b>	<b>1,142,500</b>	<b>504,000</b>	<b>1,271,221</b>
- long-term, including:	0	0	0	0
- provisions for employee benefits	0	0	0	0
- other provisions	0	0	0	0
- short-term, including:	1,752,500	1,142,500	504,000	1,271,221
- provisions for employee benefits	0	0	0	0
- other provisions	1,752,500	1,142,500	504,000	1,271,221

In the third quarter of 2022 a provision was created for potential bonuses for management board members in the amount of PLN 630,000. The final amount and payment of the bonus will depend on the Company's net profit for the full year 2022 in accordance with the principles set out in the Company's Remuneration Policy.

### Information on deferred tax assets

(in PLN)

Deferred tax liability	30.09.2022	30.06.2022	31.12.2021	30.09.2021
- expenditure on intangible assets	134,153	154,005	55,121	97,467
- provision for interest income	18,133	31,163	2,098	0
- deferred income	22,581	25,686	0	0
- undepreciated value of vehicles	13,882	16,599	17,159	28,018
- balance sheet valuation	5,659	16,222	1	10,558
- provision for derivative instrument valuation	0	0	14,676	0
<b>Total</b>	<b>194,408</b>	<b>243,675</b>	<b>89,056</b>	<b>136,042</b>

(in PLN)



Deferred tax assets	30.09.2022	30.06.2022	31.12.2021	30.09.2021
- IP Box	4,664,702	2,735,609	0	2,853,546
- provision for bonuses for the management board	130,513	86,460	109,854	117,825
- valuation of financial instruments	25,551	27,088	0	0
- financial lease liabilities	13,234	15,726	16,047	26,029
- unpaid salaries, social security contributions, employee capital plans	8,540	7,691	582	10,158
- provision for the preparation and audit of the financial statements	186	1,737	3,397	232
- balance sheet valuation	7,057	7	2,694	0
- other provisions	0	0	0	0
<b>Total</b>	<b>4,849,784</b>	<b>2,874,317</b>	<b>132,573</b>	<b>3,007,791</b>

### Information on significant transactions of purchase and sale of tangible assets

In the third quarter of 2022, the Issuer did not make any significant purchase or sale transactions of tangible assets.

### Information on significant liability due to purchase of fixed assets

In the third quarter of 2022, the Issuer did not have any significant liabilities due to the purchase of tangible assets.

### Information on significant litigation settlements

In the third quarter of 2022, the Issuer was not a party to any court or arbitration proceedings which could have or had a significant impact on the financial position or profitability of the Company.

### Indication of adjustments of prior period errors

Not present.

### Information about changes in economic conditions and operating conditions that have a significant effect on the fair value of the entity's financial assets and financial liabilities, regardless of whether those assets and liabilities are recognised at fair value or at adjusted purchase price (amortised cost)

In the reporting period, there were no changes in the economic situation and operating conditions that would have a significant impact on the fair value of financial assets and financial liabilities.

### Information on non-repayment of a loan or borrowing, or violation of material provisions of a loan or borrowing agreement, in respect of which no remedial action had been taken by the end of the reporting period

During the third quarter of 2022, the Company did not have any agreements on loans or borrowings.

### Information on conclusion by the Issuer of one or more transactions with related entities if they were concluded on non-market terms

During the third quarter of 2022 the Issuer did not conclude any significant transactions with related entities on conditions other than market conditions.

### **Information on change in manner (method) of determining measurement of financial instruments measured at fair value**

During the third quarter of 2022 there were no changes in the manner (method) of determining the valuation of financial instruments measured at fair value.

### **Information about changes in the classification of financial assets as a result of changes to the purpose or use of these assets**

During the third quarter of 2022 there were no changes in the classification of financial assets as a result of a change in the purpose or use of such assets.

### **Information concerning the issue, redemption and repayment of securities**

During the third quarter of 2022 there were no events of issue, redemption or repayment of securities.

### **Information on paid (declared) dividend**

During the third quarter of 2022 the Issuer did not declare or pay any dividends.

### **Events that occurred after the date as of which the condensed quarterly financial statements were drawn up and not included in these statements, which could significantly affect the Issuer's future financial performance**

As at the date of approval of these Financial Statements for publication, the Company's Management Board does not identify any events not recognized in these statements which may materially affect its future financial results.

### **Information on changes in contingent liabilities or contingent assets that have occurred since the end of the last financial year**

Since the end of the last financial year, the Issuer has not incurred any contingent liabilities and does not identify any contingent assets.

### **Other information that may significantly affect the assessment of the Issuer's property, financial condition and results of operations**

Net income in the third quarter of 2022 was significantly impacted by the recognition of non-cash expenses related to share-based payments to the Company's employees, associates and Board Members resulting from the 2020-2022 Incentive Plan adopted by the Company's Ordinary General Meeting of Shareholders on 23 July 2020. In view of the above in the third quarter of 2022 the cost of remuneration in the amount of PLN 2.1 million was recognised.

### **COVID-19**

The Company observes and analyses the impact of the spread of COVID-19 epidemic in Poland and in other countries where the Company's products are sold. So far, i.e. until the date of publication of these financial statements, it has not had a significant impact on the Company's financial result. Together with the periodic restrictions on movement and organisation of gatherings introduced in previous years the Company took measures aimed at introducing a remote working model in the Company. The purpose of this initiative was to

minimise the risk of infections among the Company's staff. As part of the measures taken, changes were introduced to the network infrastructure and software to enable safe and possibly effective remote work, including ensuring communication between the Management Board and team members. At present the Company is ready to immediately return to remote working mode in case of renewed restrictions. It should be noted that in the Company's opinion the long-lasting operation of the team in the remote working model may have a negative impact on the time of production works.

Taking into account the Company's cash balance, investment plans related to the production of games and in the absence of significant liabilities it should be stated that even a prolonged COVID-19 epidemic does not pose a threat to the Company's prospects and liquidity over the next 12 months.

#### **WAR IN UKRAINE**

On 24 February 2022 the Russian Federation launched an armed invasion of Ukraine. In response to Russia's unlawful actions, the international community, including EU countries and the United States, imposed extensive economic and political sanctions on the Russian Federation. Taking into account the unpredictability of the situation, at this stage it is not possible to assess potential scenarios for the development of the armed conflict and their consequences (including those related to sanctions) for the economic situation in Poland and in the world.

The Company does not conduct direct operations in any of the countries engaged in this conflict. The distribution of the Company's products on these markets takes place through sales platforms, in particular such as Steam, PlayStation Store and Microsoft Xbox Store. In opposing the actions of Russia and Belarus, the Company has applied to these entities to block the possibility to purchase the Company's products by users from these countries. Based on data for 2021 provided by a/m distribution platforms the total share of Russia and Belarus in the value of Green Heel's sales on these platforms was less than 2.5%. Whereas the share of Ukraine in these revenues was at 0.2% of the sales value. While even a long-term exclusion or limitation of distribution on these markets should not have a significant impact on the Company's financial result, at this stage it is not possible to reliably assess the impact of this situation on the Company's operations and prospects.



# OTHER INFORMATION TO THE FINANCIAL STATEMENTS

**Creepy Jar S.A.**

**for the third quarter of 2022**





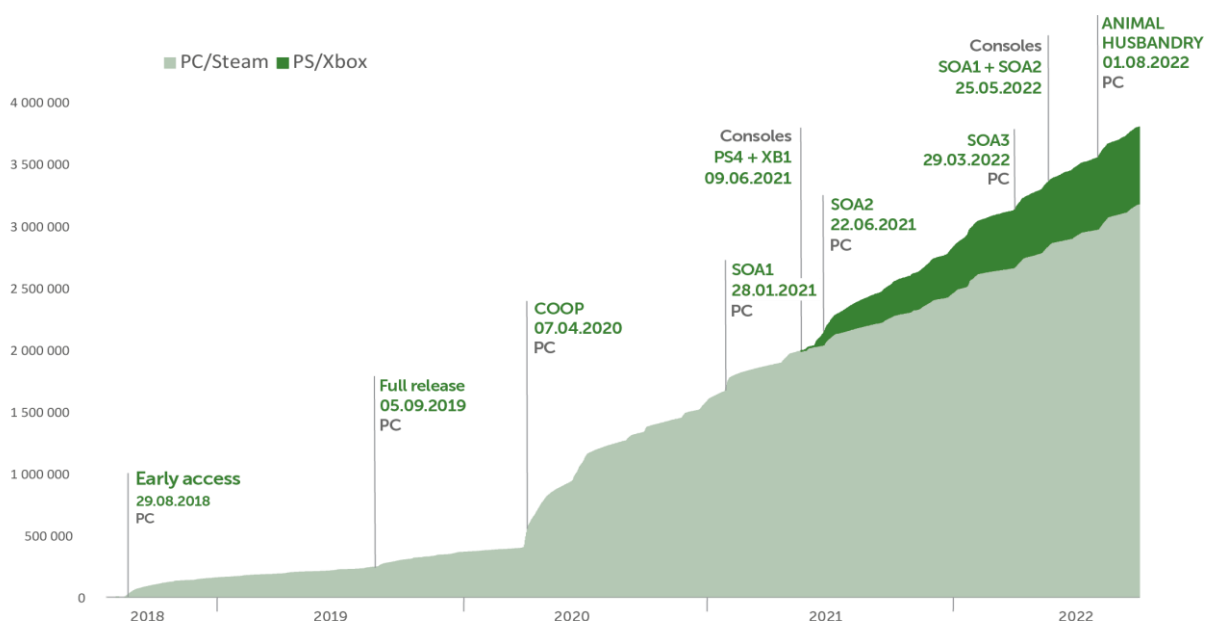
## OTHER INFORMATION

### Significant achievements or failures of the Issuer in the third quarter of 2022

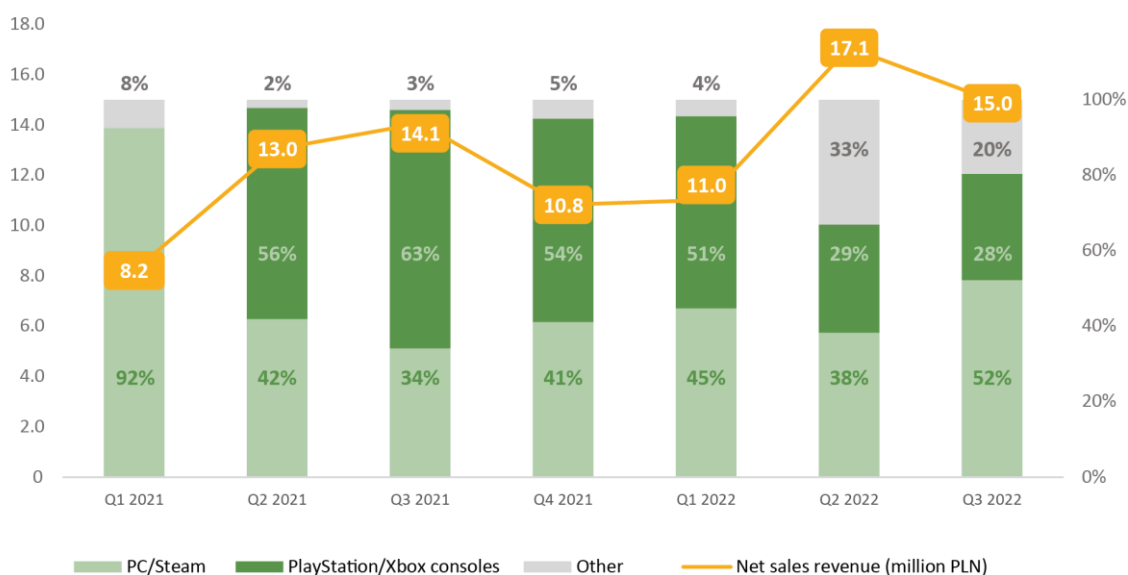
#### Commentary on the results for the third quarter of 2022

In the third quarter of 2022, the Company achieved net sales of Green Hell in the amount of PLN 15.0 million, compared to PLN 14.1 million in the corresponding period of 2021 (an increase by 6% y/y). The high level of sales revenues in the reported period was achieved due to very good sales of the Green Hell game on all platforms, in particular on PC/Steam.

**Chart 1.** Total gross sales of the Green Hell game on PC/Steam, PlayStation and Xbox platforms (cumulative, pcs.) until 30.09.2022.



**Chart 2.** Share of Green Hell sales revenues for PC/Steam, PlayStation and Xbox consoles in the Company's total revenues



In the third quarter of 2022 52% of net revenues from sales were generated on the PC/Steam platform, whereas the sales on Sony PlayStation and Microsoft Xbox consoles amounted to 28% of the Company's revenues. The remaining 20% are primarily royalties from entities to which the Company granted licence to port and distribution of Green Hell on Nintendo Switch and virtual reality platforms. The increase in the share of PC/Steam sales in the Company's total revenue in the reported period results from very good sales of Green Hell supported by the release of the Animal Husbandry expansion pack. Gross sales by volume in the third quarter of 2022 on PC/Steam, PlayStation Store and Microsoft Store platforms (game versions to which the Company holds publishing rights) amounted to 319 thous. copies, with 69 thous. on PlayStation and Xbox consoles. On 8 July 2022, in the current report no. 21/2022 the Company informed that the cumulative total gross sales of Green Hell on the a/m platforms exceeded 3.5 million copies.

In August 2022 it has been 4 years since the release of Green Hell in Early Access formula on the Steam platform, and the Issuer is generating more and more revenues from the sale of the title with each passing year. This is due to the regular development of the production and enriching it with new content (including a co-op mode or the Spirits of Amazonia series), as well as making the game available on subsequent platforms and consistent diversification of revenue sources. Total Company's net revenues from this IP in the period from the beginning of sales to 31 July 2022 amounted to nearly PLN 128 million with total expenditures on production and development of the title in the amount of approx. PLN 13.9 million (in the period from the beginning of production to 31 July 2022).

**Chart 3.** Company's net revenues from the sale of Green Hell on all platforms in the consecutive 12-month periods from August 2018 (Early Access Green Hell)



In the third quarter of 2022 the Company generated PLN 10.1 million in operating profit (an increase by 2% y/y) and PLN 10.4 million in EBITDA (an increase by 3% y/y). It made it possible to achieve EBIT profitability of 68% and EBITDA profitability of 70%. Net profit in the reported period increased by 19% y/y to PLN 10.8 million and the net margin amounted to 72% (an increase by 7 pp y/y). Operating expenses in the third quarter of 2022 amounted to PLN 4.9 million compared to PLN 4.1 million in the corresponding period of 2021 (increase by 17% y/y). The largest items were remunerations (in the amount of PLN 3.0 million), which included PLN 2.1 million of costs related to the implementation of the 2020-2022 Incentive Scheme, and third-party services (in the amount of PLN 1.3 million), which included among other things the production costs of Animal Husbandry on PC and other updates of the Green Hell game. The depreciation in the reported period amounted to PLN 0.3 million.

The balance sheet total as at 30 September 2022 amounted to PLN 100.2 million, which means an increase nearly by PLN 15.5 million compared to the balance as at 30 June 2022. Fixed assets in this period increased to PLN 13.6 million, mainly due to an increase in deferred tax assets by PLN 2.0 million and expenditures on unfinished R&D works related to the production of Chimera in the amount of PLN 1.2 million, included in other non-current accruals. At the end of the reported period the Company achieved a share of equity in the balance sheet total of more than 90%. The increase in short-term liabilities to PLN 7.0 million is due to an increase in public liabilities to PLN 5.5 million compared to the balance as at 30 June 2022.

The Company maintains a high cash generating efficiency. Cash flows from operating activities in the third quarter of 2022 amounted to PLN 19.0 million, which means an increase by 53% y/y. Net cash flows from operating activities in the third quarter of 2022 consisted of net profit of PLN 10.8 million and adjustments of PLN 8.1 million. Among the adjustments the most important items were the change in receivables (PLN 4.7 million), costs related to the incentive scheme (PLN 2.1 million) and change in trade payables (PLN 2.1 million), as well as changes in prepayments and accruals (PLN -1.9 million). Cash flows from investing activities in the third quarter of 2022 included inflows of PLN 7.7 million from the redemption of bond and settlement of forward transactions and capital expenditure in the amount of PLN 17.5 million for i) the acquisition of intangible assets and tangible fixed assets of PLN 1.8 million, of which PLN 1.2 million were expenditure on the production of Chimera and ii) the acquisition of short-term securities (bonds) for nearly PLN 15.7 million.

Short-term financial assets as at 30 September 2022 amounted to PLN 78.0 million, of which cash and other pecuniary assets accounted for PLN 62.1 million. The table below presents the structure of short-term financial assets held by the Company:

Short-term financial assets( in PLN)	30.09.2022	30.06.2022	31.12.2021	30.09.2022
- cash at hand and at bank	5,657,060	7,907,313	6,706,984	49,875,518
- bank deposits	56,458,832	45,332,729	53,000,000	0
- short-term securities (bonds)	15,861,659	7,912,614	0	0
- other short-term financial assets (Forward contracts)	0	0	233,327	0
<b>Total</b>	<b>77,977,552</b>	<b>61,152,655</b>	<b>59,940,310</b>	<b>49,875,518</b>

## Game production

The total R&D expenses related to game production in the third quarter of 2022 amounted to PLN 1.6 million, PLN 1.2 million of which was recognised in the balance sheet and further PLN 0.4 million was recognised in the income statement as current game development costs.

## Green Hell

In the third quarter of 2022 the Company completed its work on the Animal Husbandry expansion pack on PC, which enriches the Green Hell gameplay with, among other, the mechanics of catching, taming and breeding animals: capybara, tapir and peccary. The PC version of the expansion pack was released on 1 August 2022. The new content has received a lot of positive feedback from players, with the Green Hell game being once again among the 25 best-selling games on the Steam platform.

In recent months the Company has released a number of updates to Green Hell, including Achievements Update on PC, which adds 28 new achievements to the game on Steam dedicated to both the Spirits of Amazonia and Animal Husbandry series, and a patch which allows naming of the farmed animals. In November 2022 the Company released Plant Naming Patch on PC, which allows players to name plants found in the Amazon jungle. All of the above-mentioned updates have been released together with minor fixes to existing bugs and improvements to the game.

At present, the Company is finalising work on the Building Update expansion pack on PC, which will significantly expand the ability to construct and build a base with the ability to cut larger trees and remove obstacles such as logs and stumps. New elements will also be introduced: doors, bridges, tree houses and many others.

In 2022 the Company plans to release the expansion pack to the Spirits of Amazonia 3 in version for PlayStation 4 and Xbox One consoles.

Plans related to future development of Green Hell will be presented in the project's roadmap for the next year.

## Chimera

In the third quarter of 2022 the Company continued work on its second original project called Chimera. Production milestones met at this time include key mechanics and game elements.

In the reported period the Issuer pursued activities related to the preparation of Chimera's first marketing materials (reveal teaser and key art), to be completed in 2022. The Company has decided to increase the scope of the released materials, among others, with the launch of the Steam card and the product website. With a view to choosing the best moment for their release from the perspective of attracting the largest possible number of players and media, the Issuer will in the first quarter of 2023 decide on the time of releasing these marketing materials.

The Company has sufficient cash to complete the new game. The total value of expenditures incurred for the production of Chimera up to 30 September 2022 amounted to PLN 5.8 million, of which over PLN 1.2 million were incurred in the third quarter of 2022.

## Key corporate events

On 26 September 2022 the Supervisory Board adopted resolutions to amend the Regulations of the Company's Supervisory Board and the Regulations of the Audit Committee. The current versions of the documents are available on the Issuer's website ([https://creepyjar.com/en/corporate\\_governance/](https://creepyjar.com/en/corporate_governance/)).

On 25 October 2022 the Extraordinary General Meeting of the Company adopted resolutions to amend the Remuneration Policy of the Members of the Company's Management Board and Supervisory Board and change the remuneration of the members of the Company's Supervisory Board. Furthermore, the Extraordinary General Meeting adopted resolutions to amend the Company's Articles of Association justified primarily by the need to adapt the existing wording of the Articles of Association to the provisions of the Commercial Companies Code, in force as of 13 October 2022. Resolutions adopted by the Extraordinary General Meeting of the Company on 25 October 2022 were published by the Issuers in the current report no. 24/2022 of 25 October 2022.

On 14 November 2022 the District Court for the capital city of Warsaw in Warsaw, XII Commercial Division of the National Court Register, registered the amendments to the Company's Articles of Association made by resolutions numbered from 6 to 9 of the Extraordinary General Meeting of the Company of 25 October 2022, which was announced by the Company in the current report no. 27/2022.

## Factors and events, including those of an untypical nature, having a material impact on the condensed financial statements

In the third quarter of 2022 there were no factors of unusual nature that affected the financial results achieved by the Company in the period.

## Description of changes in the organization of the Issuer's capital group

Not applicable. The Issuer does not form a capital group.



### The Management Board's position concerning the possibility of fulfilment of previously published result forecasts for a given year in the light of the results presented in the quarterly report in relation to the forecast results

The Company did not publish any financial estimates or forecasts concerning the presented period.

### Issuer's shareholding structure as at the date of submission of the quarterly report

Issuer's shareholding structure as at 24 November 2022:

Shareholder	Number of shares	% in share capital	Number of votes	% of votes
VENTURE FIZ	87,361	12,86%	87,361	12,86%
Krzysztof Kwiatek	73,879	10,87%	73,879	10,87%
Krzysztof Sałek	73,878	10,87%	73,878	10,87%
Tomasz Soból	73,752	10,85%	73,752	10,85%
TFI Allianz Polska S.A.	47,834	7,04%	47,834	7,04%
Quercus TFI S.A.	34,000	5,00%	34,000	5,00%
Shareholders with < 5% of votes at the General Meeting of Shareholders	288,732	42,50%	288,732	42,50%
<b>Total</b>	<b>679,436</b>	<b>100,00%</b>	<b>679,436</b>	<b>100,00%</b>

The listing of shareholders with at least 5% of the share capital and votes at the General Meeting has been prepared on the basis of the notifications received so far from the Issuer's shareholders in fulfilment of their obligations under the provisions of the Public Offering Act.

On 6 July 2022 in the current report no. 20/2022 the Company submitted a notification obtained from TFI Allianz Polska S.A. of an increase in the share in the total number of votes at the Company's general meeting of shareholders. The data concerning the number of shares held by Venture FIZ and TFI Allianz Polska S.A. were presented on the basis of the number of shares registered at the Extraordinary General Meeting of Shareholders of the Company held on 25 October 2022.

to the Issuer's best knowledge there were no changes in the ownership structure of significant holdings of the Issuer's shares until the date of publication of this report.

### Shares of the Issuer or rights thereto held by persons managing and supervising the Issuer as at the date of submitting the quarterly report

Shareholder	Position	Number of shares	% in share capital	Number of votes	% of votes
Krzysztof Kwiatek	President of the Board	73,879	10,87%	73,879	10,87%
Krzysztof Sałek	Member of the Board	73,878	10,87%	73,878	10,87%
Tomasz Soból	Member of the Board	73,752	10,85%	73,752	10,85%
Michał Paziewski	Member of the Supervisory Board	279	0,04%	279	0,04%

During the third quarter of 2022 and until the date of publication of this report, there were no changes in the ownership of the Company's shares by persons managing and supervising Creepy Jar S.A.

### Material proceedings pending before court, competent arbitration authority or public administration authority concerning the Issuer's liabilities and receivables

As at the date of publication of this report and for a period of at least 12 months preceding the date hereof, the Company is not, nor has it been a party to any material governmental, legal or arbitration proceedings (including any such proceedings which are pending or, to the best of the Company's knowledge, threatened) concerning the liabilities or receivables of the Company.



### Information on conclusion by the Issuer of one or more transactions with related entities if they were concluded on non-market terms

During the third quarter of 2022 the Issuer did not conclude any significant transactions with related entities on conditions other than market conditions.

### Information on credit or loan sureties or guarantees granted by the Issuer

During the third quarter of 2022 the Company has not granted any sureties or guarantees, including those from entities related to the Issuer.

### Information which, in the Issuer's opinion, is significant for the assessment of its personnel, property, financial situation, financial result and their changes as well as information which is significant for the assessment of the Issuer's ability to fulfil its obligations

As of 30 September 2022, the Company's team included 45 permanent employees.

The table below presents capital expenditure, including expenditure on game production, incurred by the Company in the third quarter of 2022 and cumulatively for the three quarters of 2022 together with comparative data.

Capital expenditure	01.07.2022 30.09.2022	01.07.2021 30.09.2021	01.01.2022 30.09.2022	01.01.2021 30.09.2021
Acquisition of property, plant and equipment	127,371	48,464	311,701	236,810
Development costs - expenditure on game production	1,179,870	562,132	3,458,808	2,266,074
Acquisition of other intangible assets	456,276	28,861	460,620	62,225
<b>TOTAL</b>	<b>1,763,517</b>	<b>639,458</b>	<b>4,231,129</b>	<b>2,565,109</b>

Apart from the information mentioned above and presented in this report, the Issuer does not possess any other significant information which might significantly affect the assessment of its personnel, property, financial situation, financial result and their changes, as well as the assessment of the possibility of fulfilling its obligations by the Issuer.

### Indication of factors which, in the Issuer's opinion, will affect its results in the perspective of at least the next quarter

In the Issuer's opinion, the following factors will have a direct impact on the financial results achieved in at least the next quarter:

- continued work on Chimera - an advanced base-building simulator with survivalist elements;
- expansion of Green Hell with further updates (Building Update and expansion packs on PC);
- release of the Spirits of Amazonia 3 in version for PlayStation 4 and Xbox One consoles;
- continued work on the release of Green Hell on subsequent virtual reality platforms;
- release of Green Hell on current generation consoles (PlayStation 5 and Xbox Series S|X).

**Krzysztof Kwiatek**

President of the Board  
Creepy Jar S.A.

**Krzysztof Sałek**

Member of the Board  
Creepy Jar S.A.

**Tomasz Soból**

Member of the Board  
Creepy Jar S.A.





The Creators of **GREEN HELL**



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