



FOURTH QUARTER OCTOBER–DECEMBER 2020

- Revenues increased by 28.1 percent to 1,288.3 MSEK (1,005.4 MSEK).
- Operating profit amounted to 67.8 MSEK (122.9 MSEK), a decrease of 44.8 percent and corresponding to an operating margin of 5.3 percent (12.2 percent)
- Net profit amounted to 34.5 MSEK (100.2 MSEK)
- Earnings per share after dilution amounted to 0.60 SEK (0.69 SEK)
- Operating cash flow amounted to 79.1 MSEK (106.1 MSEK)
- 7 december was first day of trading in Thunderful Group shares on Nasdaq First North Premier Growth Market
- Thunderful Group acquired Station Interactive AB:s operations
- Thunderful Group acquired Coatsink Software, Ltd.

JANUARY–DECEMBER 2020

- Revenues increased by 45.6 percent to 3,082.3 MSEK (2,116.4 MSEK)
- Operating profit amounted to 215.0 MSEK (209.1 MSEK), an increase of 2.8 percent and corresponding to an operating margin of 7.0 percent (9.9 percent)
- Net profit for the period amounted to 135.0 MSEK (167.8 MSEK)
- Earnings per share after dilution amounted to 2.59 SEK (3.36 SEK)
- Operating cash flow amounted to -117.0 MSEK (125.4 MSEK)
- The Board proposes that no dividend be paid for 2020

Comparative figures for 2019 come from total historical financial information presented in the prospectus. They are not from the legal annual report 2019.

**COAT
SINK**

EVENTS AFTER THE END OF THE QUARTER

- Thunderful Group acquired German game publisher and game developer Headup GmbH in February 2021.

KEY PERFORMANCE INDICATORS

GROUP	Quarter			Period		
	Oct-Dec 2020	Oct-Dec 2019	Δ %	Jan-Dec 2020	Jan-Dec 2019	Δ %
Net revenue, MSEK	1,288.3	1,005.4	28.1%	3,082.3	2,116.4	45.6%
Gross profit, MSEK	283.3	220.8	28.3%	693.2	499.9	38.7%
Gross margin, %	22.0	22.0		22.5	23.6	
Operating profit (EBIT), MSEK	67.8	122.9	-44.8%	215.0	209.1	2.8%
Operating margin (EBIT margin), %	5.3	12.2		7.1	10.1	
EBITDA, MSEK	87.5	131.2	-33.3%	276.6	229.9	20.3%
EBITDA margin, %	6.8	13.1		9.0	11.1	
Net profit for the period, MSEK	34.5	100.2	-65.6%	135.0	167.8	-19.5%
Net working capital, MSEK				541.1	415.3	30.3%
Operating cash flow, MSEK	-117.0	125.4	-193.3%	48.7	141.7	-65.6%
Cash conversion, %	86.8	95.6		14.8	61.6	
Interest-bearing net debt, MSEK				-305.1	178.1	
Interest-bearing net debt / adjusted EBITDA LTM				-0.9x	0.8x	
Earnings per share before dilution, SEK	0.60	0.69		2.59	3.36	
Earnings per share after dilution, SEK	0.60	0.69		2.59	3.36	



CEO'S COMMENTS

AN INTENSE YEAR CHARACTERIZED BY STRONG GROWTH AND GOOD PROFITABILITY



Thunderful ends 2020 with acquisitions, an IPO and strong sales

More or less a year ago, the world changed completely. Relatively unused concepts such as hand sanitizer, social distancing and updates from the Public Health Agency came to dominate the information flow of information. In the shadow of the pandemic, 2020 became a year of challenges, disruption and states of emergency. Like other companies, we at Thunderful Group quickly switched to teleworking, video conferencing and full alert in the fight against a virus that would have far worse social consequences than anyone could have imagined.

Shortly before that, in December 2019, we had pushed the pedal to the metal and presented Thunderful Group to the world: a unique player in gaming with a strong foothold in history and a strong momentum going forward. A seasoned, energetic management and a clear common group strategy were reinforced by an experienced board in 2020.

During the first months of the year, however, countries around the world began shutting down, one by one. Markets collapsed, healthcare heroes began to buckle and one doomsday report replaced another. It would probably have been easier to shelve our high-flying plans, but it's always darkest before dawn. We revised our schedule somewhat and went ahead as planned. Since then, the days of this strange, heavy, saturated 2020 have passed at breakneck speed.

When we now summarize the year, it is therefore very satisfying to be able to state that Thunderful has achieved a great deal despite the current world situation, and that we have delivered strong growth and results during all quarters of the year.

The net revenue for the fourth quarter amounted to SEK 1,288.3 M (1,005.4), and the operating profit amounted to SEK 67.8 M (122.9).

“There is great commitment to the gaming industry and belief in our strategy and growth agenda, which inspires us daily.”

For the full year, the net revenue (excluding comparison-disruptive items) increased by 45.6% to SEK 3,082.3 million (2,116.4), while operating profit increased by 2.8% to SEK 215.0 million (209.1).

Both our segments have expanded significantly. During the year, Thunderful Games more than tripled the number of game developers, partly through organic growth but also thanks to a strategic acquisition philosophy designed for the future. Thunderful Distribution increased their revenues significantly, but mainly for game consoles and game accessories, where margins are lower than for games and toys. During the quarter, the Distribution segment also launched few major games, which affected the gross margin negatively. The second wave of the pandemic meant tighter restrictions during the fourth quarter, especially in our neighboring Nordic countries. This affected sales in certain product categories, such as toys, which are sold in physical stores to a greater extent than other distributed products.





Strengthened position in game development and publishing

During the first half of the year, Thunderful Games saw an extraordinary increase in digital game sales, which during the second half of the year returned to normal growth levels. Thunderful Development signed a favorable distribution agreement with Microsoft for the AA title *The Gunk*, which is published by Thunderful Publishing and developed in Gothenburg. Also developed in Gothenburg is *Lost in Random*, in collaboration with Electronic Arts, as well as a title not yet announced. Meanwhile the development team in Skövde has been working hard on their own secret project, and this summer we opened a new development office in Malmö.

In addition to development and organic growth in western Sweden, we have made exciting acquisitions both in Sweden and abroad. The acquisitions are fully in line with our strategy and should be seen as clear signs of our ambition to continue to grow both our game development and publishing operations.

Leading the way was the acquisition in October of British game development studio Coatsink Software, which together with Universal Studios in the fourth quarter released the very successful VR game *Jurassic World Aftermath* on Oculus platforms. Coatsink is currently working on five different internal projects, including *Jurassic World Aftermath Part 2*. Coatsink is also involved in ten other collaboration and publishing projects. One of these is *Onward*, which has grossed \$10 million after just six months on Oculus Quest. These projects strengthen Thunderful's existing pipeline for 2021 and 2022, but also further ahead.

In November we acquired The Station, a solid game development studio in Karlshamn with many years of experience working with major brands. Who hasn't enjoyed playing *LittleBigPlanet* on PlayStation, for example? A fantastic addition of professional employees – and they too are working on a secret project!

Today we also announce the acquisition of Headup, a respected, smart and award-winning publisher and game developer based in Cologne, Germany. This is our third acquisition in a short time. With this, we further strengthen our international position, broaden our network to more development studios and create synergy effects within the Group's publishing operations.

King of the hill

In just one year, Thunderful Group has more than doubled its workforce, and we are now around 350 colleagues in Europe. Of these, about 230 are game developers, roughly 30 work in publishing, around 70 work in distribution and about 20 people are part of Thunderful Solutions, our shared service center.



We are growing fast: Thunderful Skövde moved to larger premises this fall, and Thunderful Karlshamn has just started to expand their office. Bergsala and other operations in Kungsbacka are moving to a more functional workspace nearby, and a few weeks ago we announced that also the large Gothenburg office on Fjärde Långgatan has become too crowded. In Gothenburg we therefore take over a building on the central hill Kvarnberget. The building is state-of-the-art and designed from the ground up for game development. From the terrace we have, among other things, views of the Gothenburg Opera and our beautiful Göta River. For a number of years we've been the largest employer in the gaming industry in the West, and for us, the place up on the hill has a clear symbolic value.

A stable platform for continued growth

As I started by saying, 2020 was a year of challenges, but it has also been an intense and fantastic year for Thunderful Group. In addition to acquisitions and other forward-looking investments, we also went ahead with an IPO and listed our company on Nasdaq First North Premier Growth Market. We are happy and grateful for the great interest and attention we have received for the listing, our business and our share. There is great commitment to the gaming industry and belief in our strategy and growth agenda, which inspires us daily. The broadened ownership base and access to the capital markets will be important cornerstones for achieving our strategic goals.

We are now taking advantage of the strong cash flows and synergies within the Group to accelerate game development and continue our acquisition-driven growth. The journey for Thunderful Group has just begun, and we are ready to accelerate.

GOTHENBURG, FEBRUARY 2021
BRJANN SIGURGEIRSSON
CEO

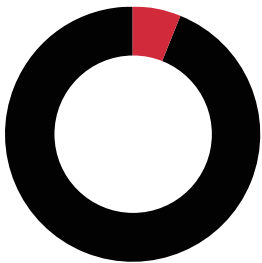


ABOUT THUNDERFUL GROUP

Thunderful Group is a Nordic group of companies active within development and publishing of games as well as distribution of, among other things, Nintendo products, games, game accessories and toys.

Thunderful Group was founded in 2019 after a restructuring of the company groups Bergsala and Thunderful. With its head office based in Gothenburg, Sweden, Thunderful Group has a presence throughout the industry value chain through its two operating segments, Games and Distribution. The group consists of over 20 subsidiaries and is engaging about 350 employees in Europe.

NET REVENUE, OCT-DEC



Thunderful Games, 5.1%
Thunderful Distribution, 94.9%

EBITA, OCT-DEC



Thunderful Games, 20.6%
Thunderful Distribution, 79.4%



MISSION

To provide creative entertainment products of the highest quality for people of all ages.

VISION

To be a leader in a world where everyone can play.





FINANCIAL DEVELOPMENT OF THE GROUP

QUARTER OCTOBER–DECEMBER

NET REVENUE

The groups net revenue during the fourth quarter amounted to 1,288.3 MSEK (1,005.4 MSEK), corresponding to an increase of 28.1 percent. The significant driver for net revenue growth is Thunderful Distribution and the subsidiary Bergsala.

Business segment

Revenue in the Games segment increased by 105.4 percent to 64.7 MSEK (31.5 MSEK) and the Distribution segment increased by 24.9 percent to 1,208.3 MSEK (967.5 MSEK).

MSEK	Oct-Dec	
	2020	2019
Thunderful Games	64,7	31,5
Thunderful Distribution	1 208,3	967,5
Other	15,3	6,4
Net revenue	1 288,3	1 005,4

Thunderful Games has not released any internally developed games in 2020. The significant driver for net revenue growth in Thunderful Distribution is the subsidiary Bergsala.

GROSS PROFIT

Gross profit during the fourth quarter amounted to 283.3 MSEK (220.8 MSEK), corresponding to an increase of 28.3 percent and a gross margin of 22.0 percent (22.0). The result is caused by mix effects within Thunderful Distribution in which Bergsala shows significant growth in net sales, while Amo Toys has a slight decrease in net sales.

OPERATING EXPENSES

Cost for goods for resales and game projects increased by 28.1 percent to -1,005.1 MSEK (-784.6 MSEK).

Other external expenses increased by 119.4 percent to -132.3 MSEK (-60.3 MSEK).

Personnel expenses increased by 74.4 percent to -51.1 MSEK (-29.3 MSEK). The total number of employees at the end of the year was 334 (168).

Depreciation and amortisation increased by 137.3 percent to -19.7 MSEK (-8.3 MSEK). The key drivers are the additional depreciation of Publishing and Distribution Rights, surplus value recognized in the Group restructuring and originated from the non-cash issue for distribution subsidiaries (no goodwill recognized) at the end of December 2019, and depreciated over 10 years, as well as the acquisition of Coatsink Software Ltd affecting Q4 2020 with -13.9 MSEK.

MSEK	Oct-Dec	
	2020	2019
Costs for goods for resales and game projects	-1 005,1	-784,6
Other external expenses	-132,3	-60,3
Personnel expenses	-51,1	-29,3
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets	-19,7	-8,3
Other operating expenses	-12,4	-
Total operating expenses	-1 220,6	-882,5

The Group applies the following amortisation principles on its game development: Amortisation of finished game development projects - degressive amortization over two years; 1/3 amortisation during months 1 to 3 following release, 1/3 amortisation in months 4 to 12 following release and the remaining 1/3 in months 13 to 24 following release.



OPERATING PROFIT

Operating profit during the quarter amounted to 67.8 MSEK (122.9 MSEK), corresponding to an operating margin of 5.3 percent (12.3). The operating profit contains an item affecting comparability of -14.6 MSEK for acquisition-related costs.

Business segment

Operating profit in the Games segment during the quarter amounted to 15.2 MSEK (2.2 MSEK), corresponding to an operating margin of 23.5 percent (6.9).

Operating profit in the Distribution segment during the quarter amounted to 67.2 MSEK (120.7 MSEK), corresponding to an operating margin of 5.6 percent (12.5).

MSEK	Oct-Dec	
	2020	2019
Thunderful Games	15,2	2,2
Thunderful Distribution	67,2	120,7
Other	-14,6	-
Operating profit	67,8	122,9
Operating margin, %		
Thunderful Games	23.5%	6.9%
Thunderful Distribution	5.6%	12.5%
Thunderful Group	5.3%	12.3%

FINANCIAL NET

Financial net exclusive of IPO-related costs amounted to 13.8 MSEK (0.9 MSEK). Items affecting comparability for IPO-related costs amounts to -32.6 MSEK.

TAX

Tax amounted to -14.4 MSEK (-23.6 MSEK). Full allocation to tax accrual fund (sw. periodiseringfond) in 2020 and no allocation to tax accrual fund in 2019.

PROFIT FOR THE PERIOD

Profit during the quarter amounted to 34.6 MSEK (100.2 MSEK), corresponding to a net profit margin of 2.7 percent (10.0).





JANUARY-DECEMBER 2020

NET REVENUE

The group's net revenue during 2020 amounted to 3,082.3 MSEK (2,116.4 MSEK), corresponding to an increase of 45.6 percent.

The significant driver for net revenue growth is Thunderful Distribution and the subsidiary Bergsala.

Business segment

Revenue in the Games segment increased by 54.8 percent to 156.2 MSEK (100.9 MSEK) and the Distribution segment increased by 46.3 percent to SEK 2,891.6 MSEK (1,976.8 MSEK).

MSEK	Jan-Dec	
	2020	2019
Thunderful Games	156,2	100,9
Thunderful Distribution	2 891,6	1 976,8
Other	34,5	38,7
Net revenue	3 082,3	2 116,4

Despite no game releases during the period, net sales in Thunderful Games is growing by 54.8 percent thanks to three externally funded publishing deals where Thunderful Group keep the rights to the game IPs.

The significant driver for net revenue growth in Thunderful Distribution is the subsidiary Bergsala.

GROSS PROFIT

Gross profit during 2020 amounted to 693.4 MSEK (500.0 MSEK), corresponding to an increase of 38.7 percent and a gross margin of 22.5 percent (23.6). The decrease is primarily caused by mix effects between the two segments, and to some extent because of mix effect within Thunderful Distribution in which Bergsala has a significant growth in net sales, while Amo Toys only has a slight increase.

OPERATING EXPENSES

Cost for goods for resales and game projects increased by 50.3 percent to -2,867.4 MSEK (-1,907.4 MSEK).

Other external expenses increased by 55.9 percent to -264.1 MSEK (-169.4 MSEK). The key driver is increased logistics costs within Thunderful Distribution due to inventory build-up (number of pallets at the warehouse) in 2020 Q1-Q2 compared to 2019 Q1-Q2.

Personnel expenses increased by 39.3 percent to -140.1 MSEK (-100.6 MSEK). The total number of employees at the end of the year was 334 (168).

MSEK	Jan-Dec	
	2020	2019
Costs for goods for resales and game projects	-2 389,1	-1 616,5
Other external expenses	-264,1	-169,4
Personnel expenses	-140,1	-100,6
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets	-61,8	-20,8
Other operating expenses	-12,4	-
Total operating expenses	-2 867,4	-1 907,4

Depreciation and amortisation increased by 197.1 percent to -61.8 MSEK (-20.8 MSEK). The key driver is the additional depreciation of Publishing and Distribution Rights, surplus value recognized in the Group restructuring and originated from the non-cash issue for distribution subsidiaries (no goodwill recognized) at the end of December 2019, and depreciated over 10 years. Affecting the period during 2020 with -37.2 MSEK.

The Group applies the following amortisation principles on its game development: Amortisation of finished game development projects - degressive amortization over two years; 1/3 amortisation during months 1 to 3 following release, 1/3 amortisation in months 4 to 12 following release and the remaining 1/3 in months 13 to 24 following release.



OPERATING PROFIT

Operating profit during 2020 amounted to 215.0 MSEK (209.1 MSEK), corresponding to an operating margin of 7.1 percent (10.1).

Business segment

Operating profit in the Games segment during the year amounted to 48.4 MSEK (30.9 MSEK), corresponding to an operating margin of 31.0 percent (30.6).

Operating profit in the Distribution segment during the year amounted to 216.5 MSEK (178.2 MSEK), corresponding to an operating margin of 7.5 percent (9.0). Revenue for the segment increases significantly, however, mainly in game consoles and game accessories, where we have lower margins than within games and toys.

MSEK	Jan-Dec	
	2020	2019
Thunderful Games	48,4	30,9
Thunderful Distribution	216,5	178,2
Other	-49,9	0,0
Operating profit	215,0	209,1
Operating margin, %		
Thunderful Games	31.0%	30.6%
Thunderful Distribution	7.5%	9.0%
Thunderful Group	7.1%	10.1%

The operating profit in Thunderful Games is increasing strongly while the operating margin sees a marginal increase. Caused by a significant game release in 2019 Q2 (SteamWorld Quest) while there hasn't been any significant game releases in 2020 Q1-Q3. Externally funded game development projects are in progress from 2019 Q3, which affects all of 2020.

FINANCIAL NET

Financial net amounted to -11.8 MSEK (0.2 MSEK), adjusted for items affecting comparability for IPO-related costs of -32.6 MSEK.

TAX

Tax amounted to -35.4 MSEK (-41.4 MSEK).

PROFIT FOR THE PERIOD

Profit for the period during 2020 amounted to 135.0 MSEK (167.8 MSEK), corresponding to a net profit margin of 4.4 percent (8.1).



FINANCIAL POSITION

FINANCIAL POSITION AND LIQUIDITY

The Group's total assets on December 31, 2020 amounted to 2,457.3 MSEK, compared with 1,439.5 MSEK on December 31, 2019.

Working capital on December 31, 2020 amounted to 541.1 MSEK, compared with 415.3 MSEK as of December 31, 2019.

The Group's equity on December 31, 2020 amounted to 1,489.4 MSEK, compared with 518.0 MSEK as of December 31, 2019.

SEASONAL VARIATIONS

Thunderful Group has a seasonal distribution business that is characterised by higher sales in connection with major commercial holidays. A significant part of the full year sales and profit has historically been generated during the fourth quarter, which also means that the operating expenses in relation to sales are generally high during the first to third quarter.

CASH FLOW AND INVESTMENTS

Cash flow from operating activities during the fourth quarter amounted to 9.1 MSEK (106.1 MSEK). For the whole year, cash flow from operating activities amounted to 208.4 MSEK (190.0 MSEK).

Cash flow from investing activities during the quarter amounted to -126.0 MSEK (-21.8 MSEK) and for the whole year to -155.6 MSEK (-35.2 MSEK).

Cash flow from financing activities during the quarter amounted to 480.4 MSEK (-173.0 MSEK) and for the whole year to 509.0 MSEK (-44.7 MSEK).

The total cash flow during the quarter amounted to 268.1 MSEK (38.4 MSEK) and for the whole year to 264.7 MSEK (34.9 MSEK).

Operating cash flow during the fourth quarter amounted to -117.9 MSEK (106.1 MSEK), corresponding to a cash generation of -86.8

percent. For the whole year, cash flow from operating activities amounted to 208.4 MSEK (190.0 MSEK), corresponding to a cash generation of 14.8 percent. Operating cash flow is negatively affected by acquisitions of SEK 123.4 million.

MSEK	Oct-Dec		Jan-Dec	
	2020	2019	2020	2019
Development capex	2.6	3,3	30,6	16,6
Acquisition capex	123.4	2,5	183,3	2,5
Other capex	0	0	12,4	2,8
Total investments	126.0	5,8	226,3	21,9

In the fourth quarter development investments amounted to 2.6 MSEK (3.3 MSEK), corresponding to a decrease of 23.0 percent.

Acquisition investments amounted to 123.4 MSEK (2.5 MSEK) and other investments amounted to 0 MSEK (0 MSEK). Total investments hence amounted to 126.0 MSEK (5.8 MSEK).

PARENT COMPANY

Net revenue in the Parent Company during the fourth quarter amounted to 5.0 MSEK, operating profit to 0.3 MSEK and profit for the period to 72.4 MSEK. For the whole year, the parent company's net sales amounted to 10.1 MSEK, operating profit to -7.2 MSEK and profit for the period to 64.0 MSEK.





OPERATIONAL OVERVIEW BY BUSINESS AREA

THUNDERFUL GAMES

Thunderful Games, with activities in the development and publication of games. The business segment includes the group company Thunderful Development with game development teams from the previously independent game studios Image & Form, Zoink, Guru Games, The Station and Coatsink. Thunderful Games' strategy is based on in-house developed, high-quality games for a single player with rich content and deep action, mainly for PC and console. The business segment also includes Thunderful Publishing, which publishes games developed in-house and by other Western game studios - and Rising Star Games, which was founded in 2004 to focus on publishing prominent Japanese game titles in Europe.

COMMENTS ON EVENTS DURING THE QUARTER

In October 2020, Thunderful Group acquired the company Coatsink Software, a game developer and publisher based in Sunderland, UK. In November 2020, Thunderful Group also acquired Station Interactive, a game developer based in Karlshamn, Sweden.

THUNDERFUL DISTRIBUTION

Thunderful Distribution, with operations in distribution and sale of, among other things, Nintendo products, games, game accessories and toys. The business segment includes distributors Bergsala, Amo Toys and Nordic Game Supply. Bergsala has been distributing Nintendo's products in Sweden since 1981. Amo Toys and Nordic Game Supply are Nordic distributors of games, game accessories, merchandise and toys. Brands distributed by Amo Toys and Nordic Game Supply include Rockstar, 2K Games, Razer, Thrustmaster, PowerA, Hori, MGA Entertainment (with brands such as L.O.L., BabyBorn and Little Tikes), GeoMag and Intex.

COMMENTS ON EVENTS DURING THE QUARTER

No significant events during the quarter.





ONGOING DEVELOPMENT AND UPCOMING RELEASES

As of December 31, 2020, the Group has announced 12 ongoing internal game development projects (see below). For updated information on release dates, please refer to the publishers mentioned below or Thunderful Group's website.

In addition to these, the Group has 14 game titles under publication that are developed by third parties and published by one of the Group's publishing companies.

ANNOUNCED RELEASES IN THUNDERFUL GAMES AS OF DECEMBER 31, 2020

Titel	Publisher	IP-owner	Platforms	Distribution channels	Release year
Lost in Random	EA	Own	PC, consol	Digital	2021
TBA	TBA	Own	Streaming	Digital	2021
Jurassic World Aftermath Part 2	TBA	Universal	VR	TBA	2021
The Gunk	Thunderful Publishing	Own	PC, consol	Digital	2021
TBA (SteamWorld game)	Thunderful Publishing	Own	PC, consol	Digital, physical	2022
TBA (SteamWorld game)	Thunderful Publishing	Own	PC, consol, mobile	Digital, physical	2022
TBA	Coatsink	Own	PC, consol	TBA	2022
TBA	Coatsink	Own	PC, consol	TBA	2022
TBA (SteamWorld game)	Thunderful Publishing	Own	PC, consol, mobile	Digital	2023
TBA (SteamWorld game)	Thunderful Publishing	Own	PC, consol	Digital	2023
TBA	TBA	Own	PC, consol	TBA	2023
TBA	TBA	Own	PC, consol	TBA	2023





OTHER INFORMATION

ORGANISATION

As of September 30, 2020, the number of full-time employees was 334 (168), of which 86 women (52) and 248 men (116).

RELATED PARTY TRANSACTION

Transactions with related parties have taken place under market conditions. Nordic Game Supply has paid market interest rates to the former parent company Bergsala Holding AB.

RISK AND UNCERTAINTY FACTORS

Thunderful Group is exposed to risks, particularly the dependence on key persons, dependence of the success of game development, the sales performance of launched games, dependence on a few distributors and the success and performance of acquisitions. The complete risk analysis is found in the Groups prospectus, published on thunderfulgroup.com.

ACCOUNTING AND VALUATION POLICIES

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) adopted by the EU and RFR 1 Supplementary Accounting Rules for the Group. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable provisions of the Annual Accounts Act. The parent company's accounts have been prepared in accordance with RFR 2 Accounting for Legal Entities and the Annual Accounts Act.

DIVIDEND

Thunderful Group strives to invest its profits and cash flows in organic growth initiatives and acquisitions to support value creation, and therefore does not expect to pay annual dividends in the medium term. For further information on the Group's accounting principles, see the Group's prospectus, which is published on the company's website.

ANNUAL REPORT 2020

Thunderful Groups årsredovisning för 2020 kommer att publiceras på företagets webbplats, www.thunderfulgroup.com, 6 april 2021.

EVENTS DURING THE QUARTER

- December 7 was the first day of trading in Thunderful Group shares on the Nasdaq First North Premier Growth Market.
- Thunderful Group acquired Station Interactive AB's operations on a capital basis. On November 13, 2020, Thunderful Group AB, through its subsidiary Thunderful Development AB, acquired the game development studio Station Interactive AB through acquisition of all assets. The purchase price amounts to upfront of SEK 7 million in cash and an earnout that can amount to a maximum of SEK 14 million, where the entire

earnout is paid in cash. In addition to the 35 employees, the studio's intellectual property rights were also incorporated.

- Thunderful Group acquired Coatsink Software. On October 2, Thunderful Group AB acquired 100% of the British game development studio Coatsink Software Ltd ("Coatsink") for an upfront remuneration of GBP 23 million, of which GBP 11.5 million in cash and GBP 11.5 million in newly issued shares (corresponding to 3,256,910 shares), plus an earn-out component that could potentially result in a maximum total compensation of 65, GBP 5 million and which is a mixture of cash and shares. The price for the newly issued shares was SEK 41.04 each. Coatsink is a versatile and fast-paced development studio and publisher with a good reputation in the industry. The acquisition is in line with Thunderful's strategy to expand in the Games segment by entering into attractive agreements with platform owners and as a publisher. The acquisition makes it possible for both companies to accelerate and strengthen both ongoing and future development projects. Coatsink is currently working on four announced and unannounced in-house projects. In addition, several projects are conducted regarding external production assignments and publishing. Taken together, these will strengthen Thunderful's existing pipeline 2021 and 2022. Total acquisition-related costs during the fourth quarter amount to SEK 14.7 million.

EVENTS AFTER THE END OF THE QUARTER

- Thunderful Group acquired the German game developer and publisher Headup in February 2021.

NOMINATION COMMITTEE APPOINTED

At the Extraordinary General Meeting on September 2, 2020, it was decided to adopt instructions and rules of procedure for the Nomination Committee. The Nomination Committee shall consist of the Chairman of the Board and three Board members appointed by the three largest shareholders as of September last year. After consultation with the company's, as of September 30, 2020, the largest shareholders and with regard to the changes in the ownership structure that have taken place in connection with the company's listing on December 7, 2020, the Nomination Committee consists of representatives from Bergsala Holding, Swedbank Robur and Brjann Sigurgeirsson Holding. These three shareholders together represented approximately 39% of the capital and votes in Thunderful Group as of the IPO date (based on ownership data from Euroclear Sweden AB). Bergsala Holding is represented by Anders Holmgren, Swedbank Robur is represented by Pia Gisgård, and Brjann Sigurgeirsson Holding is represented by Eva Sigurgeirsdóttir.

AUDITORS REVIEW

This report has not been subject to review by the Group's auditors.



THE SHARE

The number of shares in Thunderful Group as of December 31 2020, amounted to 68 530 668, corresponding to a share capital of SEK 685,306.68 SEK. The largest shareholders are Bergsala

Holding AB with 25.0%, Swedbank Robur Fonder with 8.0%, Lyngeled Holding AB with 6.2% and Brjann Sigurgeirsson Holding AB with 6.2 %.

Name	Shares	Shares of capital and votes, %
Bergsala Holding AB	17,163,028	25.0%
Swedbank Robur Fonder	5,500,000	8.0%
Brjann Sigurgeirsson	4,275,000	6.2%
Klaus Lyngeled	4,275,000	6.2%
Futur Pension	2,365,600	3.5%
Knutsson Holdings AB	2,000,000	2.9%
Vasastaden Holding AB	2,000,000	2.9%
Naventi Fonder	2,000,000	2.9%
Forminx Invest AB	1,716,303	2.5%
Emid Invest AB	1,716,303	2.5%
TOTAL TOP 10	43,011,234	62.8%
ALL OTHER SHAREHOLDERS	25,519,434	37.2%
TOTAL	68,530,668	100.0%

Information about Nasdaq First North premier growth market

Nasdaq First North Premier Growth Market ("First North") is an alternative marketplace operated by the constituent exchanges of Nasdaq Stockholm. It does not have the same legal status as a regulated marketplace. Companies quoted on First North are subject to First North's rules, rather than the legal requirements set for trading on a regulated marketplace. An investment in a company trading on First North implies higher risk than one in a

company listed on a regulated market. Companies must apply to the exchange and gain approval before trading on First North can commence. A Certified Adviser guides the company through the listing process and also ensures that the company continuously satisfies First North's standards.

FNCA Sweden AB is Thunderful Group's certified adviser who may be contacted at: info@fnca.se or +46 8 52 80 03 99.

ANALYSTS FOLLOWING THUNDERFUL GROUP

Company	Name	Phone	Mail
Carnegie	Oscar Erixon	+46 8 58 86 89 73	oscar.erixon@carnegie.se
ABG Sundal Collier	Jesper Birch-Jensen	+46 8 566 286 13	jesper.birch-jensen@abgsc.se



SIGNATURES AND ASSURANCE

The Board of Directors and the Chief Executive Officer offer their assurance that this Interim Report gives a true and fair view of the Group's and Parent Company's operations, financial position and results of operations and de-scribes the significant risks and uncertainties facing the Group and Parent Company.

Gothenburg, 24 February 2021

Mats Lönnqvist, Chairman of the Board of Directors

Owe Bergsten, Board member

Oskar Burman, Board member

Tomas Franzén, Board member

Cecilia Ogvall, Board member

Brjann Sigurgeirsson, CEO





GROUP INCOME STATEMENT

MSEK	Quarter		Period	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net revenue	1,273.0	999.0	3,047.8	2,077.7
Activated work for own account	1.4	3.3	20.2	16.6
Other operating income	14.0	3.1	14.3	22.1
Total operating income	1,288.3	1,005.4	3,082.3	2,116.4
Costs for goods for resales and game projects	-1,005.1	-784.6	-2,389.1	-1,616.5
Other external expenses	-132.3	-60.3	-264.1	-169.4
Personnel expenses	-51.1	-29.3	-140.1	-100.6
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets	-19.7	-8.3	-61.8	-20.8
Other operating expenses	-12.4	-	-12.4	0.0
Total operating expenses	-1,220.6	-882.5	-2,867.4	-1,907.4
Operating profit	67.8	122.9	214.9	209.1
Other financial expenses, IPO	-32.6	-	-32.6	-
Other interest income and similar items	74.3	2.5	110.4	6.9
Interest expenses and similar items	-60.5	-1.6	-122.1	-6.7
Total financial items	-18.8	0.9	-44.4	0.2
Profit before tax	49.0	123.8	170.5	209.3
Deferred tax	3.8	-1.9	5.5	-1.9
Current tax	-18.2	-21.7	-40.9	-39.5
Net profit for the period	34.6	100.2	135.0	167.8
Profit for the period is attributable to the shareholders:				
of the parent company	34.6	100.2	135.0	167.8
Earnings per share before dilution, SEK	0.60	0.69	2.57	3.36
Earnings per share after dilution, SEK	0.60	0.69	2.57	3.36
Average number of shares	58,005,932	100,000	52,067,926	100,000



GROUP BALANCE SHEET



MSEK	31 Dec 2020	31 Dec 2019
ASSETS		
Intangible assets		
IT-systems	3.3	2.1
Balanced expenses for development work	43.3	22.9
Publishing and distribution relationships	334.4	371.6
Goodwill	277.8	2.5
Other intangible assets	202.5	-
Intangible assets	861.2	399.1
Tangible assets		
Rights of use	19.9	7.2
Buildings and land	3.9	4.0
Inventories	4.3	0.8
Tangible assets	28.2	12.0
Other non-current receivables	3.5	3.0
Other non-current securities holdings	0.1	0.2
Deferred tax assets	1.1	0.0
Financial assets	4.7	3.2
Total fixed assets	894.1	414.4
Current assets		
Advances to suppliers	150.5	113.1
Finished goods and goods for resale	341.3	347.0
Trade receivables	619.4	466.8
Other receivables	11.0	12.9
Current tax assets	11.1	2.7
Prepayments and accrued income	93.0	11.4
Prepaid game projects	31.8	20.0
Current assets	1,258.1	973.9
Cash and bank balances	305.1	51.2
Cash and bank balances	305.1	51.2
Total current assets	1,563.2	1,025.1
TOTAL ASSETS	2,457.3	1,439.5



GROUP BALANCE SHEET, CONTINUED

MSEK	31 Dec 2020	31 Dec 2019
EQUITY AND LIABILITIES		
Equity		
Share capital	0.7	0.5
Equity, including profit for the period	1,488.7	517.5
Equity attributable to equity holders of the parent	1,489.4	518.0
Provisions		
Provisions, guarantee reserve	2.6	1.3
Provisions for pensions	0.2	0.2
Other provisions	0.0	0.1
Deferred tax liability	114.3	78.8
Provisions	117.0	80.4
Non-current liabilities		
Other non-current liabilities	124.6	-
Non-current leasing liabilities	13.4	3.6
Total non-current liabilities	138.1	3.6
Current liabilities		
Liabilities to credit institutions	0.0	74.7
Debt to shareholders	0.0	154.6
Trade payables	422.8	471.7
Current tax liabilities	44.9	25.3
Other liabilities	158.3	52.8
Current leasing liabilities	5.8	3.0
Accrued and deferred liabilities	80.9	55.2
Total current liabilities	712.7	837.4
TOTAL EQUITY AND LIABILITIES	2,457.3	1,439.5





CHANGE IN GROUP EQUITY

MSEK	Share capital	Other paid up capital	Other equity including net profit	Total equity
Opening equity, (2020-01-01)	0.5	294.8	222.7	518.0
Conversion difference			-40.9	-40.9
Rights issue	0.0	7.0		7.0
Rights issue	0.0	133.6		133.6
Rights issue	0.2	736.5		736.7
Results for the year			135.0	135.0
Closing equity (2020-12-31)	0.7	1,171.9	316.8	1,489.4





GROUP CASH FLOW STATEMENT

MSEK	Quarter		Period	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Profit after financial items	48.9	123.8	170.4	209.3
Depreciation	19.7	8.3	61.8	20.8
Other non-cash items	16.5	-4.3	5.0	-0.6
Paid tax	-6.1	-21.7	-28.8	-39.5
Cash flow from operating activities	79.1	106.1	208.4	190.0
Changes in working capital				
Change in inventory and advance to supplier	333.4	68.1	-31.8	-152.8
Change in accounts receivable	-58.0	13.1	-152.5	172.2
Change in accounts payable	-355.6	41.1	-48.9	44.5
Change in other working capital	-85.1	4.8	-63.8	-139.0
Cash flow from changes in working capital	-165.4	127.1	-297.1	-75.1
Investment activities				
Acquisition of business	-123.4	-2.5	-123.4	-2.5
Investments in fixed assets	-2.6	-19.3	-32.2	-32.7
Cash flow from investing activities	-126.0	-21.8	-155.6	-35.2
Financing activities				
Change of overdraft and owner loan	-263.3	-88.8	-234.7	39.5
Payment of lease liabilities	-	-3.6	-	-3.6
Dividend	-	-80.6	-	-80.6
Shareholders' contributions	743.7	-	743.7	-
Cash flow from financing activities	480.4	-173.0	509.0	-44.7
Cash flow for the period	268.1	38.4	264.7	34.9
Cash and bank at the beginning of the period	47.9	12.3	51.2	15.9
Exchange rate differences in cash and bank	-10.8	0.5	-10.8	0.5
Cash and bank at the end of the period	305.1	51.2	305.1	51.2



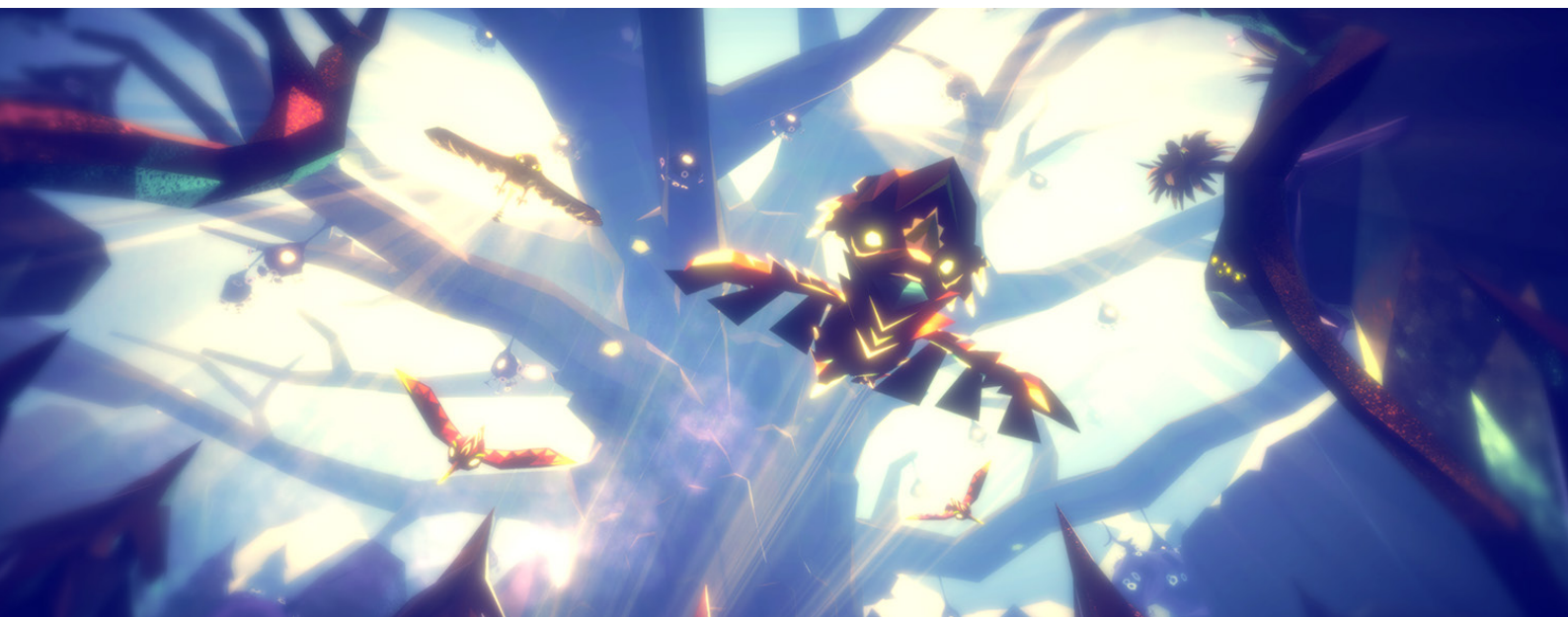
Q4

THUNDERFUL GROUP
YEAR-END REPORT
JANUARY-DECEMBER 2020

PAGE
20

PARENT COMPANY INCOME STATEMENT

TSEK	Quarter		Period	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net revenue	5,026	-	10,111	-
Total operating income	5,026	-	10,111	-
Other external expenses	-3,286	-	-13,026	-
Personnel expenses	-1,462	-	-4,247	-
Total operating expenses	-4,748	-	-17,273	-
Operating profit	278	-	-7,162	-
Other financial expenses	-32,644	-	-32,644	-
Other interest income and similar items	29,814	-	74,110	-
	-41,223	-	-86,529	-
Total financial items	-44,053	-	-45,063	-
Results before appropriations	-43,775	-	-52,225	-
Year-end appropriations	129,927	-	129,927	-
Current tax	-13,711	-	-13,711	-
Net profit for the period	72,441	-	63,991	-





Q4

THUNDERFUL GROUP
YEAR-END REPORT
JANUARY-DECEMBER 2020

PAGE
21

PARENT COMPANY BALANCE SHEET

TSEK	31 Dec 2020	31 Dec 2019
Financial assets		
Shares in subsidiaries	1,515,257	989,913
Receivables from group companies	619,389	127,258
	2,134,646	1,117,171
Current assets		
Accounts receivable		
Other receivables	5,567	
Prepayments and accrued income	5,077	
	10,644	-
Cash and bank balances	228,327	-
TOTAL ASSETS	2,373,617	1,117,171
Equity		
Share capital	685	500
Unrestricted equity	1,930,933	989,188
	1,931,618	989,688
Accrual fund	21,356	-
Long term liabilities		
Long term liabilities	117,672	-
Liabilities to Group companies	189,265	89,567
	306,937	89,567
Short term liabilities		
Overdraft facility	-	37,916
Accounts payable	22,174	-
Tax debt	13,711	-
Other liabilities	76,574	-
Accrued liabilities	1,247	-
	113,706	37,916
TOTAL EQUITY AND LIABILITIES	2,373,617	1,117,171



SEGMENT REPORTING

Thunderful Group monitors net revenue, EBITDA and operating profit (EBIT) per operating segment. EBITA will be introduced in the Group from Q4 2020 and will be used going forward, but no historical change will be made.

MSEK	Quarter		Period	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net sales				
Thunderful Games	64,7	31,5	156,2	100,9
Thunderful Distribution	1 208,3	967,5	2 891,6	1 976,8
- excluding Bergsala	737,2	537,6	1 710,4	1 015,0
Net sales	1 273,0	999,0	3 047,8	2 077,6
EBITDA				
Thunderful Games	23,9	7,4	67,2	45,3
Thunderful Distribution	76,9	120,7	230,2	181,5
Other	-13,3	3,1	-20,8	3,1
EBITDA	87,5	131,2	276,7	229,9
EBITDA margin - Thunderful Games	36,9%	23,6%	43,0%	44,9%
EBITDA margin - Thunderful Distribution	6,4%	12,5%	8,0%	9,2%
EBITDA margin - Thunderful Group	6,9%	13,1%	9,1%	11,1%
EBITA				
Thunderful Games	19,8	n.a.	n.a.	n.a.
Thunderful Distribution	76,5	n.a.	n.a.	n.a.
Other	-14,6	n.a.	n.a.	n.a.
EBITA	81,7	n.a.	n.a.	n.a.
EBITA margin - Thunderful Games	30,6%	n.a.	n.a.	n.a.
EBITA margin - Thunderful Distribution	6,3%	n.a.	n.a.	n.a.
EBITA margin - Thunderful Group	6,3%	n.a.	n.a.	n.a.
Operating profit (EBIT)				
Thunderful Games	15,2	2,2	48,4	30,9
Thunderful Distribution	67,2	120,7	216,5	178,2
Other	-14,6	-	-49,9	-
Operating profit (EBIT)	67,8	122,9	215,0	209,1
Operating margin (EBIT margin)				
- Thunderful Games	23,5%	6,9%	31,1%	30,6%
Operating margin (EBIT margin)				
- Thunderful Distribution	5,6%	12,5%	8,5%	9,0%
Operating margin (EBIT margin)				
- Thunderful Group	5,3%	12,3%	7,1%	10,1%



ALTERNATIVE KPI'S

Certain information in this report that management and analysts use to assess the Group's development has not been prepared in accordance with IFRS. Management believes that this information makes it easier for investors to analyse the Group's earnings development and financial position. Investors should consider this information as a complement rather than a consideration for financial reporting in accordance with IFRS.



DEFINITIONS AND EXPLANATIONS OF ALTERNATIVE KPI'S

Alternative KPI	Definition	Explanation
Net revenue growth	Change in net revenue for the period, calculated as an increase in net revenue compared with the previous year, expressed as a percentage.	Indicates the business's net revenue change during the period compared with the previous period.
Gross profit	Profit after net revenue and cost for goods for resales and game projects.	Indicates the product profitability of the core business.
Gross margin	Gross profit in relation to net revenue.	Indicates the product profitability of the core business.
Operating profit (EBIT)	Operating profit after depreciation/amortisation and impairment of property, plant and equipment and intangible assets.	Enables comparisons of profitability regardless of capital structure or tax situation.
Operating margin (EBIT-margin)	Operating profit in relation to net revenue.	Enables comparisons of profitability regardless of capital structure or tax situation.
EBITA	Operating profit before depreciation of other intangible assets	Shows the company's earning capacity from operating activities regardless of capital structure and tax situation and is intended to be compared with other companies in the same industry.
EBITA-margin	EBITA in relation to operating income.	Shows the company's earning capacity from operating activities regardless of capital structure and tax situation and is intended to be compared with other companies in the same industry.
EBITDA	Operating profit before depreciation/amortisation and impairment of property, plant and equipment and intangible assets.	Shows the Company's earning capacity from operating activities regardless of capital structure and tax situation and is intended to subject comparisons with other companies in the same industry.
EBITDA-margin	EBITDA in relation to net revenue.	Shows the Company's earning capacity from operating activities regardless of capital structure and tax situation and is intended to subject comparisons with other companies in the same industry.
Adjusted EBITDA	EBITDA excluding items affecting comparability.	Shows the Company's earning capacity from operating activities regardless of capital structure, tax situation and items affecting comparability and is intended to subject comparisons with other companies in the same industry.
Adjusted EBITDA-margin	Adjusted EBITDA in relation to net revenue.	Shows the Company's earning capacity from operating activities regardless of capital structure, tax situation and items affecting comparability and is intended to subject comparisons with other companies in the same industry.
Net working capital	Non-interest-bearing current assets less non-interest-bearing current liabilities.	Indicates the sum of working capital that is tied up in the business and can be analysed in relation to net sales to assess how efficiently the working capital is used in the business.
Operative cash flow	Adjusted EBITDA increased / decreased with changes in adjusted working capital and decreased with investments.	The Group uses operating cash flow to monitor the development of the business.
Cash conversion	Operative cash flow as percentage of EBITDA.	Cash conversion provides an indication of the Group's ability to generate operating cash flows.
Net interest-bearing debt	The sum of short-term and long-term interest-bearing liabilities relating to usufruct assets and overdraft facilities less cash and cash equivalents.	Interest-bearing net debt is a measure that shows the Group's interest-bearing indebtedness.
Net interest-bearing debt / EBITDA, LTM	Interest-bearing net debt as a share of adjusted EBITDA, LTM.	Thunderful Group believes that this measure is helpful in showing financial risk and that it is a useful measure to monitor the Group's debt level.



CALCULATION OF ALTERNATIVE KPI'S

MSEK	Quarter		Period	
	Oct-Dec 2020	Oct-Dec 2019	Jan-Dec 2020	Jan-Dec 2019
Net revenue growth				
Net revenue previous period	999.0	564.9	2,077.7	1,896.9
Net revenue current period	1,273.0	999.0	3,047.8	2,077.7
Net revenue growth, %	27.4%	76.8%	46.7%	9.5%
Gross profit and gross margin				
Net revenue	1,288.3	1,005.4	3,082.3	2,116.4
Cost for goods for resales and game projects	-1,005.1	-784.6	-2,389.1	-1,616.5
Gross profit, MSEK	283.3	220.8	693.2	499.9
Gross margin, %	22.0%	22.0%	22.5%	23.6%
EBITDA and EBITDA margin				
Operating profit (EBIT)	67.8	122.9	215.0	209.1
Depreciation/amortisation and impairment of property, plant and equipment and intangible assets	-19.7	-8.3	-61.8	-20.8
EBITDA	87.5	131.2	276.6	229.9
EBITDA margin, %	6.9%	13.1%	9.1%	11.1%
Net working capital				
Inventories	491.8	460.0	491.8	460.0
Trade receivables	619.4	466.8	619.4	466.8
Other receivables	11.0	12.9	11.0	12.9
Trade payables	422.8	471.7	422.8	471.7
Other liabilities	158.3	52.8	158.3	52.8
Total NWC	541.1	415.3	541.1	415.3
Operating cash flow and cash conversion				
Adjusted EBITDA	134.8	131.2	315.5	229.9
Changes in working capital	-125.8	0.0	-125.8	-66.3
Investments (capex)	-204.0	-5.8	-226.3	-21.9
Operating cash flow	-117.0	125.4	48.7	141.7
Cash conversion, %	-86.8%	95.6%	14.8	61.6
Interest-bearing net debt				
Long-term interest-bearing liabilities	0	0	0	0
Short-term interest-bearing liabilities	0	229.3	0	229.3
Cash and cash equivalents	-305.1	-51.2	-305.1	-51.2
Interest-bearing net debt	-305.1	178.1	-305.1	178.1
Adjusted EBITDA LTM	315.5	229.9	315.5	229.9
Interest-bearing net debt / adjusted EBITDA LTM	-0.9	0.8	-0.9	0.8

FINANCIAL CALENDAR

Annual General Meeting 2021	27 April, 2021
Interim report Jan – Mar 2021	18 May 2021
Interim report Apr – Jun 2021	12 August 2021
Interim report Christmas – Sep 2021	16 November 2021

FOR MORE INFORMATION

There is more information about the Group at its website:
thunderfulgroup.com

Contact details:

Brjann Sigurgeirsson, CEO, +46 708 16 16 32,
brjann@thunderfulgroup.com

Anders Maiqvist, CFO, +46 739 37 24 36,
anders.maiqvist@thunderfulgroup.com



THUNDERFUL GROUP AB
Corporate registration number: 559230-0445
Fjärde Långgatan 48
S-413 27 Gothenburg

WWW.THUNDERFULGROUP.COM