



**PRESS Release**

Paris, France - August 6, 2024 at 18h00 CET

## **CBI: Preliminary Consolidated Results for Fiscal Year 2023-2024**

- **The results reflect the continued development of the 3 activities in the blockchain: Video Games, Metaverse and Investments**
- **CBI's Long-Term Strategy Strengthened by €12.5 Million Investment from Japanese Group Colopl for 12.5% of CBI's Capital**
- **Colopl, a video game developer, has also granted CBI exclusive rights to the game Brilliantcrypto for Europe and South America. This game has already generated revenue in excess of US\$ 200 million in Japan**

**CRYPTO BLOCKCHAIN INDUSTRIES ("CBI", Euronext Growth Paris: FR0014007LW0 – ALCBI)** announces Preliminary Consolidated Results for Fiscal Year 2023-2024. The fiscal year, spanning 12 months, concluded on March 31, 2024. The preliminary results, currently under audit, were reviewed by the Board of Directors on August 4, 2024. The audit procedures for the consolidated financial statements are being finalized. The auditors' reports will be published in September 2024 after verification of the notes to the financial statements and the information included in the annual financial report. The figures in the tables of this press release are rounded to the nearest thousand euros.

The preliminary consolidated accounts as of March 31, 2024, are prepared in accordance with IFRS accounting principles and standards. They notably include the activities of the operating companies Crypto Blockchain Industries, SA, OP Productions, LLC, and Free Reign East, LLC from April 1, 2023, to March 31, 2024.

Given the €12.5 million investment made by the Japanese Group Colopl and CBI's receipt of the entire funds on May 30, 2024, the balance sheet as of March 31, 2024, is presented on a pro forma basis, assuming the completion of all transactions related to this investment as of March 31, 2024.

Frédéric Chesnais, Chairman and CEO and principal shareholder of CBI, stated: "*We are on a long-term development plan, with 3 essential activities in the field of blockchain: video games, the "AlphaVerse" metaverse and Investments. The entry in May 2024 of Colopl, a leading Japanese blockchain group, brings us not only immediate financial resources and strategic validation, but also a short-term growth catalyst with the rights to the Brilliantcrypto game for Europe and South America for all gaming platforms. This game has raised more than \$200 million in Japan and I am convinced of its performance potential for our Company.*"

## KEY PRELIMINARY PRO FORMA CONSOLIDATED FIGURES

IFRS, in 000's of euros and % of Revenue	March 31, 2024		March 31, 2023	
Revenue	4 081	100,0%	5 305	100,0%
Operating Income (Loss)	157	3,9%	1 496	28,2%

IFRS, in 000's of euros	March 31, 2024		March 31, 2023	
Cash and Equivalent	12 735		451	
Shareholders' Equity, Group Share	26 336		21 495	

- The variance in revenue reflects the overall evolution of the crypto market.
- The Brilliantcrypto game did not contribute to the 2023-2024 revenue and will have an impact as from September 2024
- Profitable operating result, after taking into account a significant increase of development expenses due to the development of new game features
- Very high cash level on a pro forma basis, considering Colopl's investment

### €12.5 Million Investment by Japanese Group Colopl for 12.5% of CBI's Capital and Grant of Exclusive Rights to the Game Brilliantcrypto for Europe and South America for all gaming platforms. This investment by Colopl validates CBI's development strategy.

COLOPL is a Japanese company, a publisher of video games for smartphones and PCs, listed on the Tokyo Stock Exchange with a market capitalization of over €450 million to date. COLOPL invested €12.5 million in CBI through the acquisition of ordinary shares at a unit price of €0.3486, giving it a 12.5% stake in CBI.

Brilliantcrypto, Inc., a subsidiary of COLOPL, launched the game Brilliantcrypto on June 17, 2024. In this game, players assume the role of miners searching for precious stones, whose value in the digital world is backed by the players' "gameplay" under the term "Proof of Play."

CBI holds the rights for Europe and South America for a period of 3 years, with a 50/50 split of sales in this territory, and CBI has committed to a minimum guarantee of €5 million in favor of Brilliantcrypto, Inc.

This game has already generated revenue in excess of US\$ 200 million in Japan.

### CBI's Objectives for Fiscal Year 2024-2025

CBI offers a comprehensive investment approach covering key aspects of blockchain:

- **Video Games 3.0:** This includes the development of 3.0 games such as Brilliantcrypto, as well as video games owned by subsidiaries OP Productions and Free Reign East.
- **Metaverse 3.0:** Marketed under the name "AlphaVerse," which operates with major cryptocurrencies and CBI tokens (\$CRYS and \$FAV), as well as traditional currencies.
- **Investments 3.0:** Investments in blockchain-related companies or cryptocurrencies.

CBI's objectives for the fiscal year 2024-2025, covering the period from April 1, 2024, to March 31, 2025, are to develop the Group's three core activities, with the objective of establishing its positions in various markets and growing its community and user base:

- **Scaling up the game Brilliantcrypto in Europe and South America,** building on proven results in Japan.
- **Developing the AlphaVerse community,** particularly in Europe and South America.
- **Expanding the Football community at AlphaVerse** in the same regions.
- **Testing the launch of another universe,** with priority given to Horyou AlphaVerse.



**These operational objectives are coupled with a broader financial goal: to enhance the profitability of the CBI Group for 2024-2025 compared to the previous fiscal year.**



## OTHER KEY EVENTS OF THE FISCAL YEAR

The other notable events of the period are as follows:

- **Listing of \$FAV Token:** The \$FAV token is listed on the centralized Chiliz Exchange and is also available on the decentralized PancakeSwap platform.
- **New Partnership Contracts:** New contracts have been concluded with football clubs, including Real Betis, Real Sociedad, São Paulo FC, and Bologna.
- **Agreements with Africarare:** On September 19, 2023, CBI concluded an initial agreement with Africarare for the sale of land for \$1 million and \$155K worth of \$FAV tokens, with a reciprocal agreement on Africarare land. The tokens have not yet been delivered and do not impact the income statement.
- **Token Exchange Agreement with DEGA LABS:** Two agreements were signed. The first involves the exchange of 375,000,000 \$DEGA tokens, valued at \$250K, for 1,500,000 \$CRYST tokens. The second involves exchanging 523,880,597 \$DEGA tokens for 2,095,522 \$FAV tokens. These agreements are under renegotiation and have no impact on the fiscal year.
- **\$CRYST Token Listing:** The \$CRYST token issued by CBI has been listed on the decentralized exchange PancakeSwap since the quarter ending December 31, 2023. The initial listing occurred through a direct listing of the first series of \$CRYST tokens on November 21, 2023, with an initial price of \$0.50 per \$CRYST token.
- **Collaboration with Ready Player Me:** This partnership aims to integrate Ready Player Me's avatar and digital object system into the AlphaVerse digital world, providing an expanded immersive experience.
- **Warrants issued in 2023** and not exercised expired on March 31, 2024.
- **Free Allocation of BSA A and B:** Free BSA A and B warrants were allocated to all shareholders in proportion to their capital stake. These warrants were distributed at no cost in February 2024 and allow for the acquisition of new CBI shares. BSA A warrants allow for the purchase of shares at €0.40 each until September 30, 2024 (extended from the initial expiration date of June 30, 2024), while BSA B warrants allow for the purchase of shares at €0.60 each until March 31, 2025. Each tranche of warrants causes a dilution of approximately 2% of the capital.
- **License Agreement Effective August 1, 2024:** A license agreement for "emoji" properties was signed for the development of a blockchain game.

## DETAILED RESULTS FOR THE FISCAL YEAR 2023/2024 ENDING MARCH 31, 2024

### PRELIMINARY CONSOLIDATED INCOME STATEMENT

IFRS, in 000's of euros and % of Revenue	March 31, 2024		March 31, 2023	
Revenue	4 081	100,0%	5 305	100,0%
COGS	-1 098	-26,9%	-5	-0,1%
<b>GROSS MARGIN</b>	<b>2 983</b>	<b>73,1%</b>	<b>5 300</b>	<b>99,9%</b>
Research and development expenses	-1 043	-25,6%	-566	-10,7%
Marketing and selling expenses	-1 157	-28,4%	-1 545	-29,1%
General and administrative expenses	-1 622	-39,8%	-1 335	-25,2%
Other operating income (expense)	0	0,0%	923	17,4%
<b>CURRENT OPERATING INCOME (LOSS)</b>	<b>-840</b>	<b>-20,6%</b>	<b>2 777</b>	<b>52,4%</b>
Other income (expense)	997	24,4%	-1 282	-24,2%
<b>OPERATING INCOME (LOSS)</b>	<b>157</b>	<b>3,9%</b>	<b>1 496</b>	<b>28,2%</b>
Cost of debt	-273	-6,7%	-150	-2,8%
Other financial income (expense)	-419	-10,3%	-59	-1,1%
Income tax	106	2,6%	0	0,0%
<b>NET INCOME</b>	<b>-429</b>	<b>-10,5%</b>	<b>1 287</b>	<b>24,3%</b>
Minority interests	-46	-1,1%	-16	-0,3%
<b>NET INCOME GROUP SHARE</b>	<b>-475</b>	<b>-11,6%</b>	<b>1 272</b>	<b>24,0%</b>



## Preliminary Consolidated Revenue

As of March 31, 2024, CBI reports preliminary consolidated revenue of €4,081K. This revenue primarily comes from sales of NFTs, tokens, and licenses, as well as online games managed by subsidiaries OP Productions and Free Reign East.

The variance in revenue reflects the overall evolution of the crypto market. The Brilliantcrypto game did not contribute to the 2023-2024 revenue and will have an impact as from September 2024.

## Preliminary Consolidated Results

The preliminary consolidated gross margin stands at 73.1% of revenue for the period. The variation compared to the previous period is due to changes in the product mix between the two fiscal years.

Preliminary consolidated research and development expenses cover the operation and development of video games and the metaverse. Their fluctuation depends on the level of new features developed. Classic video games are fully amortized, with no additional depreciation. For the metaverse, the value of intellectual property rights is recorded on the balance sheet and has not been amortized as of March 31, 2024; this amortization will begin with the launch of the metaverse in the fiscal year 2024-2025.

Preliminary consolidated marketing and sales expenses include advertising, primarily through the launch of online campaigns.

Preliminary consolidated general and administrative expenses for the period primarily reflect management costs and general expenses related to the company's listing on the Euronext Growth Paris market.

Other operating income included a contract buyback from the previous fiscal year, a non-recurring item.

The Current Operating Result is -€840K in 2024, compared to €2,777K in 2023.

The cryptocurrency portfolio experienced strong growth during the period.

**The Operating Result stands at +€157K in 2024 compared to €1,496K in 2023.**

Preliminary consolidated financial expenses reflect interest on advances from Ker Ventures and IFRS 16 adjustments on leases. Preliminary consolidated financial income primarily includes capital gains realized by the investment service provider TSAF under the liquidity contract for CBI shares.

There is no corporate tax payable for the period. The positive tax balance corresponds to a refund of the Innovation Tax Credit.

**Thus, the net accounting result stands at -€475K in 2024 compared to +€1,272K in 2023.**

## PRELIMINARY PRO FORMA CONSOLIDATED BALANCE SHEET

### Pro Forma Adjustments

The preliminary consolidated balance sheet as of March 31, 2024, for CBI is presented below on a pro forma basis.

It incorporates the €12.5 million investment by the Japanese company Colopl, Inc., made in May 2024 and announced on June 7, 2024. As a result, the cash and consolidated equity as of March 31, 2024, have been increased by €12.5 million.

No other adjustments have been recorded compared to the consolidated balance sheet as of March 31, 2024.

Assets	March 31, 2024	March 31, 2024	March 31, 2023
In 000's of euros	Proforma		
Intangible assets	15 494,2	15 494,2	13 164,9
Property, plant and equipment	19,3	19,3	15,1
Rights of use relating to leases	1 710,1	1 710,1	1 973,1
Non-current financial assets	4 127,5	4 127,5	9 107,5
<b>LONG-TERM ASSETS</b>	<b>21 351,1</b>	<b>21 351,1</b>	<b>24 260,6</b>
Inventories and crypto-currencies	2 767,6	2 767,6	2 407,0
Trade receivables	1 134,5	1 134,5	935,7
Other current assets	2 631,5	2 631,5	301,8
Cash and cash equivalents	12 734,7	234,7	450,9
<b>SHORT-TERM ASSETS</b>	<b>19 268,3</b>	<b>6 768,3</b>	<b>4 095,4</b>
<b>TOTAL ASSETS</b>	<b>40 619,4</b>	<b>28 119,4</b>	<b>28 356,0</b>

Equity and Liabilities	March 31, 2024	March 31, 2024	March 31, 2023
In 000's of euros	Proforma		
Capital stock	28 654,9	25 070,6	25 070,4
Consolidated reserves	- 1 843,8	- 10 759,5	- 4 847,1
Net income (loss) Group share	- 475,1	- 475,1	1 271,5
<b>SHAREHOLDERS' EQUITY, GROUP SHARE</b>	<b>26 336,0</b>	<b>13 836,0</b>	<b>21 494,8</b>
Minority interests	258,4	258,4	211,4
<b>TOTAL EQUITY</b>	<b>26 594,4</b>	<b>14 094,4</b>	<b>21 706,2</b>
Non-current financial liabilities	6 680,7	6 680,7	2 332,7
Long term lease liabilities	1 521,0	1 521,0	1 771,9
Provisions for non-current contingencies and losses	172,4	172,4	0,0
Non-current long-term obligations	3 296,7	3 296,7	0,0
<b>NON-CURRENT LIABILITIES</b>	<b>11 670,8</b>	<b>11 670,8</b>	<b>4 104,6</b>
Accounts payables	1 816,0	1 816,0	2 285,6
Other debts	250,9	250,9	243,6
Other liabilities	287,3	287,3	15,9
<b>CURRENT LIABILITIES</b>	<b>2 354,2</b>	<b>2 354,2</b>	<b>2 545,1</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>40 619,4</b>	<b>28 119,4</b>	<b>28 355,9</b>

#### Preliminary Consolidated Intangible Assets

Amounts invested in the development of games and the metaverse are capitalized and then amortized from the point they become operational. For the metaverse, the value of intellectual property rights is recorded on the balance sheet and has not been amortized as of March 31, 2024, since the metaverse has not yet been launched.

#### Preliminary Consolidated Financial Assets

When listed, the portfolio of stocks and financial instruments is valued based on a volume-weighted average price (V-WAP) calculated over 6 months. Classic valuation methods are applied for unlisted securities.



## Preliminary Consolidated Cryptocurrency Portfolio

The token inventory is initially recorded at acquisition cost. At the end of the accounting period, each cryptocurrency is then valued based on its closing price to reflect the value of each cryptocurrency and the overall portfolio. If the cost price of a cryptocurrency exceeds its market value, an impairment is recorded in the income statement.

As of March 31, 2024, the details of the portfolio are presented in the table below.

This inventory does not include tokens that remain to be distributed to third parties. In addition, 15 million \$CHAIN tokens were returned to Chain Games after the closing as part of a new agreement.

Token	# Tokens	Market Price/Token US\$	Market Value US\$	Market Value Euro	Gross Value Euro	Accrual PL Euro	Net Value Euro
	A	B	A*B	C = A*B in euros	D	E = C - D (If < 0)	D+E
<b>Tokens created by third-party companies</b>							
ATRI	30 326 489,00	\$0,00	\$0,00	- €	- €	- €	- €
BNB	1,86	\$606,91	\$1 126,30	1 041,81 €	-	3 646,84 €	1 041,81 €
BTC	0,06	\$71 333,65	\$4 042,55	3 739,29 €	-	3 164,17 €	3 739,29 €
BUSD	36,57	\$1,00	\$36,57	33,83 €	-	34,62 €	33,83 €
CHAIN GAMES	54 095 429,00	\$0,02	\$1 086 777,17	1 005 251,29 €	-	644 213,42 €	1 005 251,29 €
CHZ	0,00	\$0,15	\$0,00	- €	-	18 445,15 €	- €
COPI	20 196 709,00	\$0,08	\$1 712 882,89	1 584 388,95 €	-	802 385,46 €	1 584 388,95 €
ETH	36,08	\$3 647,86	\$131 606,07	121 733,49 €	-	61 390,96 €	121 733,49 €
KTG	26 500 000,00	\$0,00	\$0,00	- €	-	0,94 €	0,94 €
MATIC	567,21	\$1,00	\$569,14	526,44 €	-	285,75 €	526,44 €
USDC	297,97	\$1,00	\$297,97	275,61 €	-	294,52 €	275,61 €
USDT	48 131,57	\$1,00	\$48 131,57	44 520,93 €	-	46 684,84 €	44 520,93 €
WETH	0,29	\$3 641,19	\$1 063,54	983,76 €	-	52,94 €	983,76 €
XAVE	3 250 000 001,00	\$0,00	\$240 532,50	222 488,67 €	-	1,01 €	1,01 €
<b>Total</b>			<b>\$ 2 231 143,29</b>	<b>2 988 755,24 €</b>	<b>937 408,54 €</b>	<b>1 828 859,98 €</b>	<b>2 766 268,52 €</b>
<b>Tokens created by CE</b>							
CRYS	489 560 468,00	\$0,00	\$0,00	- €	-	493,76 €	493,76 €
FAV	10 467 796 827,02	\$0,02	\$234 269 292,99	216 695 303,85 €	-	200,00 €	200,00 €
LIGHTS	6 520 000 000,00	\$0,00	\$0,00	- €	-	652,00 €	652,00 €
<b>Total</b>			<b>\$234 269 292,99</b>	<b>216 695 303,85 €</b>	<b>1 345,76 €</b>	<b>- €</b>	<b>1 345,76 €</b>
<b>TOTAL</b>			<b>\$237 500 436,28</b>	<b>219 684 059,09 €</b>	<b>938 754,30 €</b>	<b>1 828 859,98 €</b>	<b>2 767 614,28 €</b>

## Preliminary Consolidated Accounts Receivable

Preliminary consolidated accounts receivable primarily consist of amounts due from clients resulting from token exchanges.

## Preliminary Consolidated Cash and Cash Equivalents

The cash and cash equivalents correspond to the bank balance as of March 31, 2024, increased by €12.5M from Colopl's investment.

## Preliminary Consolidated Shareholder Loans

The preliminary consolidated shareholders' loans correspond to various contributions made, notably by Ker Ventures SARL and Ker Ventures LLC.

## Preliminary Consolidated Long-Term Liabilities

IFRS 16 (Lease Accounting) has been applied, resulting in the recognition of assets amounting to €1,710.1K and a liability of €1,771.9K (of which €1,521.0K is long-term and the remainder is short-term).

Long-term liabilities represent the company's commitments to football clubs with which it has signed guaranteed minimum payments, payable under certain conditions. The payments are scheduled through to June 2028, and the amounts are regularly adjusted based on the progress of negotiations with the clubs.



## Preliminary Consolidated Equity Pro forma

Preliminary consolidated equity pro forma attributable to the Group amounts to €26,336.0K as of March 31, 2024.

The variation in preliminary consolidated equity can be analyzed as follows:

In 000's of euros

<b>Shareholders' Equity as at March 31, 2023</b>	<b>21 494,8</b>
Net income	- 475,1
Rights issue	12 502,1
Transaction expenses	- 55,4
Allocation of Net Income to Retained Earnings	-
Payment in shares IFRS 2	151,6
Neutralisation of treasury shares IFRS 2	- 151,6
Restatement IAS 32	2 411,5
Adjustment of accrual	- 9 530,1
Currency Translation Adjustment	- 11,8
<b>Shareholders' Equity as at March 31, 2024</b>	<b>26 336,0</b>

## Preliminary Consolidated Net Cash / Financial Liabilities

As of March 31, 2024, on a pro forma basis, the Group has €12,734.7K in cash and cash equivalents.

## Number of Shares Outstanding as of March 31, 2024

As of March 31, 2024, there are 250,705,948 shares issued and outstanding.

As of March 31, 2024, the Warrants (BSA) issued in 2023 have expired. A remaining balance of 2023 BSAs was exercised in the final days of the fiscal year, resulting in the issuance of an additional 548 shares. As of the closing date, the funds were in transit with the financial intermediary, and the shares were created in April 2024.

As of March 31, 2024, there are 250,705,900 BSA A and 250,705,900 BSA B outstanding. 50 BSA A entitle the holder to purchase 1 new CBI share at a unit price of €0.40 until September 30, 2024. 50 BSA B entitle the holder to purchase 1 new CBI share at a unit price of €0.60 until March 31, 2025.

The exercise of all BSA A and BSA B would result in the issuance of a maximum of 10,028,236 additional shares, leading to a diluted capital of 260,734,732 shares.

The table below shows the breakdown of the shareholding as of March 31, 2024.

March 31, 2024	Outstanding shares		Diluted basis (*)	
	#	%	#	%
Ker Ventures, SARL	216 914 777	86,5%	225 591 368	86,5%
Ker Ventures, LLC	3 979 665	1,6%	4 138 852	1,6%
Frédéric Chesnais	10 500 000	4,2%	10 920 000	4,2%
<b>Total F. Chesnais</b>	<b>231 394 442</b>	<b>92,3%</b>	<b>240 650 220</b>	<b>92,3%</b>
Treasury Shares	442 399	0,2%	460 095	0,2%
Float	18 869 107	7,5%	19 624 417	7,5%
<b>Total</b>	<b>250 705 948</b>	<b>100,0%</b>	<b>260 734 732</b>	<b>100,0%</b>

(\*) assuming the exercise of warrants

In May 2024, the Japanese Group Colopl, Inc. acquired 35,852,574 CBI shares from the company CBI. The shares transferred had previously been loaned interest-free by Ker Ventures to CBI, and they will be repaid by CBI to Ker Ventures through the issuance of an equal number of new CBI shares.





The table below shows CBI's shareholding once this Colopl transaction has been fully completed.

March 31, 2024 Proforma	Outstanding shares		Diluted basis (*)	
	#	%	#	%
Ker Ventures, SARL	216 914 777	75,7%	225 591 368	76,1%
Ker Ventures, LLC	3 979 665	1,4%	4 138 852	1,4%
Frédéric Chesnais	10 500 000	3,7%	10 920 000	3,7%
<b>Total F. Chesnais</b>	<b>231 394 442</b>	<b>80,7%</b>	<b>240 650 220</b>	<b>81,1%</b>
Colopl	35 852 574	12,5%	35 852 574	12,1%
Treasury Shares	442 399	0,2%	460 095	0,2%
Float	18 869 107	6,6%	19 624 417	6,6%
<b>Total</b>	<b>286 558 522</b>	<b>100,0%</b>	<b>296 587 306</b>	<b>100,0%</b>

(\*) assuming the exercise of warrants

### Disclaimer

*The realization of CBI's projects, as well as their operational budget and financing plan, remain fundamentally subject to major uncertainties. The failure to meet the underlying assumptions could have a significant and adverse impact on the value of CBI's assets and liabilities.*

### About CBI

CRYPTO BLOCKCHAIN INDUSTRIES ("CBI") is a French company that develops, operates, and invests in video games, professional applications, and selective blockchain-related projects, including Non-Fungible Tokens ("NFTs") and cryptocurrencies. Founded by Frédéric Chesnais, a recognized entrepreneur in the video game industry and a blockchain pioneer, CBI aims to develop and enhance a portfolio of blockchain activities spanning various sectors (video games, finance, logistics, etc.) to leverage this technology through direct operations or partnerships. CBI has already made several investments and is currently developing a virtual world (metaverse) called AlphaVerse, based on blockchain technology. CBI shares are listed on the Euronext Growth market within the E2 listing group. More information is available at [www.cbicorp.io](http://www.cbicorp.io).

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