



***Thunderful Group***

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**Q4 PRESENTATION**  
**OCT-DEC 2021**



# TODAY'S PRESENTERS



**BRJANN SIGURGEIRSSON**  
CEO



**ANDERS MAIQVIST**  
CFO



**KEY HIGHLIGHTS**  
**THUNDERFUL GROUP & STRATEGY**  
**BUSINESS SEGMENTS**  
**FINANCIALS**  
**EVENTS AFTER THE END**  
**OF THE QUARTER**

## KEY HIGHLIGHTS

# Q4 HIGHLIGHTS

- ✓ Thunderful Group's strongest quarter so far

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- ✓ Thunderful acquires two exciting gaming companies: Robot Teddy and Early Morning Studio

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- ✓ Quiet Q4 game releases

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- ✓ New gaming division: Thunderful Investment

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- ✓ Several game announcements via Thunderful World, among them SteamWorld Headhunter

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- ✓ Strengthened organization within the Games segment





## KEY HIGHLIGHTS

# DISTRIBUTION: GROWTH AND INCREASED PROFITABILITY GAMES: LOWER PROFITABILITY AND ORGANIC GROWTH

Operating income growth 7.6%

- Games 73.8%
- Distribution 3.5%

Adj. EBITDA increase 37.9%

Adj. EBITA increase 22.0%

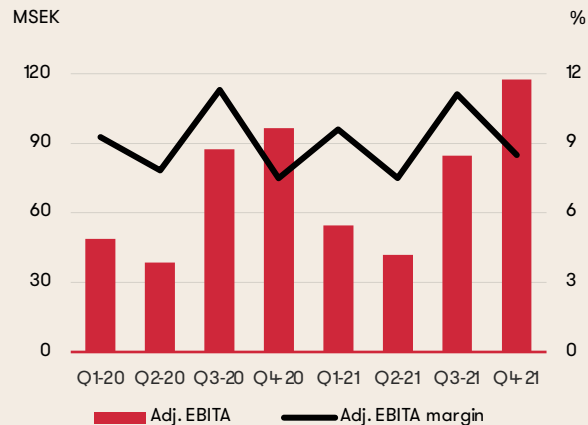
Events during the period

- Acquisition of Robot Teddy Ltd
- Acquisition of Early Morning Studio AB

## KEY FIGURES

MSEK	Q4 2021	Q4 2020	2021	2020
Operating income	1 386.7	1 288.3	3 273.8	3 082.3
Adj. EBITDA	140.9	102.2	356.5	291.4
Adj. EBITDA margin, %	10.2	7.9	10.9	9.5
Adj. EBITA	117.6	96.4	298.8	271.5
Adj. EBITA margin, %	8.5	7.5	9.1	8.8

## ADJ. EBITA



**KEY HIGHLIGHTS**  
**THUNDERFUL GROUP & STRATEGY**  
**BUSINESS SEGMENTS**  
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# THIS IS THUNDERFUL GROUP

A European company operating in two business segments:

- **Games** – developing, publishing and investing in games for PC, consoles and mobile platforms
- **Distribution** – distributing Nintendo products, games, gaming accessories and toys
  
- **Vision:** To be a leader in a world where everyone can play
- **Mission:** To provide creative entertainment products of the highest quality for people of all ages



EMPLOYEES

408\*

GAMES IN  
PUBLISHING PIPELINE

31\*

INTERNAL GAMES IN  
DEVELOPMENT

17\*

BRAND  
PORTFOLIO

c.100

NINTENDO  
PARTNERSHIP SINCE

1981

\* December 31 2021

# BUSINESS STRATEGY

## ACCELERATE INVESTMENTS

- Increase investments in the development and publishing of games.
- Acquire complementary businesses and intellectual property rights.
- Acquire development studios and other gaming companies that operate in a decentralised structure.

## MAINTAIN AND DEVELOP IP-CENTRIC OPERATIONS

- Use IP rights and brands to create and develop experiences in new mediums and for new platforms.
- Ensure presence on platforms and in channels.
- Increase the share of proprietary brands.

## HIGH-QUALITY PERFORMANCE IN THE GROUP'S BUSINESS SEGMENTS

- Uphold an entrepreneurial culture with strong focus on quality.
- Retain and develop staff and internal competence.
- Retain and develop co-operations and partnerships.



**KEY HIGHLIGHTS**  
**THUNDERFUL GROUP & STRATEGY**  
**BUSINESS SEGMENTS**  
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**OF THE QUARTER**



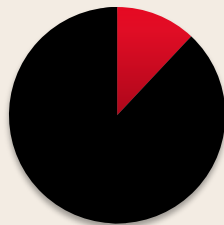
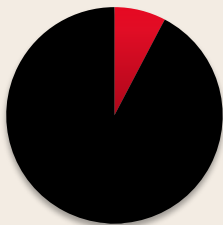
# GAMES AND DISTRIBUTION: NET SALES AND ADJUSTED EBITA

## NET SALES

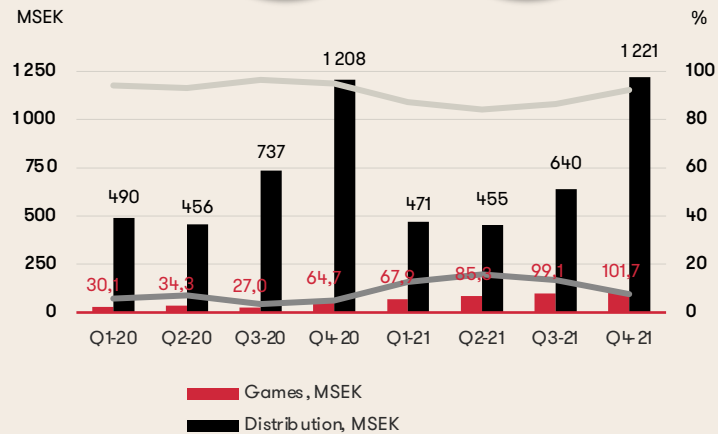
Q4 2021

FY 2021

Games: 8%  
Dist: 92%



Games: 11%  
Dist: 89%

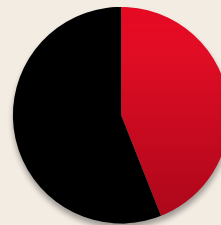
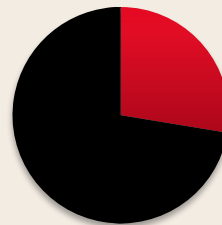


## ADJ. EBITA

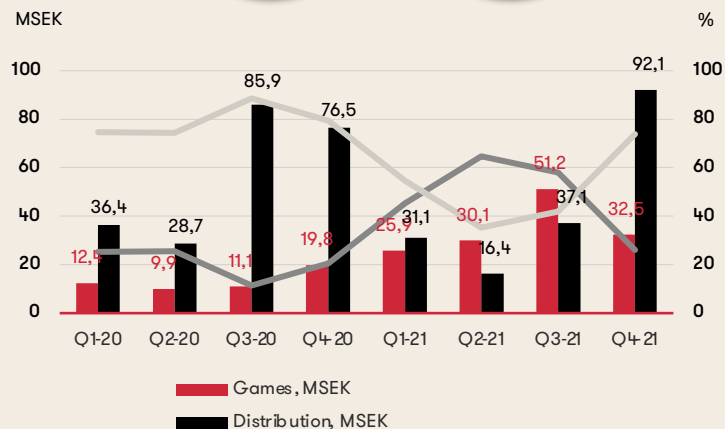
Q4 2021

FY 2021

Games: 28%  
Dist: 72%



Games: 44%  
Dist: 56%



# DISTRIBUTION: OVERVIEW



BERGSALA		AMO TOYS		NORDIC GAME SUPPLY	
Distributor for Nintendo in the Nordics and Baltic countries		Distributor of toys in the Nordics		Distributor of gaming consoles, physical games and gaming accessories in the Nordics	
GAMES SOLD	CONSOLES SOLD	PROPRIETARY BRANDS	BRANDS, APPROX	PROPRIETARY BRANDS	BRANDS, APPROX
<b>20M</b>	<b>9M</b>	<b>6</b>	<b>70</b>	<b>7</b>	<b>40</b>
SWEDISH NINTENDO DISTRIBUTOR SINCE		AMO OY FOUNDED		NORDIC GAME SUPPLY FOUNDED	
<b>1981</b>		<b>1965</b>		<b>2010</b>	

# GAMES: OVERVIEW

## DEVELOPMENT

Develops games primarily based on own IPs.

AVERAGE SCORE ON METACRITIC

**80 / 100**

FOR THE LATEST TEN GAMES

## PUBLISHING

Publishes internally and externally developed games.

COMMITTED FUTURE INVESTMENTS IN EXTERNAL GAMES

**155 MSEK**

EMPLOYEES IN DEVELOPMENT

**270**

SOLD GAMES

**16 M**

RELEASED GAMES

**41**

EXTERNAL GAMES IN PIPELINE

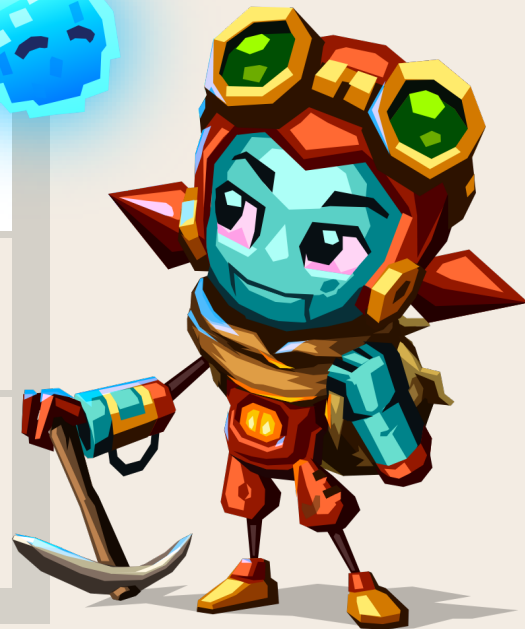
**31**

NO OF PARTNERS IN EXT. PIPELINE

**30**

INTERNAL GAMES IN PIPELINE

**17**



# GAMES: RELEASES DURING AND AFTER THE QUARTER

## Releases

- 8 games launched commercially on at least one platform
  - 2 internally developed games
  - 6 externally developed games
- 1 external game shipped after the quarter

## Developments

- Secured rights to release **The Gunk** on Steam and other PC platforms.
- **Wavetale** to be released on Steam, other PC platforms and consoles.

## GAMES RELEASED DURING THE FOURTH QUARTER 2021

Game Description				Platform				
Title	Launch	Publisher	Genre	PC	Console	Mobile	VR	Streaming
<b>Silver Chains</b>	2021-10-20	Headup	Horror	Ⓔ	●	●	○	○
<b>Moonglow Bay</b>	2021-10-26	Coatsink	RPG	Ⓔ	○	●	○	○
<b>Pumpkin Jack</b>	2021-10-27	Headup	Platformer	Ⓔ	○	●	○	○
<b>Pixel Heroes Megabyte &amp; Magic</b>	2021-11-05	Headup	RPG	Ⓔ	○	●	○	○
<b>Wavetale (Stadia)</b>	2021-11-10	Thunderful	Action Adventure	Ⓜ	○	○	○	●
<b>White Shadows</b>	2021-12-07	Thunderful	Puzzle Platformer	Ⓔ	●	●	○	○
<b>Firegirl</b>	2021-12-14	Thunderful	Roguelike Platformer	Ⓔ	●	○	○	○
<b>The Gunk</b>	2021-12-16	Thunderful	Action Adventure	Ⓜ	●	●	○	○

## GAMES RELEASED AFTER THE QUARTER BUT BEFORE THE PUBLICATION OF THIS QUARTERLY REPORT

Game Description				Platform				
Title	Launch	Publisher	Genre	PC	Console	Mobile	VR	Streaming
<b>Aerial Knight's Never Yield</b>	2022-02-15	Headup	Runner	Ⓔ	○	○	●	○

**Announced game name**    *"Not announced game name"*    Ⓜ Internal studio    Ⓔ External studio    ● Released    ● In development    ○ n/a

# GAMES: PIPELINE

## Internal games

- 17 internal games currently in development

## Updates in Q4

- **Shadow Point** added for release in H1'22.
- **Vendir: Plague of Lies** announced for H1'22.
- *"Strawberry"* moved forward to H1'22.
- *"Jaffa"* added for release in H1'22.

## ANNOUNCED RELEASES OF INTERNALLY DEVELOPED GAMES AS OF DECEMBER 31, 2021

Game Description				Platform					
Title	Launch	Publisher	Genre	Own IP	PC	Console	Mobile	VR	Streaming
<b>The Gunk</b>	2022, 1H	Thunderful	Action Adventure	☑	●	○	○	○	○
<b>Vendir: Plague of Lies</b>	2022, 1H	EMS	CRPG	☑	●	●	●	○	○
<b>Wavetale</b>	2022, 1H	Thunderful	Action Adventure	☑	●	●	○	○	○
<b>Shadow Point</b>	2022, 1H	Coatsink	Puzzle Adventure	☑	○	○	○	●	○
<i>"Strawberry" (SteamWorld IP)</i>	2022, 1H	Thunderful	Puzzle	☑	○	○	●	○	○
<i>"Jaffa" (Jurassic World IP)</i>	2022, 1H	Coatsink	Survival Horror	☒	●	○	●	○	○
<b>Tinkertown</b>	2022, 2H	Headup	Sandbox	☑	●	●	○	○	○
<i>"Cicada"</i>	2022, 2H	Coatsink	Adventure / Survival	☑	●	●	○	○	○
<i>"Salted Caramel"</i>	2022, 2H	Coatsink	Sports Action	☑	○	○	○	●	○
<i>"Coffee" (SteamWorld IP)</i>	2022, 2H	Thunderful	Citybuilder	☑	●	●	○	○	○
<b>SteamWorld Headhunter</b>	2023	Thunderful	Third Person Action	☑	●	●	○	○	○
<i>"Chocolate"</i>	2023	Coatsink	Sandbox Adventure	☒	●	○	○	○	○
<i>"Caramel" (SteamWorld IP)</i>	2023	Thunderful	Turn-based tactical Shooter / Strategy	☑	●	●	○	○	○
<i>"Date"</i>	2023	Coatsink	VR Co-op survival	☑	○	○	○	●	○
<i>"Mango"</i>	2023	Thunderful	Roguelike Action	☑	●	●	○	○	○
<i>"Vanilla"</i>	2024	Thunderful	Horror Stealth	☑	●	●	○	○	○
<i>"Lemon"</i>	2024	To The Sky	Third Person Action-Adventure	☑	●	●	○	○	○

**Announced game name**    *"Not announced game name"*   
 ☑ Internal studio    ☒ External studio   
 ● Released    ● In development    ○ n/a



# GAMES: PIPELINE

## External games

- 31 games from external developers in publishing pipeline

## Updates in Q4

- Thunderful World presents collaboration with **Super Meat Boy** franchise, **Togges**, **Laika** and more.
- Dozens of media outlets select **Planet of Lana** as one of their most anticipated upcoming games.
- **Curious Expedition 2** reaches 100.000 players on Steam, console launches ahead.

## ANNOUNCED RELEASES OF EXTERNALLY DEVELOPED GAMES AS OF DECEMBER 31, 2021

Game Description	Platform						
	Title	Launch	Genre	PC	Console	Mobile	VR
<b>The Ramp</b>	2022, 1H	Casual Sport Simulation	○	●	○	○	○
<b>Firegirl</b>	2022, 1H	Roguelike Platformer	○	●	○	○	○
<b>Curious Expedition 2</b>	2022, 1H	Roguelike Strategy	○	●	○	○	○
<b>Crowns and Pawns</b>	2022, 1H	Point'n'Click	●	○	○	○	○
<b>Super Meat Boy Forever</b>	2022, 1H	Platformer	○	○	●	○	○
<b>Source of Madness</b>	2022, 1H	Roguelike Action	○	●	○	○	○
<b>Gigapocalypse</b>	2022, 1H	Arcade	○	●	○	○	○
<b>Industria</b>	2022, 1H	First Person Shooter	○	●	○	○	○
<b>Hell Pie</b>	2022, 1H	3D Platformer	●	●	○	○	○
<b>Swordship</b>	2022, 1H	Arcade	●	●	○	○	○
<b>Get Packed: Couch Chaos</b>	2022, 1H	Action Puzzle	○	●	○	○	○
<b>Moonglow Bay</b>	2022, 1H	Casual RPG	○	●	○	○	○
<b>Cloud Gardens</b>	2022, 1H	Creative	○	●	○	○	○
<i>"Cheesecake"</i>	2022, 1H	Puzzle Adventure	●	●	●	○	○
<b>Cursed to Golf</b>	2022, 2H	Roguelike Sports	●	●	○	○	○

Announced game name    *"Not announced game name"*    ● Released    ● In development    ○ n/a

# GAMES: PIPELINE

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- Dozens of media outlets select **Planet of Lana** as one of their most anticipated upcoming games.
- **Curious Expedition 2** reaches 100.000 players on Steam, console launches ahead.

## ANNOUNCED RELEASES OF EXTERNALLY DEVELOPED GAMES AS OF DECEMBER 31, 2021

Game Description			Platform				
Title	Launch	Genre	PC	Console	Mobile	VR	Streaming
<b>Paper Cut Mansion</b>	2022, 2H	Roguelike Action	●	●	○	○	○
<b>Replaced</b>	2022, 2H	Action Adventure	●	●	○	○	○
<b>Togges</b>	2022, 2H	Puzzle Adventure	●	●	○	○	○
<i>"Peanut Butter"</i>	2022, 2H	Souls-like / Action RPG	●	●	○	○	○
<i>"Cinnamon"</i>	2022, 2H	Arcade Style Shooter	○	○	○	●	○
<b>Planet of Lana</b>	2023	Puzzle Platformer	●	●	○	○	○
<b>Glide Rush</b>	2023	Time Trial racing	●	●	○	○	○
<b>Laika: Aged Through Blood</b>	2023	Motorvania	●	●	●	○	○
<i>"Hazelnut"</i>	2023	Action Platformer	●	●	○	○	○
<i>"Raspberry"</i>	2023	Survival RPG	●	●	○	○	○
<i>"Moon Mist"</i>	2023	Third Person Action	●	●	○	○	○
<i>"Coconut"</i>	2023	First Person Puzzle Adventure	●	●	○	○	○
<i>"Cashew"</i>	2023	Platformer	●	●	○	○	○
<i>"Maple"</i>	2023	Third Person Action	●	●	○	○	○
<i>"Lime"</i>	2023	Roguelike FPS	●	●	○	○	○
<i>"Peach"</i>	2023	Metroidvania	●	●	○	○	○

Announced game name    *"Not announced game name"*    ● Released    ● In development    ○ n/a

**KEY HIGHLIGHTS**  
**THUNDERFUL GROUP & STRATEGY**  
**BUSINESS SEGMENTS**  
**FINANCIALS**  
**EVENTS AFTER THE END**  
**OF THE QUARTER**

# GROWTH IN DISTRIBUTION, LOWER PROFITABILITY BUT ORGANIC GROWTH IN GAMES

## Net sales growth 49.6 MSEK, 3.9%

- Games 37.0 MSEK, 57.2%
- Distribution 12.6 MSEK, 1.0%

## Adj. EBITA growth 21.2 MSEK, 22.0%

- Games 12.7 MSEK, 64.1%
- Distribution 15.6 MSEK, 20.4%
- Other -7.1 MSEK

## Cash flow from operating activities +184.0 MSEK

- Cash flow from operating activities was 18.6 MSEK in Q4'21, a growth of 184.0 MSEK.
- -64.9 MSEK for FY 2021 also better than FY 2020 but negatively affected by inventory build-up in distribution companies.



## KEY FIGURES

MSEK	Q4-2021	Q4-2020	Growth	%
Net sales	1 322.6	1 273.0	49.6	3.9
Adj. EBITA	117.6	96.4	21.2	22.0
Cash flow from operating activities	18.6	-165.4	184.0	

# GAMES

## Net sales growth 37.0 MSEK, 57.2%

- Organic 13.3%
- Acquired 43.9%

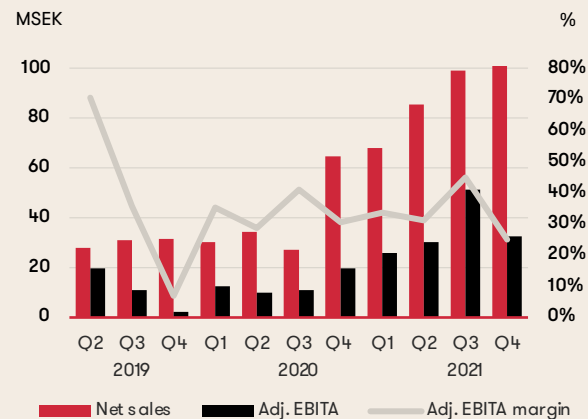
## Adj. EBITA growth 12.7 MSEK, 64.1%

- Adj. EBITA margin at 24.9%
- Quiet reception for both internal and external game releases in Q4'21. Several releases from publishing therefore contributed with negative EBITA due to depreciation of 1/3 of total investment in release quarter.

## KEY FIGURES

MSEK	Q4 2021	Q4 2020	2021	2020
Operating income	130.7	75.2	418.5	184.1
Net Sales	101.7	64.7	354.0	156.2
Adj. EBITDA	51.7	23.9	185.2	67.2
Adj. EBITDA margin, %	39.6	31.8	44.3	36.5
Adj. EBITA	32.5	19.8	139.7	53.1
Adj. EBITA margin, %	24.9	26.3	33.4	28.8

## NET SALES & ADJ. EBITA

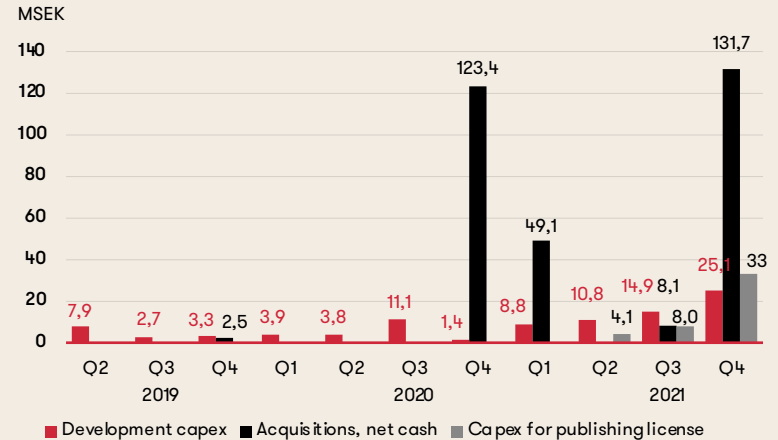




# GAMES

- Total capex for Games in 2021 was 294.5 MSEK of which 189.8 MSEK in Q4'21.
- Accelerated capex for development as number of FTEs within development increase, 270 (220) at the end of the quarter.
- Higher share of internal developers working on games not being externally financed.
- Further investment ramp-up for 2022 secured by new RCF with Danske Bank, worth 55.0 MEUR.

## GAME INVESTMENTS



# DISTRIBUTION

## Net sales increase 1.0%

- Bergsala -14.2%. Lower availability of hardware than in comparison quarter.
- Nordic Game Supply, 19.9%. Majority of increase from the brand Razer and private labels.
- Amo Toys, 36.5%. Some H2 products delayed until Q4 instead of Q3.

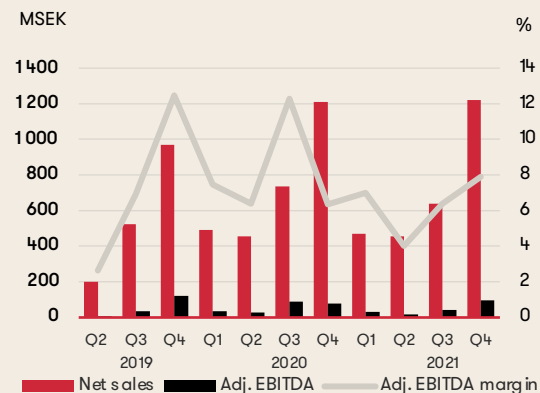
## Adj EBITDA increase 25.0%

- Good sell-through of Nintendo games in Bergsala even though hardware availability limited net sales growth.
- Private labels and cost efficiencies in new distribution central raised EBITDA-margin in NGS.
- Amo Toys EBITDA affected by higher logistics costs, caused by delayed shipments from Far East.

## KEY FIGURES

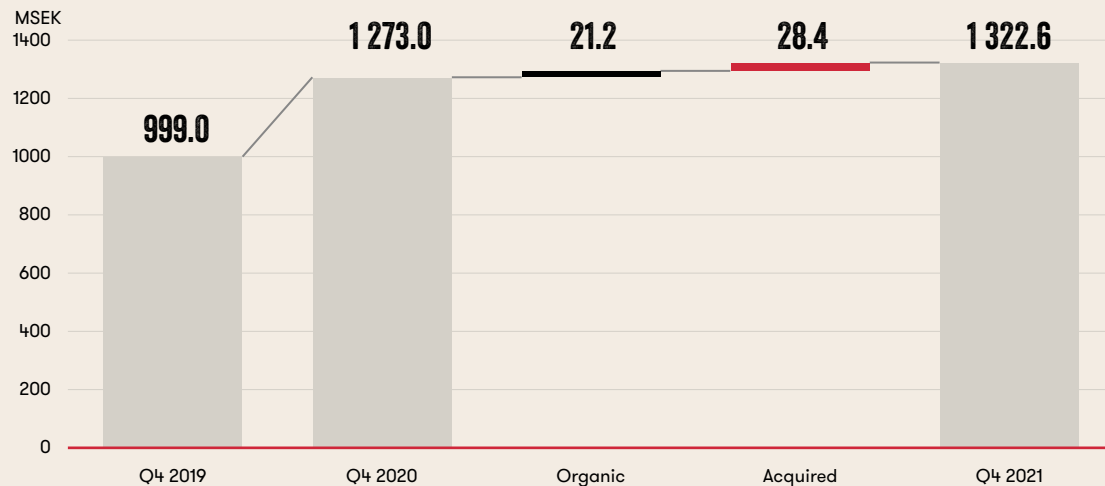
MSEK	Q4 2021	Q4 2020	R12M	2020
Operating income	1 256.0	1 213.1	2 855.3	2 898.2
Net Sales	1 220.9	1 208.3	2 786.8	2 891.6
- Bergsala	632.4	737.2	1 308.3	1 708.4
- Nordic Game Supply	395.7	329.9	984.9	704.6
- Amo Toys	192.8	141.1	493.6	478.6
Adj. EBITDA	96.1	76.9	188.5	233.4
- Bergsala	56.7	52.8	104.3	160.6
- Nordic Game Supply	34.9	30.4	53.9	40.5
- Amo Toys	4.5	-6.3	30.3	32.3
Adj. EBITDA margin, %	7.7	6.3	6.6	8.1

## NET SALES AND ADJ. EBITDA

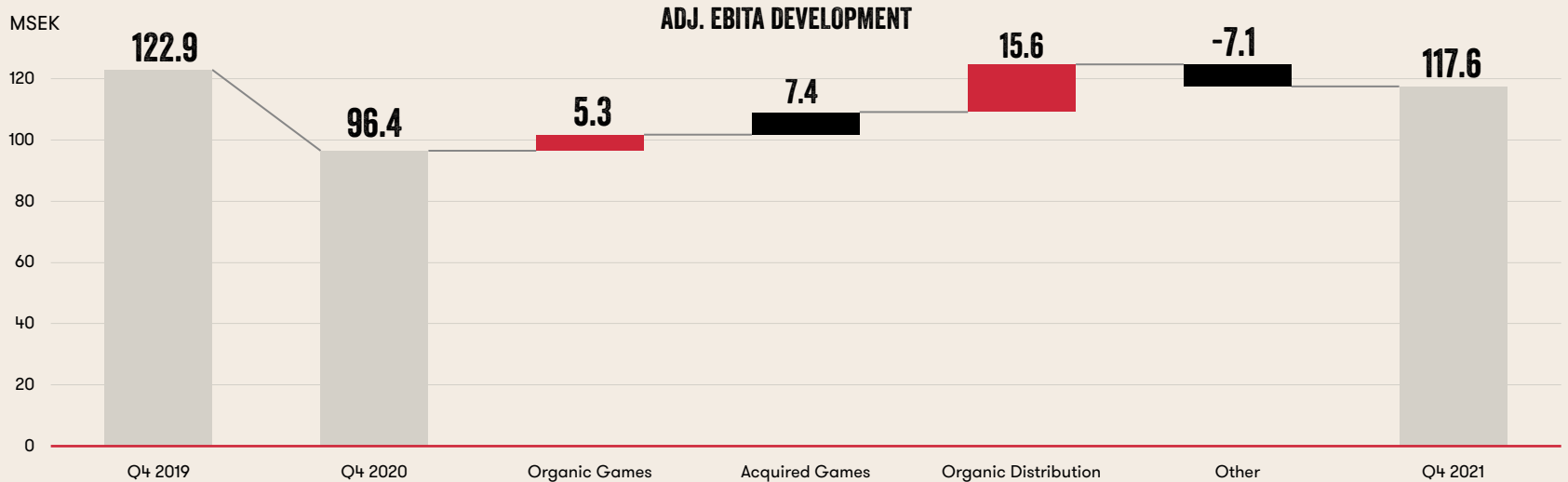


# 42.7% ORGANIC GROWTH IN NET SALES

NET SALES DEVELOPMENT

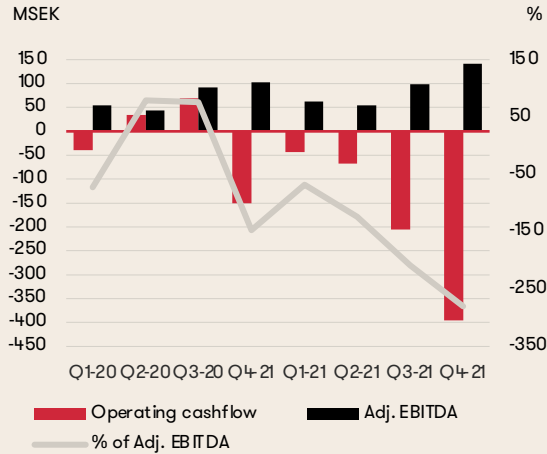


# 65.1% OF ADJ. EBITA INCREASE IS ORGANIC

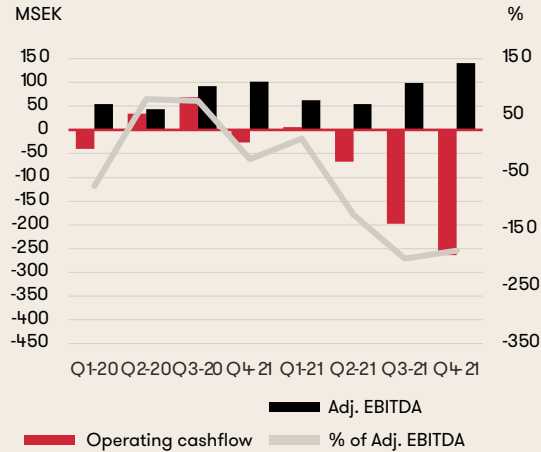


# OPERATING CASH FLOW AND NET CASH POSITION

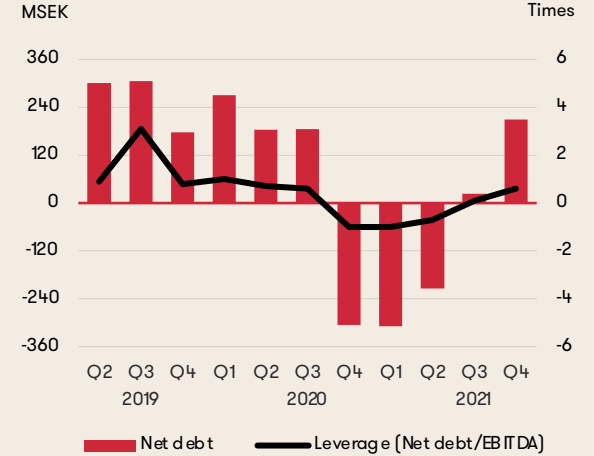
### OPERATING CASH FLOW AND CASH CONVERSION



### OPERATING CASH FLOW AND CASH CONVERSION ADJUSTED FOR ACQUISITIONS



### NET DEBT AND LEVERAGE





**KEY HIGHLIGHTS**  
**THUNDERFUL GROUP & STRATEGY**  
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# DISTRIBUTION

## Agreement with Nintendo extended

- The new contract runs for two years, from April 1 2022 until March 31 2024.
- No material changes from the existing agreement, which also has been in effect for two years and ends March 31 2022.



EVENTS AFTER THE END OF THE QUARTER

# FINANCING

## New revolving credit facility

- New RCF secured with Danske Bank
- EUR 55 million
- New improved terms and conditions
- To be used for
  1. M&A
  2. Game investments
  3. Refinancing existing loans to Danske Bank
  4. Other corporate purposes



EVENTS AFTER THE END OF THE QUARTER

# GAMES

## New and upcoming agreements

- New agreement with Meta for additional development projects
- Launch title in the works for PSVR2, PlayStation's next-generation VR console
- Ongoing deal negotiations with platforms



 PlayStation VR2

The image shows the PlayStation VR2 logo in white on a dark blue background. To the right of the logo is a PlayStation VR2 headset, also in a dark blue color. The background features glowing blue light effects and a reflection of the headset below it.



**THANK YOU!**

