



FANTASMA GAMES AB (PUBL) INTERIM REPORT Q4 2021



Fourth quarter, Oct - Dec 2021

- Net sales amounted to MSEK 3.9 (3.3), corresponding to an increase of 20%
- Gaming revenue amounted to MSEK 2.3 (0.9) for the quarter, corresponding to an increase of 139%
- EBITDA amounted to MSEK -1.4 (-0.3)
- Earnings per share after dilution amounted to SEK -0.69 (-0.31)

Full Year, Jan - Dec 2021*

- Net sales amounted to MSEK 7.8 (6.9), corresponding to an increase of 13%
- Gaming revenue amounted to MSEK 6.1 (4.5), corresponding to an increase of 35%
- EBITDA amounted to MSEK -4.7 (0.1)
- Earnings per share after dilution amounted to SEK -2.32

139%

Gaming revenue amounted to MSEK 2.3 (0.9) for the quarter, corresponding to an increase of 139%

6,1

Gaming revenue amounted to MSEK 6.1 (4.5), corresponding to an increase of 35%

13%

Net sales amounted to MSEK 7.8 (6.9), corresponding to an increase of 13%

* In order to more clearly illustrate the expenses that are directly attributable to the generation of the company's revenue, 'cost of services sold' is now reported separately as a deduction on net sales, which results in a so-called gaming revenue. Fantasma Games consider the comparison adequate as the gaming revenue corresponds

to previously reported net sales in Fantasma Games. Corresponding adjustments have been made for the Parent Company in the comparative period. See the table for comparison below. Earlier communicated gaming revenue is from now on replaced by the term gross gaming revenue.

| (TSEK) | Q4 2021 oct-dec | Q4 2020 okt-dec | FY 2021 jan-dec | FY 2020 jan-dec |
|-----------------------|--------------------|--------------------|--------------------|--------------------|
| Net sales | 3 933 | 3 286 | 7 772 | 6 857 |
| Cost of services sold | -1 672 | -2 342 | -1 672 | -2 342 |
| Gaming revenue | 2 261 | 944 | 6 100 | 4 515 |

A consequence of the formation of the subsidiary Fantasma Games Incentive AB, and Wiener Games OOD was acquired during the fourth quarter of 2021, is that Fantasma Games has become a Group, and accordingly figures are now on a group level. This means that comparative

figures for the Group are missing, and that the comparative figures, in those cases where they occur, refer to the Parent Company's operations, in which all the Company's operations were conducted before the Group was formed.

Highlights

- Fantasma Games reports its single best quarter ever. Gaming revenue up 139% compared to the same period last year.
- Acquisition of Wiener Games completed, leading to increased production capacity and the possibility to meet the demands for bespoke games.
- Fantasma Games strengthens its presence on strategic markets and continues to attract important operators.
- Releases its first game with casino giant Scientific Games and takes a huge leap toward the growing North American market.



KEY FIGURES

| (TSEK) | Q4 2021 oct-dec | FY 2021 jan-dec |
|---|--------------------|--------------------|
| Net sales | 3 933 | 7 772 |
| Revenue | 6 098 | 13 976 |
| Cost of services sold | -1 672 | -1 672 |
| Game revenue | 2 261 | 6 100 |
| Operating expenses | -8 535 | -21 215 |
| EBITDA | -1 370 | -4 666 |
| Equity per share | | |
| Before dilution (SEK) | 7,69 | 9,08 |
| After dilution (SEK) | 6,30 | 7,21 |
| Earnings per share | | |
| Before dilution (SEK) | -0,85 | -2,93 |
| After dilution (SEK) | -0,69 | -2,32 |
| Number of shares | | |
| Number of shares at the beginning of the period | 2 977 966 | 2 056 596 |
| Number of shares at the end of the period | 3 034 090 | 3 034 090 |
| Outstanding warrants during the period | 660 000 | 660 000 |
| Average number of shares before dilution | 3 006 028 | 2 545 343 |
| Average number of shares after dilution | 3 666 028 | 3 205 343 |

Key figure definitions

| Term | Definition | Calculation example |
|-----------------------|---|----------------------|
| GAMING TURNOVER | Players' total wagers | 100 000 000 EUR |
| RETURN TO PLAYER | The players' winnings in relation to gaming turnover | 96 000 000 EUR (96%) |
| GROSS GAMING REVENUE | Gaming turnover less return to player | 4 000 000 EUR |
| GAMING MARGIN | Gross Gaming revenue's share of the gaming turnover | 4% |
| NET SALES | The company's total sales revenue, partly from own games for variable remuneration, and partly from games sold for fixed remuneration | 400 000 EUR |
| COST OF SERVICES SOLD | Excl. costs for distribution, certification, etc. of own games | - 100 000 EUR |
| GAMING REVENUE | Net sales less cost of services sold | 300 000 EUR |

STRONG END TO THE YEAR YIELDS RECORD RESULTS

Fantasma Games ends the year strongly, and making its best quarter ever. During the fourth quarter, we report a gaming revenue of MSEK 2.3 (0.9), which is an increase of 139 per cent compared with the same period last year. For the full year 2021, we report a gaming revenue of MSEK 6.1 (4.5), which corresponds to a growth of 35 per cent compared with the previous year. This result is fully in line with the company's long-term goals, and we are experiencing a strong tailwind driven by the efforts we made during the year, both in terms of game production and our expanded reach, which has already yielded clear results and is continuing to create growth.

Wiener Games is now part of Fantasma Games

We can now state that the acquisition of Wiener Games went well and, in December alone, Wiener Games contributed with net sales corresponding to TSEK 680 to the Group. Wiener Games reported total revenue of MSEK 6.5 for the full year 2021, with a positive operating profit of MSEK 2.0, which is significantly better than previously communicated, in conjunction with the acquisition being presented.

For Fantasma Games, the acquisition means that we will now be able to meet the increased demand from operators we are experiencing. Together, we will be able to make more games without any added resource burden on the Swedish part of the business. We also have high expectations that Wiener Games will continue to make a positive contribution to our revenue and margins in the future.

New markets around the corner

During 2021, Fantasma Games has taken real steps into several new markets and through the industry giant Scientific Games, we look forward to expanding our operations to North America (USA, Canada), parts of South America, and more large European countries, such as Italy, Spain and Greece. We expect that this will yield results as early as during the first half of 2022, and create significant revenue in the coming years.

We are continuing to focus on our US investment, which has been delayed due to the pandemic, which has affected the lead times for the technical implementation in relation to our distributor. In addition, the regulatory requirements for the games have also changed along the way, meaning that we have had to implement some unplanned changes. The costs this entailed, in the form of time and money, are booked in 2021, and are thereby added to the documentation. We are now pleased that our first game for the North American market is complete and about to be certified.

Continued growth in existing markets

Although new geographical areas are important to us, we continue to see great potential in the company's existing markets. Fantasma Games' reach is constantly growing with new operators via our strong distribution partners, including leading players such as Gamesys, Entain and

Paddy Power. Yet all this without incurring additional costs for us, which shows the strength of our distribution model. I feel confident in being able to state that we are well on our way to achieving our goal of connecting with 250 quality operators before the end of 2023, which is an important component in achieving set growth targets.

Exciting future prospects

In January 2022, Fantasma Games reached MSEK 1.5 in gross gaming revenue, which is double the same period last year. We also broke the old record with over MSEK 1.6. The fact that we succeed in this now is due to our tireless will to continue producing world-class games, which strengthen our brand and has led to a number of collaborations with new operators. Our expectations are high, and we believe that these new operators will continue to make a positive contribution to Fantasma Games' gaming revenue for a long time to come.

In the first half of 2022, we plan to carry out more global game launches than ever before. This is a result of our improved production, which is founded on long experience and successful organisational changes over the past year. Not only do we plan to increase the production rate in 2022, we also expect more uniform and predictable profits from the titles we are currently producing. We attach great importance to making the fundamental parts of the game even more relevant and accessible to the players, which is now beginning to bear fruit, and will be the basis for our continued growth journey.

To sum up the entire year 2021, it has been a year with a number of achieved milestones. We have become a public company, increased our distribution capacity, refined and strengthened production, completed our first acquisition, and strengthened relationships with leading operators. In other words, a very eventful year. 2022 is the year when we capitalise on our investments, and take Fantasma Games to new heights.

However, it is not possible to conclude this report without commenting on the harsh reality the world is in. We are, of course, following developments in Ukraine, and will act in consultation with our partners, while doing everything we can to support our employees affected by this situation.



JACOB SACHS,
Acting CEO

SIGNIFICANT EVENTS

During the fourth quarter 2021

- The acquisition of Wiener Games is completed, which leads to increased production capacity and the opportunity to produce content for others. Wiener Games' revenue correspond to approximately MSEK 6.5 on a full-year basis, based on the 2021 outcome.
- In October, Fantasma Games reported its highest gaming turnover ever - the old record was broken during the beginning of the pandemic when the entire industry experienced exceptionally high levels, and much of the gaming was moved online.
- Fantasma Games once again demonstrates a strong collaboration with Kindred, which in December resulted in the exclusive launch of the game "Caravan of Riches".
- At the end of the year, the game "Wins of Nautilus" was launched together with Scientific Games, which is also the first launch on their platform. The game is currently available from a number of operators in locally regulated markets in Europe pending certification, including the US and Canada.
- Agreed to release the game "Alice in Adventureland" exclusively with the casino giant Paddy Power. The collaboration, which includes a total of three games, gives Fantasma Games huge exposure in some of Europe's most important gaming channels.
- During the period, many of Fantasma Games' customers have had to temporarily suspend their operations in the Netherlands pending renewed licences as a result of local re-regulation.
- At an Extraordinary General Meeting, Johan Köningslehner was elected as a new Board member and a new warrant programme was approved

After the end of the period

- Fantasma Games breaks the record from October 2021, and reaches its highest gaming turnover and gaming revenue ever during the month of January. The record is a result of several major operators launching Fantasma Games' gaming, as well as a relaunch of the game Medallions.
- In January, Entain PLC, with brands such as Partypoker, Ladbrokes and Bwin, launched large parts of the Fantasma Games gaming portfolio on its 25 sites. Gamessys Group PLC, one of the largest players in the UK, has also launched two games from Fantasma, Elemento and Medallion Megaways™.
- Fantasma Games is the first gaming studio to sign an agreement with Livespins Ltd. Together, the two companies will reach completely new players where traditional casino games are married together with the rapidly growing market for streamed entertainment.

In October, Fantasma Games reported its highest gaming turnover ever

Fantasma Games breaks the record from October 2021, and reaches its highest gaming turnover and gaming revenue ever during the month of January.

GAMING OVERVIEW

Gaming turnover

The ultimate measure of the popularity of our games is the total gaming turnover, as it demonstrates the total wagers in our products. During the last quarter of 2021, gaming turnover amounted to MEUR 88 (63), which is an increase of 40 per cent compared with the same quarter last year. For the full year, total gaming turnover amounted to MEUR 295 (245), which corresponds to an increase of 20 per cent.

Gross gaming revenue and gaming margin

The gross gaming revenue, i.e. the balance after winnings are paid out to the customers, is the amount that forms the basis for Fantasma Games' revenue linked to its own games. During the last quarter of 2021, gross gaming revenue amounted to MEUR 2.4 (2.2), corresponding to an increase of 12 per cent compared with the same period last year. This was despite the fact that the gaming margin was rarely low during the fourth quarter; 2.8 per cent (3.4 per cent), which is a full 0.6 percentage points lower than the corresponding period last year.

For the full year, gross gaming revenue amounted to MEUR 9.0 (8.5), which corresponds to an increase of 6 per cent compared with the previous year. The reason that the increase is not as large as the gaming turnover is due to the fact the gaming margin for the full year only amounted to 3.0 (3.4) per cent, which is low in terms of how the games are designed and what the market demands. However, this figure tends to vary, and is expected to rise over time.

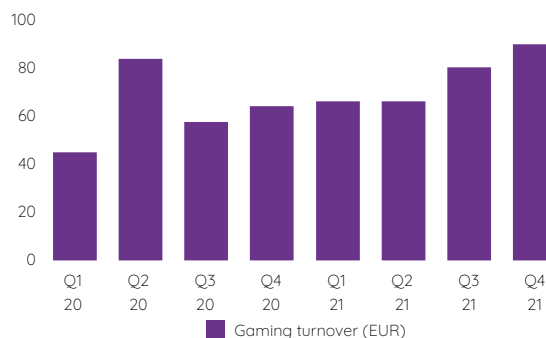
Gross gaming revenue per game

During the quarter, more than half of the gross gaming revenue came from "Heroes Hunt 2", a brand-new game based on the success of our most successful game to date, and "Hades: River of Souls", a game that was originally launched in 2020, but has now gained new life on another operator network. This is also proof of the power of our business model, in that even "old" games can be given new life and contribute to our earnings for a long time via different game cycles. In terms of the full year, gross gaming revenue was distributed relatively evenly.

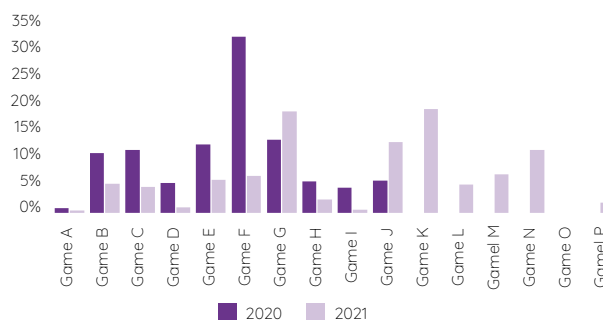
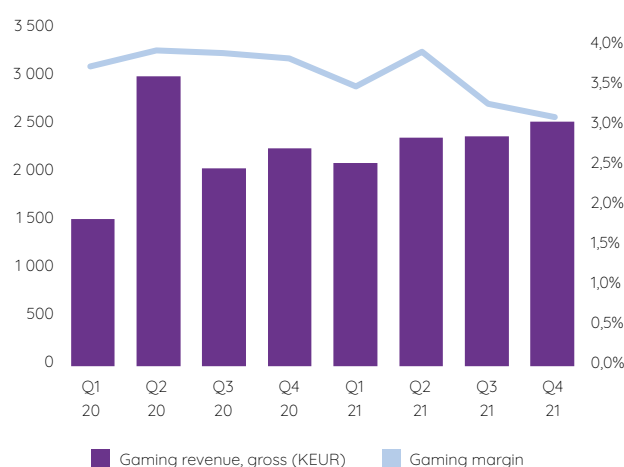
Gross gaming revenue - underlying growth

Our so-called long-tail gross gaming revenue (gross gaming revenue from games older than six months) continue to grow as a share of total gross gaming revenue. This growth is the foundation of our ability to increase the company's net sales over time. Variations between quarters are completely natural, and mainly depend on how many games we launch during the period (since a large part of the revenue arises early, in connection with the games being released).

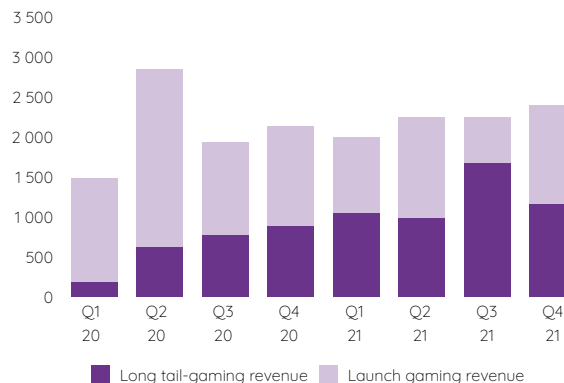
MEUR



KEUR



KEUR



FINANCIAL OVERVIEW

Financial overview

Since Fantasma Games has made an adjustment in the classification of revenue, the total gaming revenue is now reported, i.e. net sales less the cost of services sold. The comparison is acceptable as the gaming revenue corresponds to previously reported net sales in Fantasma Games. During the quarter, the company chose to reclassify revenue in order to more clearly illustrate the company's expenses directly attributable to sold services. A comparative adjustment took place during the corresponding quarter last year. The total reported gaming revenue for the quarter amounted to MSEK 2.2 (0.9), and to MSEK 6.1 (4.5) for the full year 2021. This corresponds to an increase of 139 per cent and 35 per cent, respectively.

In this context, it should also be mentioned that we report this good result despite exceptionally tough comparative figures, a lower gaming margin, and despite the fact that a change in regulations had a negative impact on the Dutch gaming market as a whole.

139%
increased revenue

6,1 MSEK
The total gaming revenue for the full year 2021.

| (TSEK) | Q4 2021 oct-dec | Q4 2020 okt-dec | FY 2021 jan-dec | FY 2020 jan-dec |
|-----------------------|--------------------|--------------------|--------------------|--------------------|
| Net sales | 3 933 | 3 286 | 7 772 | 6 857 |
| Cost of services sold | -1 672 | -2 342 | -1 672 | -2 342 |
| Gaming revenue | 2 261 | 944 | 6 100 | 4 515 |

Costs and profitability

During the quarter, Fantasma Games' costs of services sold decreased by 29 per cent (compared with the Parent Company), which should be seen in the light of the increased gaming turnover of 20 per cent. Operating expenses during the period are characterised by investments in order to prepare the company and its products for launch on new markets and operators, as well as to enable a higher production rate, and amounted to MSEK 8.5 during the last quarter and MSEK 21.2 during the full year.

-29%
costs of services sold
decreased by 29 per cent

Financial position

Cash and cash equivalents amounted to MSEK 8.1 at the end of the period. Cash flow during the period was strongly influenced by the acquisition of Wiener Games.

The subscription period for the warrants issued in connection with the listing in 2021 will begin in May 2022. Depending on the company's share price during the measurement period just before, these options will bring in up to approximately MSEK 25, before costs. The company assesses that its current liquidity, including planned raising of capital, is sufficient to finance the existing plans for the next 12 months.

Acquisition of Wiener Games

On 29 November, Fantasma Games completed the acquisition of Wiener Games OOD, a game producer based in Bulgaria. The acquisition means that Fantasma Games will be able to increase the pace of its own game development, while Wiener Games' operations provide completely new revenue streams. This also means that Fantasma Games will be able to make more games for selected operators without any added resource burden on the Swedish part of the business.

In 2021, Wiener Games generated revenue of MSEK 6.5, and an operating profit of MSEK 2.0. Reported figures only include net sales from the time the acquisition was completed, corresponding to TSEK 680.

The transfer took place at a purchase price of MEUR 0.7 (MEUR 0.5 paid in cash and MEUR 0.2 through newly issued shares in Fantasma Games) on a net debt-free basis. The deal also includes a purchase consideration, based on future results (EBIT 2021 - 2024), which can amount to a maximum of MEUR 1.8, and is paid either through newly issued shares in Fantasma Games or in cash, which Fantasma Games has the right to decide.

In conjunction with the completion of the transaction, 56 124 shares were issued at a subscription price of SEK 36 1386 per share. This corresponded to the volume-weighted average price of Fantasma Games' share on Nasdaq Stockholm during thirty (30) trading days up to and including 15 September 2021.

In 2021, Wiener Games
generated net sales
of MSEK 6.5, and an
operating profit of
MSEK 2.0



OPERATIONAL OVERVIEW

Market update

The global online casino market has grown strongly in recent years, and will continue to be one of the fastest growing gaming segments in online gambling in the coming years. This growth is partly due to the general digitalisation in society, mainly driven by increased smartphone use, but also due to the legislators' increased understanding of this type of gaming and business.

As a B2B provider, Fantasma Games maintains a relationship with the operators, which in turn owns the relationship with the players. These operators are generally licensed in a number of jurisdictions, but they operate in a global market and allow gaming from different geographical regions. Fantasma Games' ambition is to grow faster than the market by gaining market share, primarily in locally regulated markets, which are managed and monitored via the respective countries' authorities, and via our distribution partners.

That which has predominantly marked the quarter is the ongoing re-regulation in the Netherlands. This has meant that many of Fantasma Games' customers have had to temporarily limit their stakes in this market, with a certain loss of revenue as a result. Fantasma Games and its customers are generally positive about this type of change, and as such welcome initiatives where the aim is to create a more sustainable market.

More efficient production

As a result of our improved production capacity and our acquisition of Wiener Games, we plan to carry out more global game launches during the first half of 2022 than ever before. Fantasma Games is not only expected to increase production rate in 2022, but also achieve more uniform and predictable result from the titles which are currently being produced. The company attaches great importance to making the fundamental parts of its games even more relevant and accessible to players, which guarantees greater game volumes and revenue.

Strong collaborations creates growth

Through the agreements Fantasma Games entered into during the year, the company not only reaches more, but also larger and more significant, operators and markets. The USA, for example, is a market characterised by a few large operators, and here, Fantasma Games will have access to almost all of them through its collaboration with Scientific Games. In addition, the company has also made preparations with the aim of also launching its games with operators in new markets in Europe, including Greece, Italy and Spain.

Another example of a successful collaboration is our relationship with Relax Gaming. During the quarter, our games were launched on 47 new operators, which is an increase corresponding to 52 per cent compared to the same period last year.

During the quarter, Fantasma Games released "Caravan of Riches" exclusively for a limited time together with Kindred, generating guaranteed revenue. This is the third collaboration of this type in a short time.

The global online casino market has grown strongly in recent years, and will continue to be one of the fastest growing gaming segments in online gambling in the coming years.

47

New relationships through Relax Gaming. An increase with 52 per cent.

FINANCIAL REPORTING

Consolidated income statement in summary

| (TSEK) | Q4 2021 oct-dec | FY 2021 jan-dec |
|---------------------------------|--------------------|--------------------|
| Operating income | | |
| Net income | 3 933 | 7 772 |
| Capitalised work on own account | 2 165 | 6 164 |
| Other operating income | 0 | 40 |
| Total income | 6 098 | 13 976 |
| Operating expenses | | |
| Cost of services sold | -1 672 | -1 672 |
| Other external expenses | -2 200 | -6 214 |
| Personnel costs | -3 560 | -10 684 |
| Depreciation and amortisation | -1 067 | -2 573 |
| Other operating expenses | -35 | -71 |
| Total operating expenses | -8 535 | -21 215 |
| Operating profit | -2 437 | -7 238 |
| Financial expenses | 119 | 10 |
| Profit before tax | -2 318 | -7 228 |
| Tax on profit | -223 | -223 |
| Net profit | -2 541 | -7 451 |

Consolidated balance sheet in summary

| (TSEK) | 2021-12-31 |
|--|---------------|
| ASSETS | |
| Non-current assets | |
| Intangible assets | 30 276 |
| Property, plant and equipment | 8 |
| Financial assets | 250 |
| Summa anläggningstillgångar | 30 534 |
| Omsättningstillgångar | |
| Kortfristiga fordringar | 3 724 |
| Kassa och bank | 8 105 |
| Summa omsättningstillgångar | 11 829 |
| Totala tillgångar | 42 363 |
| EQUITY AND LIABILITIES | |
| Equity | |
| Share capital | 759 |
| Contributed capital | 44 083 |
| Accumulated earnings incl profit/loss for the period | -21 739 |
| Total equity | 23 103 |
| Long-term liabilities | |
| Other long-term liabilities | 15 344 |
| Total long-term liabilities | 15 344 |
| Current liabilities | |
| Trade accounts payable | 376 |
| Other current liabilities | 3 540 |
| Total current liabilities | 3 916 |
| Total equity and liabilities | 42 363 |

Consolidated cash flow analysis in summary

| (TSEK) | Q4 2021 oct-dec | FY 2021 jan-dec |
|--|--------------------|--------------------|
| From operating activities | | |
| Operating profit | -7 238 | -7 238 |
| Adjustment for non cash flow related items | 2 573 | 2 573 |
| Interest and other financing costs | -117 | -117 |
| Paid taxes | -72 | -72 |
| Cash flow from operating activities before changes in working capital | -4 854 | -4 854 |
| Cash flow from changes in working capital | | |
| Increase/decrease in accounts receivables | -601 | -601 |
| Increase/decrease in accounts payables | 1 014 | 1 014 |
| Cash flow from operating activities | -4 442 | -4 442 |
| Investing activities | | |
| Investments in intangible assets | -6 197 | -6 197 |
| Investments in other financial assets | -6 429 | -6 429 |
| Cash flow from investing activities | -12 627 | -12 627 |
| Financing activities | | |
| New share issue | 24 913 | 24 913 |
| Cash flow from financing activities | 24 913 | 24 913 |
| Cash flow for the period | 7 845 | 7 845 |
| Cash and cash equivalents at the beginning of the period | 260 | 260 |
| Cash and cash equivalents at the end of the period | 8 105 | 8 105 |

Group change in equity in summary

| (TSEK) | Share capital | Development expenditure reserve | Share premuim reserve | Other non-restricted equity | Total equity |
|---|---------------|---------------------------------------|-----------------------------|-----------------------------------|---------------|
| At period start 2021-10-01 | 103 | -4 996 | 17 528 | -9 024 | 3 610 |
| Bonus issue | 411 | | | -411 | 0 |
| New share issue | 244 | | 26 555 | | 26 800 |
| Allocated warrants | | | | 177 | 177 |
| Adjustment development expenditure reserve | | -3 524 | | 3 524 | 0 |
| Calculation differences | | | | -32 | -32 |
| Profit for the period | | | | -7 451 | -7 451 |
| At period end 2021-12-31 | 759 | -8 521 | 44 083 | -13 218 | 23 103 |



The Parent Company's income statement in summary

| (TSEK) | Q4 2021 oct-dec | Q4 2020 okt-dec | FY 2021 jan-dec | FY 2020 jan-dec |
|---------------------------------|--------------------|--------------------|--------------------|--------------------|
| Operating income | | | | |
| Net income | 3 253 | 3 286 | 7 092 | 6 857 |
| Capitalised work on own account | 2 165 | 1 661 | 6 164 | 5 668 |
| Other operating income | 0 | 0 | 41 | 28 |
| Total income | 5 419 | 4 947 | 13 297 | 12 552 |
| Operating expenses | | | | |
| Cost of services sold | -1 672 | -2 342 | -1 672 | -2 342 |
| Other external expenses | -2 219 | -1 094 | -6 233 | -3 912 |
| Personnel costs | -2 745 | -1 842 | -9 869 | -6 116 |
| Depreciation and amortisation | -727 | -313 | -2 233 | -671 |
| Other operating expenses | -35 | -18 | -71 | -48 |
| Total operating expenses | -7 399 | -5 609 | -20 078 | -13 088 |
| Operating profit | -1 980 | -663 | -6 782 | -536 |
| Financial expenses | 126 | 0 | 17 | -27 |
| Profit before tax | -1 854 | -663 | -6 765 | -563 |
| Tax on profit | 0 | 0 | 0 | 0 |
| Net profit | -1 854 | -663 | -6 765 | -563 |

The Parent Company's balance sheet in summary

| (TSEK) | 2021-12-31 | 2020-12-31 |
|--|---------------|--------------|
| ASSETS | | |
| Non-current assets | | |
| Intangible assets | 8 960 | 4 996 |
| Financial assets | 24 282 | 20 |
| Total non-current assets | 33 242 | 5 016 |
| Current assets | | |
| Short-term receivables | 1 255 | 834 |
| Cash and cash equivalents | 7 981 | 260 |
| Total current assets | 9 236 | 1 094 |
| Total assets | 42 478 | 6 110 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Share capital | 759 | 103 |
| Development expenditure reserve | 8 521 | 4 996 |
| Contributed capital | 44 269 | 17 528 |
| Accumulated earnings incl profit/loss for the period | -29 717 | -19 017 |
| Total equity | 23 831 | 3 610 |
| Long-term liabilities | | |
| Other long-term liabilities | 15 111 | 0 |
| Total long-term liabilities | 15 111 | 0 |
| Current liabilities | | |
| Trade accounts payable | 438 | 617 |
| Other current liabilities | 3 098 | 1 883 |
| Total current liabilities | 3 536 | 2 500 |
| Total equity and liabilities | 42 478 | 6 110 |

The Parent Company's cash flow analysis in summary

| (TSEK) | Q4 2021 oct-dec" | Q4 2020 okt-dec | FY 2021 jan-dec | FY 2020 jan-dec |
|---|---------------------|--------------------|--------------------|--------------------|
| From operating activities | | | | |
| Operating profit | -1 980 | -663 | -6 782 | -536 |
| Adjustment for non cash flow related items | 728 | 313 | 2 232 | 671 |
| Interest and other financing costs | -1 | 0 | -110 | -27 |
| Paid taxes | -16 | 0 | -58 | 0 |
| Cash flow from operating activities before changes in working capital | -1 269 | -350 | -4 717 | 108 |
| Cash flow from changes in working capital | | | | |
| Increase/decrease in accounts receivables | 400 | 45 | -232 | 113 |
| Increase/decrease in accounts payables | 272 | 906 | 990 | 1 113 |
| Cash flow from operating activities | -597 | 601 | -3 960 | 1 334 |
| Investing activities | | | | |
| Investments in intangible assets | -2 165 | -1 661 | -6 197 | -5 668 |
| Investments in other financial assets | -6 879 | 0 | -6 888 | -9 |
| Cash flow from investing activities | -9 044 | -1 661 | -13 085 | -5 676 |
| Financing activities | | | | |
| New share issue | 1 000 | 51 | 24 766 | 4 015 |
| Cash flow from financing activities | 1 000 | 51 | 24 766 | 4 015 |
| Cash flow for the period | -8 641 | -1 009 | 7 721 | -327 |
| Cash and cash equivalents at the beginning of the period | 16 622 | 1 268 | 260 | 587 |
| Cash and cash equivalents at the end of the period | 7 981 | 260 | 7 981 | 260 |

The Parent Company's change in equity in summary

| (TSEK) | Share capital | Development expenditure reserve | Share premium reserve | Other non-restricted equity | Total equity |
|--|---------------|---------------------------------|-----------------------|-----------------------------|---------------|
| At period start 2021-10-01 | 744 | 7 081 | 42 063 | -26 423 | 23 465 |
| New share issue | 14 | | 2 020 | | 2 034 |
| Adjustment development expenditure reserve | | 1 440 | | -1 440 | 0 |
| Allocated warrants | | | 186 | | 186 |
| Profit for the period | | | | -1 854 | -1 854 |
| At period end 2021-12-31 | 759 | 8 521 | 44 269 | -29 717 | 23 831 |

| (TSEK) | Share capital | Development expenditure reserve | Share premium reserve | Other non-restricted equity | Total equity |
|--|---------------|---------------------------------|-----------------------|-----------------------------|--------------|
| At period start 2020-10-01 | 103 | 0 | 17 476 | -13 358 | 4 222 |
| Adjustment development expenditure reserve | | 4 996 | | -4 996 | 0 |
| Allocated warrants | | | 51 | | 51 |
| Profit for the period | | | | -663 | -663 |
| At period end 2020-12-31 | 103 | 4 996 | 17 528 | -19 017 | 3 610 |



OTHER INFORMATION

Accounting principles

Fantasma Games AB's annual report and consolidated accounts have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general advice BFNAR 2012:1 Annual report and consolidated accounts (K3).

During the year, an adjustment was made for the classification of revenue, see below for more information. The accounting principles are otherwise unchanged compared with the previous year.

Consolidated financial statements

Fantasma Games AB prepares consolidated financial statements for the first time as of the financial statements of 31 December 2021. During the last quarter of 2021, Wiener Games OOD was acquired and the subsidiary Fantasma Games Incentives was formed. As a result, the Group was created, which is why comparative figures for 2020 are missing. The subsidiaries are included in the consolidated financial statements from the date on which the controlling influence is transferred to the Group. They are excluded from the consolidated financial statements from the date on which the controlling influence ceases.

The consolidated financial statements have been prepared in accordance with the acquisition method. The time of acquisition is the time when the controlling influence is obtained. Identifiable assets and liabilities are initially valued at fair values at the time of acquisition. The minority's share of the acquired net assets is valued at fair value. Goodwill consists of the difference between the acquired identifiable net assets at the time of acquisition and the acquisition value, including the value of the minority interest, and is initially valued at acquisition value.

Balances between Group companies are eliminated in their entirety.

Subsidiaries in other countries prepare their annual accounts in a foreign currency. Upon consolidation, the items in these companies' balance sheets and income statements are translated at the rate for the balance sheet date, and the spot rate for the day and business event, respectively. The exchange rate differences that arise are reported in accumulated exchange rate differences in the Group's equity.

Foreign currencies

Transactions in foreign currency are translated according to the spot rate on the transaction date.

Regarding the valuation of transactions and balance sheet items when currency hedging is applied, see the section on financial instruments, subheading documented hedges of financial liabilities in foreign currency (hedge accounting).

Revenue

Revenue is reported at the fair value of the remuneration received, or that will be received, less VAT, discounts and similar deductions. Revenue from royalties is accrued in accordance with the financial meaning of the agreement in question. Royalties are based on the outcome of sales and are reported in accordance with the terms of the underlying agreement.

During the quarter, an adjustment was made in the classification of revenue. The change means that revenue is reported before deductions for the company's cost of sales, and that these are reported as a separate item. Corresponding adjustments have been made in the comparative period 2020.

The company's view is that the adjustment of revenue provides a better view of the company's accounts.

Related party transactions

No related party transactions were reported during the period.

Financial calendar

Fantasma Games intends to publish financial reports as follows:

Annual Report 2021; 13 April 2022

Interim report January - March 2022; 11 May 2022

Interim report April - June 2022; 10 August 2022

Interim report July - September 2022; 9 November 2022

Review

This interim report has not been subject to review by the company's auditors. The Board of Directors and the CEO confirm that the interim report provides a true and fair view of the company's operations, position and performance, and describes significant risks and uncertainties faced by the company.

Stockholm, 9 March 2022

Jacob Sachs, Acting CEO

For further information contact Jacob Sachs, Acting CEO, +46 70814 39 93, jacob@fantasmagames.com.

Fantasma Games AB (publ.)

E-mail: info@fantasmagames.com

Corporate Identity No.: 559074-0881

This information is such that Fantasma Games AB (publ) is obliged to publish in accordance with the EU Market Abuse Regulation. The information was submitted, through the care of the above contact person, for publication on 9 March 2022, at 8:30 CET.

Information on Nasdaq First North Growth Market

Nasdaq First North Growth Market is a registered SME marketplace for growth companies, in accordance with the Markets in Financial Instruments Directive (EU2014/65) implemented in the national legislation in Denmark, Finland and Sweden. The marketplace is part of the Nasdaq group. Issuers on the Nasdaq First North Growth Market

are not subject to the regulation applicable to Issuers whose shares are listed on a regulated market, as defined in EU law (and implemented in national law). Instead, they are subject to less extensive rules and regulations that are adapted for smaller growth companies. The risk of investing in an Issuer on the Nasdaq First North Growth Market may therefore be higher than investing in an Issuer listed on a regulated market. All Issuers of shares listed for trading on the Nasdaq First North Growth Market have a Certified Adviser who monitors compliance with the rules. Nasdaq approves Issuers' applications for admission to trading.

All companies whose shares are admitted to trading on First North have a Certified Adviser who monitors compliance with the rules. Nasdaq Stockholm approves the application for admission to trading on First North. The company's Certified Adviser is Mangold Fondkommission AB. Contact information: ca@mangold.se. Phone: 08-503 015 50





Fantasma Games AB (publ)
Regeringsgatan 88, 111 39 Stockholm

