



CHANGES NOW YIELDING RESULTS

Third quarter July–September 2022

- Net revenue decreased 4.8% to 703.4 MSEK (738.9).
- Operating profit (EBIT) declined 40.9% to 38.3 MSEK (64.8), corresponding to an operating margin of 4.6% (8.5).
- Adjusted EBITDA decrease 21.2% to 77.4 MSEK (98.3), corresponding to an adjusted EBITDA margin of 9.3% (12.9).
- Adjusted EBITA declined 28.8% to 60.3 MSEK (84.7), corresponding to an adjusted EBITA margin of 7.2% (11.1).
- Profit for the quarter amounted to 11.4 MSEK (48.5).
- Earnings per share after dilution amounted to 0.16 SEK (0.70).
- Cash flow from operating activities amounted to -71.4 MSEK (-86.0).
- Consolidated cash and cash equivalents together with unutilised credit facilities amounted to 222.9 MSEK (257.7).
- Brjann Sigurgeirsson stepped down from his position as CEO. The board of directors appointed Anders Maiqvist as acting CEO. Anders Maiqvist is the company's former CFO.
- Thunderful entered into an agreement regarding changes and payment of additional earn-out component in relation to the acquisition of Robot Teddy Ltd.
- Thunderful started a dialogue with the Swedish Financial Supervisory Authority concerning information given in relation to the publication of the year-end report for 2020.

Period January–September 2022

- Net revenue increased 0.7% to 1,830.1 MSEK (1,818.2).
- Operating profit (EBIT) declined 57.7% to 52.9 MSEK (125.1), corresponding to an operating margin of 2.6% (6.6).
- Adjusted EBITDA declined 11.7% to 190.4 MSEK (215.6), corresponding to an adjusted EBITDA margin of 9.2% (11.4).
- Adjusted EBITA declined 34.3% to 119.1 MSEK (181.2), corresponding to an adjusted EBITA margin of 5.8% (9.6).
- Loss for the period amounted to -9.2 MSEK (82.1).
- Earnings per share after dilution amounted to -0.13 SEK (1.18).
- Cash flow from operating activities amounted to 91.2 MSEK (-83.5).

Events after the end of the period

- Thunderful entered into an agreement regarding changes of additional earn-out component in relation to the acquisition of Coatsink Software Ltd.
- Thunderful entered into binding agreement regarding the acquisition of Jumpship Ltd November 15 2022.

Key performance indicators

GROUP	2022 Q3	2021 Q3	Δ%	2022 Jan–Sep	2021 Jan–Sep	Δ%
Operating income, MSEK	834.0	762.0	9.4%	2,062.3	1,887.1	9.3%
Net revenue, MSEK	703.4	738.9	-4.8%	1,830.1	1,818.2	0.7%
Gross profit, MSEK	323.7	225.6	43.5%	786.0	585.2	34.3%
Gross margin, %	38.8%	29.6%		38.1%	31.0%	
EBITDA, MSEK	77.4	95.2	-18.7%	190.4	209.3	-9.0%
Adjusted EBITDA, MSEK	77.4	98.3	-21.2%	190.4	215.6	-11.7%
Adjusted EBITDA margin, %	9.3%	12.9%		9.2%	11.4%	
EBITA, MSEK	60.3	81.6	-26.1%	119.1	174.9	-31.9%
Adjusted EBITA, MSEK	60.3	84.7	-28.8%	119.1	181.2	-34.3%
Adjusted EBITA margin, %	7.2%	11.1%		5.8%	9.6%	
Operating result (EBIT), MSEK	38.3	64.8	-40.9%	52.9	125.1	-57.7%
Operating margin (EBIT margin), %	4.6%	8.5%		2.6%	6.6%	
Profit for the period, MSEK	11.4	48.5	-76.4%	-9.2	82.1	-111.3%
Net core working capital, MSEK	1,033.9	922.0	12.1%	1,033.9	922.0	12.1%
Cash flow from operating activities, MSEK	-71.4	-86.0	17.0%	91.2	-83.5	209.2%
Interest-bearing net debt, MSEK	377.6	22.8	1,556.0%	377.6	22.8	1,556.0%
Interest-bearing net debt/adjusted EBITDA, R12M	1.1	0.1	1,039.6%	1.1	0.1	1,039.6%
Earnings per share before dilution, SEK	0.16	0.70	-77.1%	-0.13	1.19	-110.9%
Earnings per share after dilution, SEK	0.16	0.70	-77.1%	-0.13	1.18	-111.0%



CEO COMMENTS

Changes now yielding results

In the third quarter, the Games segment reported an adjusted EBITA of 51.3 MSEK and an EBITA margin of 37.3 percent. This puts Thunderful Games back on profit-generating levels in line with the comparison quarter, and we can put three weak quarters behind us. In the Distribution segment, the adjusted EBITDA of 18.5 MSEK is affected by pressure on margins from selling inventories at reduced prices and high logistics overheads in both Amo Toys and Nordic Game Supply. On a positive note, however, the Group's total inventories decreased by 94 MSEK year-on-year.

Thunderful Group's net revenue amounted to 703.4 MSEK (738.9) and its adjusted EBITA was 60.3 MSEK (84.7).

Distribution: action plans to reduce inventories

In the Distribution segment, we have focused heavily during the quarter on reducing inventories; inventories have decreased by 94 MSEK year-on-year, compared to a year-on-year increase of 180 MSEK in the second quarter. The Group's inventories decreased by 70 MSEK in the third quarter compared with Q2, a trend driven by altered purchasing processes and by selling inventories at reduced prices. Our expressed emphasis on reducing inventories is continuing in Q4, which usually reports the highest sales figures due to seasonal variations. The preliminary figures on 31 October show that inventories are 70 MSEK lower than at the end of the third quarter.

Net revenue for the Distribution segment totalled 585.6 MSEK (639.8), while adjusted EBITDA was 18.5 MSEK (40.9).

Profitability in the segment was squeezed by earnings in Amo Toys and Nordic Game Supply. The total EBITDA for these two companies was just 0.7 MSEK, and the weak profitability is mainly driven by pressure on margins from clearance sales of inventories and high logistics overheads.

Managerial changes were implemented during the quarter, with Henrik Mathiasen appointed as the new CEO of Nordic Game Supply while the role of Chief Distribution Officer has been withdrawn. As a result of the change, the CEO of each distribution company reports directly to me, with a greater emphasis on reducing inventories.

Furthermore, cost initiatives have been initiated during the third quarter. For example, the workforce of Nordic Game Supply has been cut by 20 percent and the measures we are currently implementing are expected to begin to take effect in the fourth quarter, and to come into full effect in Q1 2023.

Our short-term view of demand in what is currently a relatively turbulent Nordic market indicates continued strong demand for distributed Nintendo products and toys, but far lower demand for game accessories, particularly in the higher price categories. Bergsala is continuing to be affected by disruptions to hardware deliveries during the fourth quarter, as a consequence of the lack of components.

Games: game launches begin to yield results

Net revenue for the Games segment totalled 117.8 MSEK (99.1), while adjusted EBITDA was 51.3 MSEK (51.2). This puts Thunderful Games back on profit-generating levels in line with the comparison quarter, and we can put three weak quarters behind us.

Net revenue for games launched during the quarter amounted to approximately 10 MSEK, the highest net revenue recognised for launched games since we began to report this figure separately. Cursed to Golf and Hell Pie were the two games that made the largest contribution during the third quarter, and after the end of the quarter we released games such as Lego Bricktales and The Last Hero of Nostalgaia, which together have already generated far more revenue in the fourth quarter than the 10 MSEK recognised in the third quarter.

It is very pleasing to see that our production and marketing teams, which have worked hard together during the year to prepare for a lot of game releases in the latter half of 2022 and in 2023, are finally now experiencing sales successes from our external games. The successes boost morale and self-confidence ahead of our major launches in 2023.

The Games segment has also undergone restructuring. A new integrated and decentralised structure creates plenty of scope for entrepreneurial freedom in our studios, with assistance from a handful of Group-wide support functions. Furthermore, there is now a more clearly defined ownership of each business unit, based on the four clear income streams identified within Games.



The change has been welcomed internally and lays a good foundation for continued growth, both organic and through acquisitions.

Recalculation of earn-out consideration

The net loss in the second quarter of -21.8 MSEK is attributable to the total financial items of -22.6 MSEK, which is impacted by -33.7 MSEK from unrealized FX effects. This should be seen in the light of a currency effect from foreign operations of +38.1 MSEK in comprehensive income for the second quarter, a line item after the net profit/loss for the quarter. The annual transaction risk in our main transaction currencies USD and EUR is very limited due to natural hedging within the group. However, the translation exposure from our main translation currencies GBP and EUR has higher impact on equity in the group's consolidated statements.

In the income statement for the third quarter, other income amounts to 109.9 MSEK and other expenses to -96.7 MSEK. The income and cost items include recalculation of earn-out consideration from the acquisitions of Robot Teddy Ltd and Coatsink Software Ltd respectively. The earn-out consideration for Robot Teddy, which under the original agreement ran up until December 2025, was settled during the third quarter, and the earn-out period for Coatsink was extended by three years with a maximum pay-out of 9 MGBP for the whole period, which is contained within the originally agreed additional earn-out component. The gross effect on the income statement for the third quarter from recalculation of earn-out consideration for the two acquisitions is approximately 90 MSEK in other income and -90 MSEK in other expenses, which has a marginal effect on profit by all income measures.

Since it was acquired in the fourth quarter of 2021, Robot Teddy has become one of Thunderful Group's most profitable subsidiaries, and

Coatsink has accounted for a significant proportion of Thunderful Games' profitability in every quarter since its acquisition. On the whole, this has been a well-balanced commercial decision.

Acquisitions after the end of the quarter: Jumpship Ltd

Earlier today we announced the acquisition of games developer Jumpship Ltd, which is releasing its first title, Somerville, today. The games development studio was founded by Chris Olsen, creator of the Somerville universe, and Dino Patti, former CEO and co-founder of the hugely successful games development studio Playdead. Dino Patti has also been appointed Strategic Advisor in Thunderful Games, while also keeping his current position in Jumpship. The acquisition is in line with Thunderful Group's strategy of strengthening its Games segment. Jumpship bolsters Thunderful Studios with a highly experienced team that can be proud of today's launch: the high-quality sci-fi adventure Somerville. We expect Jumpship to contribute net revenue in excess of 70 MSEK in Q4 2022, post acquisition.



Gothenburg, November 2022

Anders Maiqvist
Acting CEO



BRICK TALES



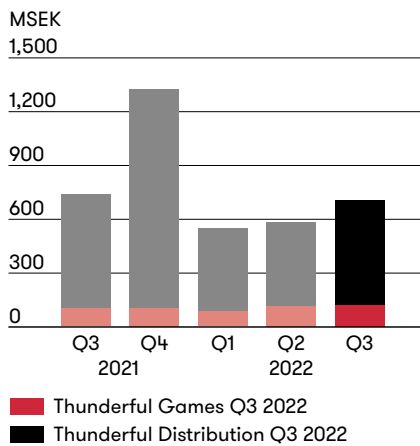


ABOUT THUNDERFUL GROUP

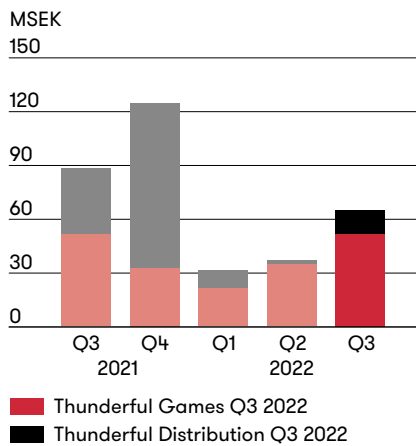
Thunderful Group is a group of companies active in the development and publishing of games as well as the distribution of Nintendo products, games, game accessories, toys and other products.

Thunderful Group was founded in late 2019 after a restructuring of the company groups Bergsala and Thunderful. With its head office in Gothenburg, Thunderful Group covers the entire gaming industry value chain through its Thunderful Games and Thunderful Distribution segments. The Group consists of over 20 subsidiaries and has approximately 450 employees in Europe.

Net revenue, Q3 2021–Q3 2022



Adjusted EBITA, Q3 2021–Q3 2022



Thunderful Group

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

Third quarter (1 July – 30 September)

Net revenue

The Group's net revenue for the third quarter amounted to 703.4 MSEK (738.9), corresponding to a decrease of 4.8%. The underlying drivers are described in the section for each segment.

Segment

Net revenue increased 18.9% to 117.8 MSEK (99.1) in the Games segment and decreased 8.5% to 585.6 MSEK (639.8) in the Distribution segment.

MSEK	2022 Q3	2021 Q3	Δ%
Thunderful Games	117.8	99.1	18.9%
Thunderful Distribution	585.6	639.8	-8.5%
- of which, Bergsala	287.7	303.0	-5.1%
- of which, Nordic Game Supply	161.0	218.8	-26.4%
- of which, Amo Toys	136.9	118.0	16.0%
Other	0.0	0.0	0.0%
Net revenue	703.4	738.9	-4.8%

Thunderful Games reported organic growth of -4.2 MSEK. Acquisition-driven growth for the quarter contributed 22.9 MSEK net revenue.

%	Games	Distribution
	Q3 2022	Q3 2022
Net revenue growth, %	18.9%	-8.5%
- of which, organic (%)	-4.2%	-8.5%
- of which, acquired (%)	23.1%	0.0%

In the Distribution segment, net revenue decrease 5.1% to 287.7 MSEK (303.0) in Bergsala, decreased -26.4% to 161.0 MSEK (218.8) in Nordic Game Supply and increased 16.0% to 136.9 MSEK (118.0) in Amo Toys.

Bergsala's sales of hardware are down on the comparison quarter. Nordic Game Supply is adversely affected by lower market demand in general. The increase for Amo Toys was driven by selling more inventories at reduced prices.

Gross profit

Gross profit for the third quarter amounted to 323.7 MSEK (225.6), corresponding to an increase of 43.5% and a gross margin of 38.8% (29.6). This profit trend was attributable to a sharp increase in net revenue in the Games segment, with a significantly higher gross margin than in the Distribution segment, while a small decrease in net revenue in the Distribution segment.

Operating expenses

Costs for goods for resale and purchased games-development services decreased 4.9% to -510.3 MSEK (-536.4).

Other external expenses increased 14.7% to -83.1 MSEK (-72.4). Of the total expense increase of -10.7 MSEK, -3.0 MSEK from increased warehouse and logistics costs in Amo Toys and NGS, and -4.9 MSEK from acquired companies.

Personnel expenses increased 24.4% to -66.5 MSEK (-53.4). The total number of employees at the end of the quarter was 444 (408).

Depreciation and amortisation rose 28.8% to -39.2 MSEK (-30.4). The key drivers were increased amortisation from capitalised game development expenditure and publishing licences, which rose -8.0 MSEK.

Adjusted operating profit, EBITDA

Adjusted operating profit before depreciation, amortisation and impairment of intangible assets and property, plant and equipment (EBITDA) during the quarter amounted to 77.4 MSEK (98.3), corresponding to an adjusted EBITDA margin of 9.3% (12.9). Adjusted EBITDA was not subject to any adjustment items in the third quarter of 2022.

Segment

Adjusted EBITDA for the Games segment amounted to 63.0 MSEK (60.8) for the quarter, corresponding to an adjusted EBITDA margin of 45.8 % (53.3).

Adjusted EBITDA for the Distribution segment totalled 18.5 MSEK (40.9) for the quarter, corresponding to an adjusted EBITDA margin of 3.1% (6.3).

**Adjusted operating profit, EBITA**

Adjusted operating profit before acquisition-related depreciation and amortisation (EBITA) amounted to 60.3 MSEK (84.7) for the quarter, corresponding to an adjusted EBITA margin of 7.2% (11.1). Adjusted EBITA was not subject to any adjustment items in the third quarter of 2022.

Segment

Adjusted EBITA for the Games segment amounted to 51.3 MSEK (51.2) for the quarter, corresponding to an adjusted EBITA margin of 37.3% (44.9).

Adjusted EBITA for the Distribution segment totalled 13.2 MSEK (37.1) for the quarter, corresponding to an adjusted EBITA margin of 2.2% (5.7).

Operating profit, EBIT

Operating profit during the quarter amounted to 38.3 MSEK (64.8), corresponding to an operating margin of 4.6% (8.5). In the third quarter of 2022, operating profit included no adjusted nonrecurring items.

Segment

Operating profit in the Games segment amounted to 38.6 MSEK (43.7) for the quarter, corresponding to an operating margin of 28.0% (38.3).

Operating profit in the Distribution segment amounted to 3.9 MSEK (25.8) for the quarter, corresponding to an operating margin of 0.6% (4.0).

Financial net

Financial net amounted to -18.1 MSEK (-4.3). Of the total financial net, -18.7 MSEK (-3.2) comprised the net of exchange gains and exchange losses.

Net exchange gains and exchange losses includes effects of -20.5 MSEK from unrealised exchange effects.

Profit for the period

Profit for the period amounted to 11.4 MSEK (48.5), corresponding to a net profit margin of 1.4% (6.4).

Other comprehensive income

Other comprehensive income during the quarter was impacted by currency translation differences in foreign operations and totalled 10.7 MSEK (4.8).



The Period (1 January – 30 September)

Net revenue

The Group's net revenue for the period amounted to 1,830.1 MSEK (1,818.2), corresponding to an increase of 0.7%. The underlying drivers are described in the section for each segment.

Segment

Net revenue increased 24.9% to 315.0 MSEK (252.3) in the Games segment and decreased 3.2% to 1,515.1 MSEK (1,565.9) in the Distribution segment.

MSEK	2022 Jan-Sep	2021 Jan-Sep	Δ%
Thunderful Games	315.0	252.3	24.9%
Thunderful Distribution	1,515.1	1,565.9	-3.2%
- of which, Bergsala	693.9	675.9	2.7%
- of which, Nordic Game Supply	463.9	589.2	-21.3%
- of which, Amo Toys	357.3	300.8	18.8%
Other	0.0	0.0	0.0%
Net revenue	1,830.1	1,818.2	0.7%

Thunderful Games reported organic growth of -14.0 MSEK which is an effect of the lack of external financed game development projects in relation to the comparison period. Acquisition-driven growth for the period contributed 76.7 MSEK net revenue.

%	Games	Distribution
	Jan-Sep 2022	Jan-Sep 2022
Net revenue growth, %	24.9%	-3.2%
- of which, organic (%)	-5.5%	-3.2%
- of which, acquired (%)	30.4%	0.0%

In the Distribution segment, net revenue increased 2.7% to 693.9 MSEK (675.9) in Bergsala, decreased 21.3% to 463.9 MSEK (589.2) in Nordic Game Supply and increased 18.8% to 357.3 MSEK (300.8) in Amo Toys.

Bergsala's sales during the period were on a par with the comparison period. Nordic Game Supply is adversely affected by lower market demand in general. The increase for Amo Toys was driven partly by better access to spring and summer toys than in the comparison period, and partly by selling more inventories at reduced prices.

Gross profit

Gross profit for the period amounted to 786.0 MSEK (585.2 MSEK), corresponding to an increase of 34.3 percent and a gross margin of 38.1 percent (31.0). This profit trend was attributable to increased net revenue in the Games segment, with a significantly higher gross margin than in the Distribution segment, and slightly decreased net revenue in the Distribution segment.

Operating expenses

Costs for goods for resale and purchased games-development services decreased 2.0% to -1,276.3 MSEK (-1,301.9).

Other external expenses increased 35.3% to -253.2 MSEK (-187.1). Of the total expense increase of -66.1 MSEK, -16.9 MSEK was from increased marketing costs, -19.7 MSEK from increased warehouse and logistics costs in Amo Toys and NGS, and -9.9 MSEK from acquired companies.

Personnel expenses increased 28.5% to -207.0 MSEK (-161.1). The total number of employees at the end of the period was 444 (408).

Depreciation and amortisation rose 63.3% to -137.5 MSEK (-84.2). The key drivers were increased amortisation and impairment from capitalised game development expenditure and publishing licences, which rose -37.6 MSEK (including depreciation and amortisation of -19.9 MSEK for the game The Gunk), and depreciation and amortisation related to purchase price allocations (PPA), which increased -16.4 MSEK, as a consequence of acquired companies compared to the same period last year.



**Adjusted operating profit, EBITDA**

Adjusted operating profit before depreciation, amortisation and impairment of intangible assets and property, plant and equipment (EBITDA) during the period amounted to 190.4 MSEK (215.6), corresponding to an adjusted EBITDA margin of 9.2% (11.4). Adjusted EBITDA was not subject to any adjustment items in the period.

Segment

Adjusted EBITDA for the Games segment amounted to 163.0 MSEK (133.5) for the period, corresponding to an adjusted EBITDA margin of 41.5% (46.4).

Adjusted EBITDA for the Distribution segment amounted to 40.9 MSEK (92.4) for the full year, corresponding to an adjusted EBITDA margin of 2.6% (5.8).

Adjusted operating profit, EBITA

Adjusted operating profit before acquisition-related depreciation and amortisation (EBITA) amounted to 119.1 MSEK (181.2) for the period, corresponding to an adjusted EBITA margin of 5.8% (9.6). Adjusted EBITDA was not subject to any adjustment items in the period.

Segment

Adjusted EBITA for the Games segment amounted to 106.9 MSEK (107.2) for the period, corresponding to an adjusted EBITA margin of 27.2% (37.2).

Adjusted EBITA for the Distribution segment amounted to 25.8 MSEK (84.5) for the period, corresponding to an adjusted EBITA margin of 1.6% (5.3).

Operating profit, EBIT

Operating profit for the period amounted to 52.9 MSEK (125.1), corresponding to an operating margin of 2.6% (6.6). Operating profit was not subject to any adjustment items in the period.

Segment

Operating profit in the Games segment amounted to 68.8 MSEK (84.6) for the period, corresponding to an operating margin of 17.5% (29.4).

Operating result in the Distribution segment amounted to -2.1 MSEK (54.8) for the period, corresponding to an operating margin of -0.1% (3.4).

Financial net

Financial net amounted to -47.1 MSEK (-19.9). Of the total financial net, -43.4 MSEK comprised the net of exchange gains and exchange losses.

Net exchange gains and exchange losses includes effects of -52.1 MSEK from unrealised exchange effects.

Result for the period

Result for the period amounted to -9.2 MSEK (82.1), corresponding to a net margin of -0.4% (4.4).

Other comprehensive income

Other comprehensive income was impacted by currency translation differences in foreign operations and totalled 53.0 MSEK (49.0).



FINANCIAL POSITION

Financial position and liquidity

The Group's total assets on 30 September 2022 amounted to 3,451.2 MSEK, compared with 2,865.3 MSEK on 30 September 2021.

Core working capital on 30 September 2022 amounted to 1,033.9 MSEK, compared with 922.0 MSEK on 30 September 2021.

The Group's equity on 30 September 2022 totalled 1,846.7 MSEK, compared with 1,649.3 MSEK on 30 September 2021.

Thunderful Group has a confirmed credit facility of 55 MEUR with Danske Bank. On the balance-sheet date, 30 September 2022, Thunderful Group had utilised 424.5 MSEK of this facility and cash and cash equivalents amounted to 46.9 MSEK.

Including the unutilised portion of the confirmed credit facility, cash and cash equivalents as of 30 September 2022 amounted to 222.9 MSEK, compared with 257.7 MSEK on 30 September 2021.

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 operating expenses in relation to sales are generally higher during the first to third quarter.

Cash flow and investments

Cash flow from operating activities amounted to -71.4 MSEK [-86.0] for the third quarter and to 91.2 MSEK [-83.5] for the period.

Various investments, noted below, were made during the quarter and the entire period.

MSEK	2022 Q3	2021 Q3	2022 Jan-Sep	2021 Jan-Sep	2021 Full-year
Internal game development capex	28.3	14.9	105.8	34.5	59.6
Publishing licences capex	22.5	8.0	48.6	12.1	45.1
Game projects capex	0.0	0.0	4.6	0.0	0.0
Acquisition capex	0.0	8.1	0.0	57.2	188.9
Other capex	3.1	5.6	10.0	19.3	23.2
Total investments	53.9	36.6	169.0	123.1	316.8

Parent Company

Net revenue in the Parent Company during the period amounted to 7.6 MSEK [4.2], operating result to -19.8 MSEK [-11.8] and profit for the period to 130.8 MSEK [4.7].

The Parent Company's revenue comprises intra-Group services.



OPERATIONAL OVERVIEW BY SEGMENT

Thunderful Games

Thunderful Games' operations are divided into four clear income streams:

- **IP Building** includes development and publishing of internally developed games with own IP:s and publishing of externally developed games with licensed IP:s. The revenue stream is dependent on a high rate of investment and can generate high profitability levels when published games reach commercial success.
- **Co-development** includes game development within Thunderful Studios on behalf of external licensees. The revenue stream contributes with predictable revenues with stable and high margins and with revenue shares from developed games. There is no need for investments.
- **Partners** includes service and support for third-party game developers who self-publish games. The revenue stream contributes with predictable revenues with stable and high margins and with revenue shares from games that our partners self-publish. There is no need for investments.
- **Investments** includes investments ranging from early prototype phase in game development projects to acquisitions of larger companies. The project investment revenue stream is dependent on a certain rate of investments and contributes with variable revenue shares from games in which Thunderful has invested.

The collaborations between the companies within Thunderful Games have resulted in several games projects and clients that generate parallel income in multiple income streams.

Comments on events during the quarter

In the income statement for the third quarter, other income amounts to 109.9 MSEK and other expenses to -96.7 MSEK. The income and cost items include recalculation of earn-out consideration from the acquisitions of Robot Teddy Ltd and Coatsink Software Ltd respectively. The earn-out consideration for Robot Teddy, which under the original agreement ran up until December 2025, was settled during the third quarter, and the earn-out period for Coatsink was extended by three years with a maximum pay-out of 9 MGBP for the whole period.

The gross effect on the income statement for the third quarter from recalculation of earn-out consideration for the two acquisitions is approximately 90 MSEK in other income and -90 MSEK in other expenses, which has a negligible effect on profit by all income measures.

The Games segment has also undergone restructuring. A new integrated and decentralised structure creates plenty of scope for entrepreneurial freedom in our studios, with assistance from a handful of Group-wide support functions. Furthermore, there is now a more clearly defined ownership of each business unit, based on the four clear income streams identified within Games. The change has been welcomed internally and lays a good foundation for continued growth, both organic and through acquisitions.

Thunderful Distribution

Thunderful Distribution, with operations in distribution and sale of, among other items, Nintendo products, games, game accessories and toys. The segment includes the 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 Nordic Game Supply and Amo Toys include Rockstar, 2K Games, Razer, Thrustmaster, PowerA, Hori, L.O.L., BabyBorn, Little Tikes, GeoMag and Intex.

Comments on events during the quarter

Managerial changes were implemented during the quarter, with Henrik Mathiasen appointed as the new CEO of Nordic Game Supply while the role of Chief Distribution Officer has been withdrawn. As a result of the change, the CEO of each distribution company reports directly to CEO, with a greater emphasis on reducing inventories.



GAMES RELEASED DURING AND AFTER THE THIRD QUARTER OF 2022

During the third quarter of 2022, the Group released three games. All of these were from external studios through the Group’s publishing activities. After the end of the quarter but before the publication of this report, five more games were released. Two of these is from the Group’s own studios and three are from external studios through the Group’s publishing activities.

Launches in the third quarter contributed 9.7 MSEK in net revenue. This pertained only to the platforms and versions of the respective games launched in the quarter. The Group has 12 ongoing in-house game-development projects and 20 ongoing game-development projects that are being developed by third parties and which are intended to be published by one of the Group’s publishing companies. An overview of these 32 game-development projects is available on page 12.

Games released during the third quarter of 2022

Game description				Platforms			
Title	Release	Publisher	Studio	PC	Console	Mobile	VR
Hell Pie	2022-07-21	Headup	External	●	●	○	○
Gigapocalypse	2022-08-04	Headup	External	●	●	●	○
Cursed to Golf	2022-08-18	Thunderful	External	●	●	○	○

Games released after the quarter but before the publication of this interim report

Game description				Platforms			
Title	Release	Publisher	Studio	PC	Console	Mobile	VR
LEGO Bricktales	2022-10-12	Thunderful	External	●	●	○	○
The Last Hero Of Nostalgaia	2022-10-19	Coatsink	External	●	●	○	○
Paper Cut Mansion	2022-10-27	Thunderful	External	●	●	○	○
Jurassic World: Aftermath	2022-11-10	Coatsink	In-house	○	●	○	○
Somerville	2022-11-15	Jumpship	In-house	●	●	○	○

● Released ○ Yet to be released



Announced releases of **internally** developed Thunderful games

Game description			Platforms			
Title	Release	Publisher	PC	Console	Mobile	VR
Wavetale	2022-12-12	Thunderful	●	●	○	○
Tinkertown	2023, 1H	Headup	●	●	○	○
"Cicada"	2023, 1H	Coatsink	●	○	○	○
"Coffee (a SteamWorld IP Game)"	2023, 1H	Thunderful	●	●	○	○
Vendir: Plague of Lies	2023, 1H	EMS	○	○	●	○
"Strawberry (a SteamWorld IP Game)"	2023, 1H	Thunderful	○	○	●	○
"Jaffa (a Jurassic World IP Game)"	2023, 1H	Coatsink	○	○	○	●
"Date"	2023, 2H	Coatsink	○	○	○	●
SteamWorld Headhunter	2024	Thunderful	●	●	○	○
"Caramel (a SteamWorld IP Game)"	2024	Thunderful	●	●	●	○
"Lemon"	2024	To The Sky	●	●	○	○
"Vanilla"	2024	Thunderful	●	●	○	○

Announced releases of **externally** developed Thunderful games

Game description		Platforms			
Title	Release	PC	Console	Mobile	VR
Swordship	2022-12-05	●	●	○	○
Togges	2022-12-07	●	●	○	○
Moonglow Bay	2023, 1H	●	●	○	○
The Last Hero Of Nostalgaia	2023, 1H	●	●	○	○
Super Meat Boy Forever	2023, 1H	○	○	●	○
LEGO Bricktales	2023, 1H	●	●	●	○
"Cinnamon"	2023, 1H	○	○	○	●
Planet of Lana	2023, 1H	●	●	○	○
"Raspberry"	2023, 1H	●	●	○	○
Laika: Aged Through Blood	2023, 1H	●	●	○	○
"Eggnog"	2023, 1H	●	●	○	○
Replaced	2023, 2H	●	●	○	○
Worldless	2023, 2H	●	●	○	○
"Coconut"	2023, 2H	●	●	○	○
"Cashew"	2023, 2H	●	●	○	○
"Rum & Raisin"	2023, 2H	●	●	○	○
"Lime"	2024	●	○	○	○
"Peach"	2024	●	●	○	○
"Maple"	2024	●	●	○	○
"Snowflake"	2024	●	●	○	○

"Non-advertised game name" ● Released ● Under development ○ N/A



OTHER INFORMATION

Organisation

As of 30 September 2022, the number of full-time employees was 444 (408), of whom 109 (101) women and 335 (307) men.

Related party transactions

Anders Maiqvist became acting CEO of Thunderful Group on 10 August 2022. Through companies and together with related parties of his, Anders Maiqvist owns 50 percent of the shares in Wester Maiqvist AB. In June 2022, Thunderful Group entered into a consultancy agreement with Wester Maiqvist AB regarding warehouse and logistics optimisation. During the third quarter of 2022, Wester Maiqvist AB invoiced Thunderful Group approximately 0.8 MSEK for services provided.

Risks and uncertainties

Thunderful Group is exposed to risks, particularly the dependence on key individuals, the dependence on successful game development, the sales performance of released games, the dependence on a few distributors, and the success and performance of acquisitions. The complete risk analysis is found on pages 66–71 and pages 89–90 of the Group's 2021 Annual Report, published on the company's website. The Annual Report is published on the company's website.

Accounting policies

This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting. For the Parent Company, the Swedish Financial Reporting Board's Recommendation RFR 2 Financial Reporting for Legal Entities has been applied in the preparation of this interim report. The accounting policies and basis of calculation correspond to the policies applied in the company's most recent annual report. For financial assets and liabilities, carrying amounts are deemed to be a good approximation of fair value. Financial instruments measured at fair value comprise liabilities for earn-outs. These are measured at fair value through profit or loss. Measurement is based on other observable data for the asset or liability, meaning Level 3 according to IFRS.

The Group applies the following amortisation principles for its game development and publishing projects:

Amortisation of finished game-development projects and launched publishing projects – degressive amortisation 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.

For further information on the Group's accounting policies, refer to the 2021 Annual Report, which is published on the company's website.

Dividend

Thunderful Group strives to invest its profit and cash flows in organic growth initiatives and acquisitions to support value creation, and therefore does not intend to pay annual dividends in the medium term.

Events during the quarter

- Brjann Sigurgeirsson stepped down from his position as CEO. The board of directors appointed Anders Maiqvist as acting CEO. Anders Maiqvist is the company's former CFO.
- Thunderful entered into an agreement regarding changes and payment of additional earn-out component in relation to the acquisition of Robot Teddy Ltd.
- Thunderful started a dialogue with the Swedish Financial Supervisory Authority concerning information given in relation to the publication of the year-end report for 2020.

Events after the end of the period

- Thunderful entered into an agreement regarding changes of additional earn-out component in relation to the acquisition of Coatsink Software Ltd.
- Thunderful entered into binding agreement regarding the acquisition of Jumpship Ltd November 15 2022.

Auditors' review

Refer to the Auditors' review on page 16.

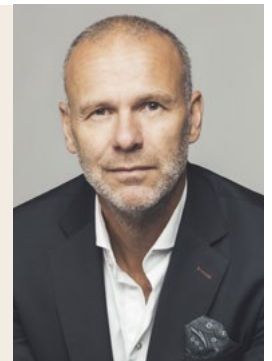


THE SHARE

Name	Shares	Shares of capital and votes, %
Bergsala Holding AB	17,613,693	25.1%
Swedbank Robur Fonder	4,845,000	6.9%
Lyngeled Holding AB	4,380,000	6.2%
Brjann Sigurgeirsson (privately and through companies)	4,375,000	6.2%
ODIN Fonder	3,100,000	4.4%
RAM Rational Asset Management	2,206,774	3.1%
ÖstVäst Capital Management	2,200,000	3.1%
Knutsson Holdings AB	2,100,000	3.0%
Alcur Fonder	1,375,342	2.0%
Lancelot Asset Management AB	1,300,000	1.8%
TOTAL TOP 10	43,495,809	61.9%
Other	26,794,788	38.1%
TOTAL	70,290,597	100.0%

Financial statements and other financial and general information are published on the Group's website www.thunderfulgroup.com

CFO Lennart Sparud is responsible for IR issues,
Tel: +46 705 58 66 04,
e-mail: lennart@thunderfulgroup.com



As of 30 September 2022, Thunderful Group AB's share capital amounted 702,905.97 SEK distributed across 70,290,597 shares with a quotient value of 0.01 SEK per share. Thunderful Group has been listed since December 2020 on Nasdaq Stockholm and the company's share is traded on First North Premier Growth Market (THUNDR). On the balance-sheet date of 30 September 2022, Thunderful Group's market capitalisation was around 1,055.1 MSEK.

Certified adviser

FNCA Sweden AB
info@fnca.se

Analysts who follow Thunderful Group

ABG Sundal Collier
Simon Jönsson
+46 708 44 86 89
simon.jonsson@abgsc.se

Carnegie
Dennis Berggren
+46 734 17 87 62
dennis.berggren@carnegie.se

Redeye
Danesh Zare
+46 709 16 79 32
danesh.zare@redeye.se
Tomas Otterbeck
+46 708 13 69 11
tomas.otterbeck@redeye.se
Viktor Lindström
+46 790 06 88 62
viktor.lindstrom@redeye.se



SIGNATURES AND ASSURANCE

The Board of Directors and the CEO 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 describes the significant risks and uncertainties facing the Group and the Parent Company.

Gothenburg, 15 november 2022

Mats Lönnqvist
Chairman of the Board

Tomas Franzén
Board member

Owe Bergsten
Board member

Cecilia Ogvall
Board member

Oskar Burman
Board member

Anders Maiqvist
Acting CEO

This information is of a nature that Thunderful Group AB is obligated to publish under the EU's Market Abuse Regulation. It was submitted for publication through the agency of the contact persons set out below at 7:30 a.m. CEST on 15 November 2022.

For more information, please contact:

Anders Maiqvist, acting CEO, Thunderful Group
E-mail: anders.maiqvist@thunderfulgroup.com
Tel: +46 739 37 24 36

Lennart Sparud, CFO, Thunderful Group
E-mail: lennart@thunderfulgroup.com
Tel: +46 705 58 66 04





AUDITORS' REPORT

To the Board of Thunderful Group AB, Corp. Reg. No. 559230-0445

Introduction

We have reviewed the condensed interim financial information (interim report) for Thunderful Group AB for September 30, 2022 and the nine-month period then ended. The Board of Directors and the CEO are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 Review of Interim Financial Statements Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis for a conclusion with reservation

As shown in the quarterly report under Events after the end of the quarter, an extension of time for earning the regarding the additional purchase price of 90 MSEK for Coatsink Software Ltd, has already been reported during the reporting period. According to IAS 10, this is an event that occurred after the end of the reporting period and that does not confirm a situation that existed as of the balance sheet date. This amount should then only be reported in the fourth quarter.

Conclusion with reservation

Based on our review, with reservation for the circumstance described in the previous paragraph, nothing has come to our attention that give us reason to consider that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Annual Accounts Act and for the parent company in accordance with the Annual Accounts Act.

Gothenburg, 15 November 2022

Grant Thornton Sweden AB

Patric Hofréus
Authorised Public Accountant



**Q3**

THUNDERFUL GROUP
 INTERIM REPORT
 JANUARY–SEPTEMBER 2022

17

GROUP INCOME STATEMENT

MSEK	2022 Q3	2021 Q3	2022 Jan-Sep	2021 Jan-Sep	2021/22 R12M	2021 Full-year
Net revenue	703.4	738.9	1,830.1	1,818.2	3,152.7	3,140.8
Capitalised work on own account	20.7	12.7	71.0	32.0	96.1	57.1
Other operating income	109.9	10.4	161.2	36.9	200.2	75.9
Operating income	834.0	762.0	2,062.3	1,887.1	3,449.0	3,273.8
Operating expenses						
Goods for resale (Distribution)	-499.8	-523.0	-1,235.3	-1,264.3	-2,239.4	-2,268.4
Purchased games-development services (Games)	-10.6	-13.4	-41.1	-37.6	-52.6	-49.1
Other external expenses	-83.1	-72.4	-253.2	-187.1	-394.2	-328.1
Personnel expenses	-66.5	-53.4	-207.0	-161.1	-284.6	-238.7
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	-39.2	-30.4	-137.5	-84.2	-180.3	-127.0
Other operating expenses	-96.7	-4.6	-135.3	-27.7	-161.3	-53.7
Total operating expenses	-795.7	-697.2	-2,009.4	-1,762.0	-3,312.4	-3,065.0
Operating profit	38.3	64.8	52.9	125.1	136.6	208.8
Total financial items	-18.1	-4.3	-47.1	-19.9	-67.1	-39.9
Profit/loss after financial items	20.1	60.4	5.8	105.1	69.5	168.9
Tax on profit for the period	-8.7	-11.9	-15.0	-23.0	-28.7	-36.7
Net profit/loss for the period	11.4	48.5	-9.2	82.1	40.8	132.2
Other comprehensive income						
Currency translation difference in foreign operations	10.7	4.8	53.0	49.0	83.0	79.0
Comprehensive income for the period	22.1	53.3	43.8	131.1	123.8	211.2
Net profit for the period attributable to:						
Shareholders of the Parent Company	11.4	48.5	-9.2	82.1	40.8	132.2
Earnings per share before dilution, SEK	0.16	0.70	-0.13	1.19	0.58	1.91
Earnings per share after dilution, SEK	0.16	0.70	-0.13	1.18	0.58	1.90
Comprehensive income for the period attributable to:						
Shareholders of the Parent Company	22.1	53.3	43.8	131.1	123.8	211.2
Average number of shares	70,290,597	68,987,636	70,252,037	68,833,433	70,118,194	69,322,610

**Q3**

THUNDERFUL GROUP
 INTERIM REPORT
 JANUARY–SEPTEMBER 2022

18

GROUP BALANCE SHEET

MSEK	2022-09-30	2021-09-30	2021-12-31
ASSETS			
Fixed assets			
<i>Intangible assets</i>			
IT systems	4.3	3.6	3.6
Capitalised development expenditure, games	196.3	93.5	122.7
Publishing licences	92.8	371	575
Investments in game projects	4.6	0.0	0.0
Publishing and distribution relationships	269.4	306.6	297.3
Goodwill	745.0	493.4	728.0
Game rights	276.3	160.3	296.0
Customer relationships	108.7	42.0	120.0
Other intangible assets	23.8	18.9	24.2
	1,721.2	1,155.4	1,649.2
<i>Property, plant and equipment</i>			
Right-of-use assets	138.0	114.9	114.6
Buildings and land	0.6	0.5	0.6
Equipment, tools, fixtures and fittings	17.3	14.5	14.8
	155.9	129.9	130.0
<i>Financial assets</i>			
Other securities held as non-current assets	0.2	0.2	0.1
Deferred tax assets	1.7	1.4	1.3
Other non-current receivables	7.3	4.4	7.0
	9.2	6.0	8.4
Total fixed assets	1,886.3	1,291.2	1,787.6
Current assets			
<i>Inventories, etc.</i>			
Finished goods and goods for resale	842.5	692.4	758.6
Advance payments to suppliers	15.8	259.5	5.4
	858.3	951.9	764.0
<i>Current receivables</i>			
Accounts receivable	534.0	391.9	866.6
Current tax assets	17.8	16.7	4.6
Other receivables	7.7	24.9	35.7
Prepayments and accrued income	100.2	59.6	101.0
	659.7	493.0	1,007.9
Cash and cash equivalents	46.9	129.2	60.2
Total current assets	1,565.0	1,574.1	1,832.1
TOTAL ASSETS	3,451.2	2,865.3	3,619.7

**Q3**

THUNDERFUL GROUP
 INTERIM REPORT
 JANUARY–SEPTEMBER 2022

19

GROUP BALANCE SHEET, CONTINUED

MSEK	2022-09-30	2021-09-30	2021-12-31
EQUITY AND LIABILITIES			
Equity			
Share capital	0.7	0.7	0.7
Other capital contributions	1,274.8	1,201.3	1,271.8
Other equity, including net profit for the year	571.2	447.3	527.4
	1,846.7	1,649.3	1,799.9
Provisions			
Provisions for pensions and similar obligations	0.2	0.2	0.2
Deferred tax liabilities	145.7	114.2	156.9
Other provisions	2.0	2.6	2.0
	147.9	117.1	159.1
Non-current liabilities			
Non-current earn-out considerations	210.2	137.3	355.8
Non-current lease liabilities	109.6	93.6	91.2
	319.8	230.9	447.0
Current liabilities			
Overdraft facility	20.6	152.0	270.4
Liabilities to credit institutions	404.0	0.0	0.0
Advance payments from customers	0.0	4.0	0.0
Accounts payable	358.4	421.8	588.6
Current tax liabilities	51.5	51.4	50.4
Other liabilities	75.7	50.6	97.7
Current earn-out considerations	133.9	99.0	96.6
Current lease liabilities	25.9	18.7	20.5
Accrued expenses and deferred income	67.0	70.4	89.5
	1,136.9	868.0	1,213.7
TOTAL EQUITY AND LIABILITIES	3,451.2	2,865.3	3,619.7



GROUP STATEMENT OF CHANGES IN EQUITY

MSEK	Share capital	Other capital contributions	Other equity, incl. net profit for the period	Total equity
Opening balance, 1 January 2022	0.7	1,271.8	527.4	1,799.9
New issues of shares, earn-out consideration Headup GmbH	0.0	3.0	0.0	3.0
Total comprehensive income for the period	0.0	3.0	0.0	3.0
Total comprehensive income for the period	0.0	0.0	43.8	43.8
Closing balance, 30 september 2022	0.7	1,274.8	571.2	1,846.7
Opening balance, 1 January 2021	0.7	1,171.9	316.2	1,488.8
New issues of shares, acquisition Headup GmbH	0.0	25.3	0.0	25.3
New issues of shares, acquisition Stage Clear Studios, SL	0.0	4.1	0.0	4.1
Transactions with owners	0.0	29.4	0.0	29.4
Total comprehensive income for the period	0.0	0.0	131.1	131.1
Closing balance, 30 september 2021	0.7	1,201.3	447.3	1,649.3
Opening balance, 1 January 2021	0.7	1,171.9	316.2	1,488.8
New issues of shares, acquisition Headup GmbH	0.0	25.3	0.0	25.3
New issues of shares, acquisition Stage Clear Studios, SL	0.0	4.1	0.0	4.1
New issues of shares, acquisition Robot Teddy Ltd	0.0	35.5	0.0	35.5
New issues of shares, acquisition Early Morning Studio AB	0.0	35.0	0.0	35.0
Transactions with owners	0.0	99.9	0.0	99.9
Total comprehensive income for the period	0.0	0.0	211.2	211.2
Closing balance, 31 December 2021	0.7	1,271.8	527.4	1,799.9



**Q3**

THUNDERFUL GROUP
 INTERIM REPORT
 JANUARY–SEPTEMBER 2022

21

GROUP CASH FLOW STATEMENT

MSEK	2022 Q3	2021 Q3	2022 Jan-Sep	2021 Jan-Sep	2021/22 R12M	2021 Full-year
Operating activities						
Profit after financial items	20.2	60.4	5.8	105.1	69.6	168.9
Adjustment for non-cash items						
- Depreciation, amortisation and impairment	39.1	30.5	137.5	84.3	180.2	127.0
- Translation differences	-33.8	-6.2	-31.7	14.3	-14.8	31.2
- Other adjustments	0.0	0.0	0.0	-0.3	-0.6	-0.9
	25.5	84.7	111.6	203.4	234.4	326.2
Income tax paid	-8.9	-2.3	-38.5	-34.0	-43.7	-39.2
Cash flow from operating activities before changes in working capital	16.6	82.4	73.1	169.4	190.7	287.0
Changes in working capital						
Change in inventories and advance payments to suppliers	70.3	-201.4	-94.3	-456.3	94.0	-268.0
Change in accounts receivable	-158.0	-114.7	332.6	228.3	-142.9	-247.2
Change in accounts payable	-16.6	200.8	-230.2	4.6	-69.0	165.8
Change in other working capital	16.3	-53.1	10.0	-29.5	37.0	-2.5
Cash flow from operating activities	-71.4	-86.0	91.2	-83.5	109.8	-64.9
Investing activities						
Acquisition of subsidiaries/business	0.0	-8.1	0.0	-57.2	-131.7	-188.9
Investment in property, plant and equipment	-0.8	-2.1	-6.3	-11.5	-7.3	-12.5
Investment in capitalised game development expenditure	-28.3	-14.9	105.8	-34.5	-130.9	-59.6
Investment in game projects	0.0	0.0	-4.6	0.0	-4.6	0.0
Investment in publishing rights	-22.5	-8.0	-48.6	-12.1	-81.6	-45.1
Investment in other intangible assets	-0.3	-2.6	-1.6	-10.2	-1.9	-10.5
Investment in financial assets	-2.0	-0.9	-2.1	-1.0	-4.7	-3.6
Sale of fixed assets	0.0	0.0	0.0	3.4	0.0	3.4
Cash flow from investing activities	-53.9	-36.6	-169.0	-123.1	-362.7	-316.8
Financing activities						
Change in overdraft facility	10.6	152.0	-249.8	152.0	-131.4	270.4
Borrowings from credit institutions	83.6	0.0	404.0	0.0	404.0	0.0
Repayment of lease liabilities	-6.2	-4.9	-17.9	-11.9	-22.9	-16.9
Repayment of earn-out liabilities	-13.6	-119.1	-114.5	-119.1	-114.5	-119.1
Cash flow from financing activities	74.3	28.0	21.7	21.0	135.1	134.4
Cash flow for the period	-51.2	-94.6	-56.3	-185.6	-117.8	-247.3
Cash and cash equivalents at the beginning of the period	78.2	214.7	60.2	305.1	129.2	305.1
Exchange-rate differences in cash and cash equivalents	19.9	9.1	43.0	9.7	35.7	2.4
Cash and cash equivalents at the end of the period	46.9	129.2	46.9	129.2	46.9	60.2



Q3

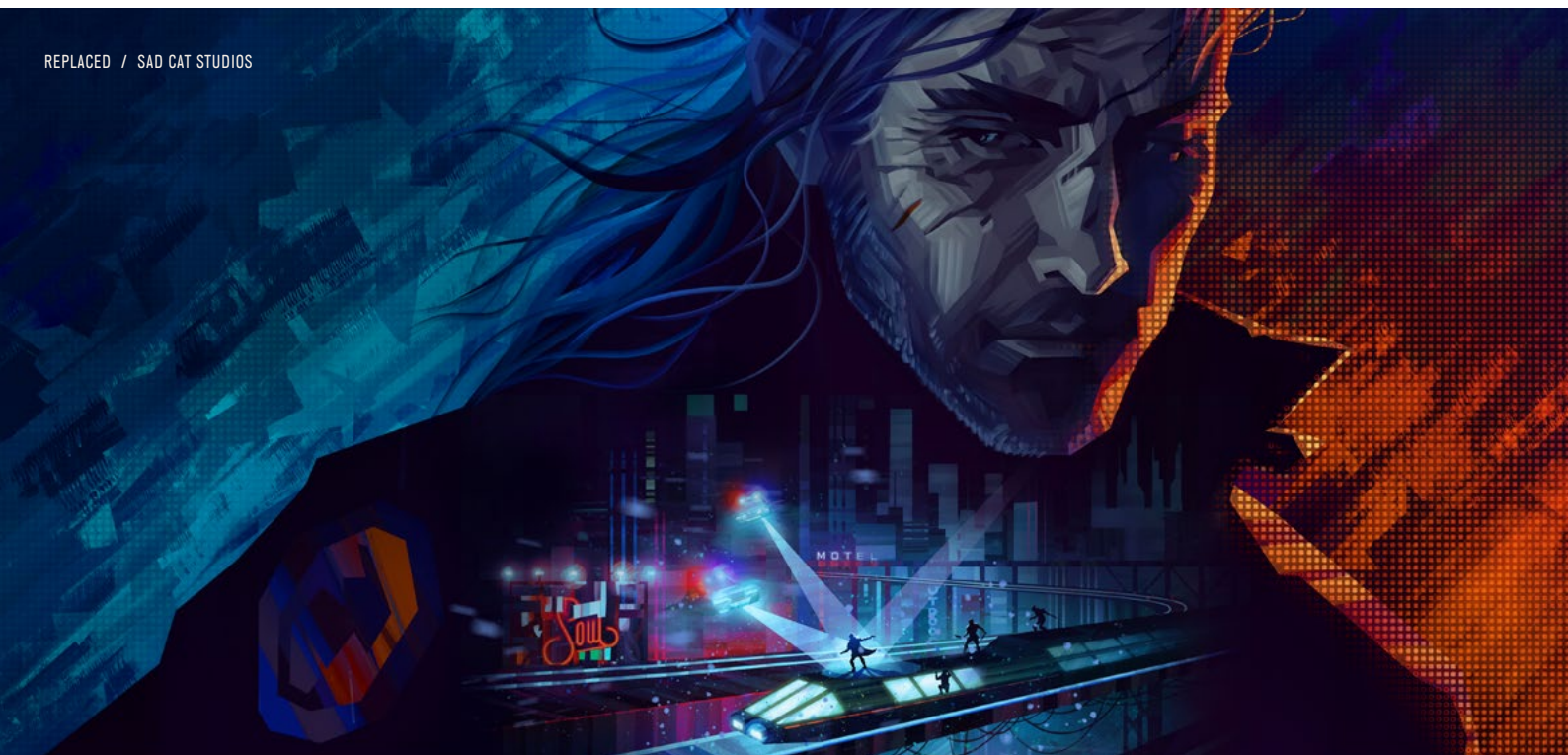
THUNDERFUL GROUP
INTERIM REPORT
JANUARY-SEPTEMBER 2022

22

PARENT COMPANY INCOME STATEMENT

MSEK	2022 Jan-Sep	2021 Jan-Sep
Net revenue	7.6	4.2
Other operating income	92.4	0.1
Operating income	99.9	4.3
Operating expenses		
Other external expenses	-20.1	-11.4
Personnel expenses	-9.8	-4.6
Other operating expenses	-89.8	0.0
Total operating expenses	-119.7	-16.0
Operating profit	-19.8	-11.8
Total financial items	150.6	17.7
Profit after financial items	130.7	5.9
Tax on profit for the period	0.1	-1.2
Net profit/loss for the period and comprehensive income for the period	130.8	4.7

REPLACED / SAD CAT STUDIOS





PARENT COMPANY BALANCE SHEET

MSEK	2022-09-30	2021-09-30	2021-12-31
ASSETS			
Fixed assets			
<i>Financial assets</i>			
Shares in Group companies	2,178.7	1,746.9	2,181.2
Total fixed assets	2,178.7	1,746.9	2,181.2
Current assets			
Receivables from Group companies	807.8	613.3	1,084.8
Current tax assets	13.4	0.0	0.0
Other receivables	0.4	15.5	16.3
Prepayments and accrued income	1.4	2.7	2.8
Total current assets	823.0	631.5	1,103.9
Cash and bank balances	0.0	0.0	0.0
TOTAL ASSETS	3,001.7	2,378.4	3,285.1
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	0.7	0.7	0.7
	0.7	0.7	0.7
<i>Unrestricted equity</i>			
Retained earnings	78.7	64.3	64.3
Share premium reserve	1,969.5	1,896.0	1,966.5
Net profit for the year	130.8	1.7	14.4
Total unrestricted equity	2,179.0	1,962.0	2,045.2
Total equity	2,179.7	1,962.7	2,045.9
Untaxed reserves			
Tax allocation reserves	27.5	21.4	27.5
Total untaxed reserves	27.5	21.4	27.5
Provisions			
Deferred tax	0.0	1.0	0.0
Total provisions	0.0	1.0	0.0
Non-current liabilities			
Non-current earn-out considerations	208.4	130.3	348.8
Total non-current liabilities	208.4	130.3	348.8
Current liabilities			
Overdraft facility	20.6	151.3	268.6
Liabilities to credit institutions	404.0	0.0	0.0
Liabilities to Group companies	26.7	0.0	484.6
Accounts payable	1.3	1.9	3.1
Tax liabilities	0.0	8.3	4.5
Other liabilities	0.9	0.2	0.4
Current earn-out considerations	130.7	99.0	96.6
Accrued liabilities	2.0	2.2	5.1
Total current liabilities	586.1	263.0	862.9
TOTAL EQUITY AND LIABILITIES	3,001.7	2,378.4	3,285.1

**Q3**

THUNDERFUL GROUP
 INTERIM REPORT
 JANUARY–SEPTEMBER 2022

24

SEGMENT REPORTING

Thunderful Group monitors net revenue, adjusted EBITDA, adjusted EBITA and operating profit (EBIT) per segment.

MSEK	2022 Q3	2021 Q3	2022 Jan-Sep	2021 Jan-Sep	2021/22 R12M	2021 Full-year
Net revenue						
Thunderful Games	117.8	99.1	315.0	252.3	416.7	354.0
Thunderful Distribution	585.6	639.8	1,515.1	1,565.9	2,736.0	2,786.8
- of which, Bergsala	287.7	303.0	693.9	675.9	1,326.3	1,308.3
- of which, Nordic Game Supply	161.0	218.8	463.9	589.2	859.6	984.9
- of which, Amo Toys	136.9	118.0	357.3	300.8	550.1	493.6
Net revenue	703.4	738.9	1,830.1	1,818.2	3,152.7	3,140.8
Adjusted EBITDA						
Thunderful Games	63.0	60.8	163.0	133.5	214.7	185.2
Thunderful Distribution	18.5	40.9	40.9	92.4	137.0	188.5
- of which, Bergsala	17.8	22.2	38.6	47.6	95.3	104.3
- of which, Nordic Game Supply	-1.3	7.4	2.1	19.0	37.0	53.9
- of which, Amo Toys	2.0	11.3	0.1	25.8	4.6	30.3
Other	-4.1	-3.4	-13.4	-10.3	-20.3	-17.2
Adjusted EBITDA	77.4	98.3	190.4	215.6	331.3	356.5
Adjusted nonrecurring items (Games segment)	0.0	0.0	0.0	-0.7	-7.7	-8.4
Adjusted nonrecurring items (Distribution segment)	0.0	-2.0	0.0	-2.0	0.0	-2.0
Adjusted nonrecurring items (Other segment)	0.0	-1.1	0.0	-3.6	-6.7	-10.3
EBITDA	77.4	95.2	190.4	209.3	316.9	335.8
Adjusted EBITDA margin - Thunderful Games, %	45.8%	53.3%	41.5%	46.4%	41.0%	44.3%
Adjusted EBITDA margin - Thunderful Distribution, %	3.1%	6.3%	2.6%	5.8%	4.8%	6.6%
Adjusted EBITDA margin - Thunderful Group, %	9.3%	12.9%	9.2%	11.4%	9.9%	10.9%
Adjusted EBITA						
Thunderful Games	51.3	51.2	106.9	107.2	139.4	139.7
Thunderful Distribution	13.2	37.1	25.8	84.5	117.9	176.6
Other	-4.2	-3.6	-13.6	-10.5	-20.6	-17.5
Adjusted EBITA	60.3	84.7	119.1	181.2	236.7	298.8
Adjusted nonrecurring items (Games segment)	0.0	0.0	0.0	-0.7	-7.7	-8.4
Adjusted nonrecurring items (Distribution segment)	0.0	-2.0	0.0	-2.0	0.0	-2.0
Adjusted nonrecurring items (Other segment)	0.0	-1.1	0.0	-3.6	-6.7	-10.3
EBITA	60.3	81.6	119.1	174.9	222.3	278.1
Adjusted EBITA margin - Thunderful Games, %	37.3%	44.9%	27.2%	37.2%	26.6%	33.4%
Adjusted EBITA margin - Thunderful Distribution, %	2.2%	5.7%	1.6%	5.3%	4.2%	6.2%
Adjusted EBITA margin - Thunderful Group, %	7.2%	11.1%	5.8%	9.6%	7.1%	9.1%
Operating profit (EBIT)						
Thunderful Games	38.6	43.7	68.6	84.6	83.2	99.2
Thunderful Distribution	3.9	25.8	-2.1	54.8	80.5	137.4
Other	-4.2	-4.7	-13.6	-14.3	-27.1	-27.8
Operating profit (EBIT)	38.3	64.8	52.9	125.1	136.6	208.8
Operating margin (EBIT margin) - Thunderful Games, %	28.0%	38.3%	17.5%	29.4%	15.9%	23.7%
Operating margin (EBIT margin) - Thunderful Distribution, %	0.6%	4.0%	-0.1%	3.4%	2.8%	4.8%
Operating margin (EBIT margin) - Thunderful Group, %	4.6%	8.5%	2.6%	6.6%	4.1%	6.4%



ALTERNATIVE KPIS

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 to be a complement to financial reporting in accordance with IFRS.

Definitions and explanations of alternative KPIS

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 during the period compared with the previous period.
Gross profit	Profit after operating income and costs for goods for resale and games-development services.	Indicates the product profitability of the core business.
Gross margin	Gross profit in relation to operating income.	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 operating income.	Enables comparisons of profitability regardless of capital structure or tax situation.
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 be compared with other companies in the same industry.
EBITDA margin	EBITDA 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.
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 be compared with other companies in the same industry.
Adjusted EBITDA margin	Adjusted EBITDA in relation to operating income.	Shows the company's earning capacity from operating activities regardless of capital structure, tax situation and items affecting comparability and is intended to be compared with other companies in the same industry.
EBITA	Operating profit before amortisation of other intangible assets and after impairment of goodwill.	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.
Adjusted EBITA	EBITA excluding items affecting comparability.	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.
Adjusted EBITA margin	Adjusted 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.
Core working capital, net	Inventories plus accounts receivable minus accounts payable.	Indicates the sum of core working capital that is tied up in the business and can be analysed in relation to net revenue to assess how efficiently the core working capital is used in the business.
Interest-bearing net debt	The sum of current and non-current interest-bearing liabilities to credit institutions, including overdraft facilities less cash and cash equivalents.	Interest-bearing net debt is a measure that shows the Group's interest-bearing indebtedness.
Interest-bearing net debt/ EBITDA, R12M	Interest-bearing net debt as a share of adjusted EBITDA, R12M.	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.

**Q3**

THUNDERFUL GROUP
 INTERIM REPORT
 JANUARY–SEPTEMBER 2022

26

CALCULATION OF ALTERNATIVE KPIS

MSEK	2022 Q3	2021 Q3	2022 Jan-Sep	2021 Jan-Sep	2021/22 R12M	2021 Full-year
Net revenue growth						
Net revenue previous period	738.9	764.4	1,818.2	1,774.8	3,091.2	3,047.8
Net revenue current period	703.4	738.9	1,830.1	1,818.2	3,152.7	3,140.8
Net revenue growth, %	-4.8%	-3.3%	0.7%	2.4%	2.0%	3.1%
Gross profit and gross margin						
Operating income	834.0	762.0	2,062.3	1,887.1	3,449.0	3,273.8
Costs for goods for resale and game projects	-510.3	-536.4	-1,276.3	-1,301.9	-2,291.9	-2,317.5
Gross profit, MSEK	323.7	225.6	786.0	585.2	1,157.1	956.3
Gross margin, %	38.8%	29.6%	38.1%	31.0%	33.5%	29.2%
Adjusted EBITDA and adjusted EBITDA margin						
Operating profit (EBIT)	38.3	64.8	52.9	125.1	136.6	208.8
Amortisation and impairment of acquisition-related intangible assets	39.2	30.4	137.5	84.2	180.3	127.0
Adjusted nonrecurring items	0.0	3.1	0.0	6.3	14.4	20.7
Adjusted EBITDA	77.4	98.3	190.4	215.6	331.3	356.5
Adjusted EBITDA margin, %	9.3%	12.9%	9.2%	11.4%	9.6%	10.9%
Adjusted EBITA and adjusted EBITA margin						
Operating profit (EBIT)	38.3	64.8	52.9	125.1	136.6	208.8
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	22.0	16.8	66.2	49.8	85.7	69.3
Adjusted nonrecurring items	0.0	3.1	0.0	6.3	14.4	20.7
Adjusted EBITA	60.3	84.7	119.1	181.2	236.7	298.8
Adjusted EBITA margin, %	7.2%	11.1%	5.8%	9.6%	6.9%	9.1%
Core working capital, net						
Inventories	858.3	951.9	858.3	951.9	858.3	764.0
Accounts receivable	534.0	391.9	534.0	391.9	534.0	866.6
Accounts payable	358.4	421.8	358.4	421.8	358.4	588.6
Total core working capital	1,033.9	922.0	1,033.9	922.0	1,033.9	1,042.0
Interest-bearing net debt						
Non-current interest-bearing liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Current interest-bearing liabilities	424.5	152.0	424.5	152.0	424.5	270.4
Cash and cash equivalents	-46.9	-129.2	-46.9	-129.2	-46.9	-60.2
Interest-bearing net debt	377.6	22.8	377.6	22.8	377.6	210.2
Adjusted EBITDA R12M	331.3	317.8	331.3	317.8	331.3	356.5
Interest-bearing net debt/adjusted EBITDA, R12M	1.1	0.1	1.1	0.1	1.1	0.6



OTHER INFORMATION

Financial calendar

Interim report Okt–Dec 2022	22 february 2023
Year-end report 2022	26 april 2023
Interim report Jan–Mar 2023	16 may 2023
2023 Annual General Meeting	17 may 2023

For more information

More information about the Group is available on its website:
thunderfulgroup.com

Contact details

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

Lennart Sparud, CFO, +46 705 58 66 04
lennart@thunderfulgroup.com

Certified adviser

Thunderful Group's certified adviser is FNCA Sweden AB,
which can be contacted at: info@fnca.se.



THUNDERFUL GROUP AB

Corp. Reg: No.: 559230-0445
Kvarnbergsgatan 2
SE-411 05 Gothenburg

www.thunderfulgroup.com