



FANTASMA GAMES AB (PUBL) INTERIM REPORT Q2 2023



SIGNIFICANT EVENTS

Second quarter 2023

- Net sales amounted to MSEK 8.0 (7.5) for the quarter and MSEK 19.6 (12.3) for the first six months of 2023
- EBITDA for the quarter amounted to MSEK 1.5 (1.1), which corresponds to a margin of 18% (14%), and MSEK 6.0 (0.5), which corresponds to a margin of 30% (4%) for the first six months
- The gross gaming revenue amounted to MSEK 101 (84) for the second quarter and MSEK 250 (123) for the first six months of 2023.

8.0_{MSEK}

Net sales amounted to MSEK 8.0 (7.5) for the quarter and MSEK 19.6 (12.3) for the first six months of 2023

1.5_{MSEK}

EBITDA for the quarter amounted to MSEK 1.5 (1.1), which corresponds to a margin of 18% (14%), and MSEK 6.0 (0.5), which corresponds to a margin of 30% (4%) for the first six months

101_{MSEK}

The gross gaming revenue amounted to MSEK 101 (84) for the second quarter and MSEK 250 (123) for the first six months of 2023.

Significant events during the quarter

- Fantasma Games is launching its game portfolio on Fortune Coins, a Social Casino in the American and Canadian markets. At the end of the quarter, seven games have been launched, and more launches are planned for Q3.
- Fantasma Games released Rich Raptors with Entain exclusively for two weeks. The game is available on Entain's brands, which include Ladbrokes and Bwin, among others, until the global launch on July 4th.
- The USA became the largest market in terms of gross gaming revenue during the quarter.
- Fantasma Games obtains a Swedish license for game development.

The USA became the largest market in terms of gross gaming revenue during the quarter.



KEY FIGURES

	Q2 2023 Apr-Jun	Q2 2022 Apr-Jun	Change	Q1-Q2 2023 Jan-Jun	Q1-Q2 2022 Jan-Jun	Change	R12 Jul-Jun	FY 2022 Jan-Dec	Change
Gross gaming revenue, MSEK	101	84	19%	250	123	103%	451	324	39%
Net sales, MSEK	8,0	7,5	7%	19,6	12,3	59%	38,3	31,0	23%
Total income, MSEK	10,7	8,9	20%	25,2	15,3	65%	48,5	38,6	26%
Cost of services sold, MSEK	-1,1	-1,2	-10%	-2,9	-2,0	46%	-5,3	-4,4	20%
Gaming revenue, MSEK	6,9	6,3	10%	16,7	10,3	62%	32,9	26,6	24%
Total operating expenses, MSEK	-11,6	-9,5	22%	-23,8	-18,1	32%	-46,5	-40,7	14%
EBITDA, MSEK	1,5	1,1		6,0	0,5		11,0	5,5	
EBITDA-margin	18%	14%		30%	4%		29%	18%	
Net profit	-1,4	-1,0		0,8	-3,2		1,1	-3,2	

Equity per share

Before dilution, SEK	8,59	8,54		8,59	8,78		8,59	8,57	
After dilution, SEK	8,48	8,54		8,53	8,78		8,59	8,57	

Earnings per share

Before dilution, SEK	-0,38	-0,30		0,22	-1,03		0,24	-0,95	
After dilution, SEK	-0,38	-0,30		0,22	-1,03		0,24	-0,95	

Number of shares

Number of shares at the beginning of the period	3 556 535	3 034 090		3 556 535	3 034 090		3 556 535	3 034 090	
Number of shares at the end of the period	3 556 535	3 556 535		3 556 535	3 556 535		3 556 535	3 556 535	
Outstanding warrants during the period	210 000	100 000		210 000	100 000		210 000	210 000	
Average number of shares before dilution	3 556 535	3 208 238		3 556 535	3 121 164		3 556 535	3 341 242	
Average number of shares after dilution*	3 602 418	3 208 238		3 580 564	3 121 164		3 556 535	3 341 242	

Definitioner spelens nyckeltal

Term	Definition	Q2 2023	Q2 2022
GROSS GAMING REVENUE	(known as GGR) - Gaming turnover less return to customers	101 MSEK	84 MSEK
NET SALES	The Company's total sales revenue, partly from own games for variable remuneration, and partly from games sold for fixed remuneration	8 MSEK	7,5 MSEK
COST OF SERVICES SOLD	Excl. costs for distribution, certification, etc. of own games	1,1 MSEK	1,2 MSEK
GAMING INCOME	Net sales less cost of services sold	6,9 MSEK	6,3 MSEK

SECOND QUARTER

The second quarter of 2023 was intense, with a high production rate and where we had more games in production, having launched games during the quarter that broke previous launch records. In total, we launched two games during the quarter, at the same time we had seven games in production, in different stages, where four games will be released during the third quarter. We have already established very interesting concepts for the fourth quarter, as well as for 2024. The reason there were fewer released games than expected in the second quarter is the fact our distribution partners temporarily postponed launches, meaning we instead expect to launch four games in the third quarter. With previous successful launches, we are now attaining an increasingly higher quality in our games when it comes to both the presentation of the game and the mechanics in the games, which paves the way for increasingly stronger launches in the future.

Second quarter according to forecast, despite fewer game launches than expected

We ended the quarter according to the planned forecasts for the year, with regards both revenue and expenses, this despite a delayed launch of one game during the second quarter, which is postponed to the third quarter, something we are happy to be able to deliver.

Fewer game releases during the quarter means that revenue from new launches will be less during the quarter, however, it is revenue that will come in during the year, which is in line with our previous forecasts. As such, we are facing a very intense autumn with many new game launches and launches of existing games in new markets, as well as through new partners and operators in several markets, which will be launched in the second half of 2023.

As further evidence of recent successes, we note that the Group's cash flow is positive, with MSEK 2.9 during the quarter, and where cash and cash equivalents amounted to MSEK 9.1 at the end of the quarter, compared to MSEK 6.1 in the previous quarter. Current assets amount to MSEK 15.7, which puts the Company in a secure position for continued profitable growth going forward.

Strong long-tail revenue

An important aspect of our business is that our long-tail revenue is constantly increasing; i.e., games that we released more than six months ago. This revenue indicates "stickiness" in our games, while at the same time is proof that our games deliver according to market demand. During the quarter, our long-tail revenue accounted for MSEK 57, compared to MSEK 32 during Q2 of 2022. It's also an increase from Q1-23 of 16 per cent, which shows that our long-tail revenue is steadily increasing.

USA – Fantasma's largest market

We see continued strong growth in the regulated markets, with primary focus on the US, which has now become our largest market. The US market accounted for 20 per cent of our gross gaming revenue in the second quarter, which is still only based

on seven games currently available. We have not yet seen the full potential of some new operators that we launched with in the spring, as the integration into their mobile apps took longer than expected. There are also some major operators that we still haven't launched any games with, such as FanDuel and Penn Entertainment.

In addition to the US, we see continued growth in other markets, including Greece, Italy and South America. In these markets, several new exciting collaborations have fallen into place in order to launch more games, and thereby take additional market shares.

Social Casino is going strong

During the quarter, we launched games with Fortune Coins, a Social Casino in the US and Canada, which is a new revenue stream for us. We are now live with a total of two Social Casinos, and which accounted for approximately 10 per cent of the Company's revenue during the quarter. This is only based on seven games we have launched; the ambition is that we will launch more games in the genre in the future. We are now in further discussions with several other Social Casino partners, which we expect can be realised in the second half of the year.

Fantasma launches its own platform

We have been considering launching our own platform, a so-called RGS (Remote Game Server), for some time. We found a solution during the year that means we only need to incur marginal costs in order to implement this, and at the end of the second quarter went live with our first games with a few selected operators, for a beta launch, which has yielded good results.

By launching our own platform, we will be able to release our games centrally, although we will continue to use distributors to the extent we do currently. The platform enables us to use more distributors at the same time in order to further maximise our reach. We will also be able to add more distribution partners and make direct integrations with operators, which will mean we will be able to create even better conditions to reach many more players with each launch.

Having an own platform also brings other advantages, in that we enable even more efficient production, self-determination of launch dates and, above all, create even better conditions for improving our margins in the future.

Regulated markets

During the second quarter, we received a Swedish gaming licence, which marks our first step towards acquiring more gaming licences. Processes have begun in England and Michigan, with New Jersey as the next focus. Although these licences will have a marginal impact on our costs during the year, we see it as critical to the development of our own platform and future growth. These licences will allow us to take advantage of more distribution partners, reaching even more operators with each launch, which will provide greater reach and exposure to our games.

Strong start to the third quarter

We've witnessed an exciting start to the third quarter with an eventful July, where we had a successful global launch of Rich Raptors, which was also our second-best exclusive release from 20 June to 4 July, thanks, in large part, to a strong push from Entain.

Payday Express, which launched on 26 July in the US and 27 July in Europe, has already set a new record for our best launch to date. The reason for this success is that the game was released exclusively with several leading operators, such as BetMGM (USA), Paddy Power/Betfair (England), NLO (Netherlands), PAF (Sweden, Finland, Estonia), and Rush Street (Colombia, Mexico and Ontario). This achievement demonstrates the great success potential for new game launches in the future, at the same time as we can rely on growing long-tail revenue.

The way ahead

We have an exciting period ahead of us with our own platform and several intriguing game releases. We have created strong conditions by having proof of creating games that reach the market via the world's leading operators through a game production that maintains an exceptional level, paving the way in order to continue executing during the year, and beyond.

**FREDRIK JOHANSSON**

VD och Grundare
Fantasma Games

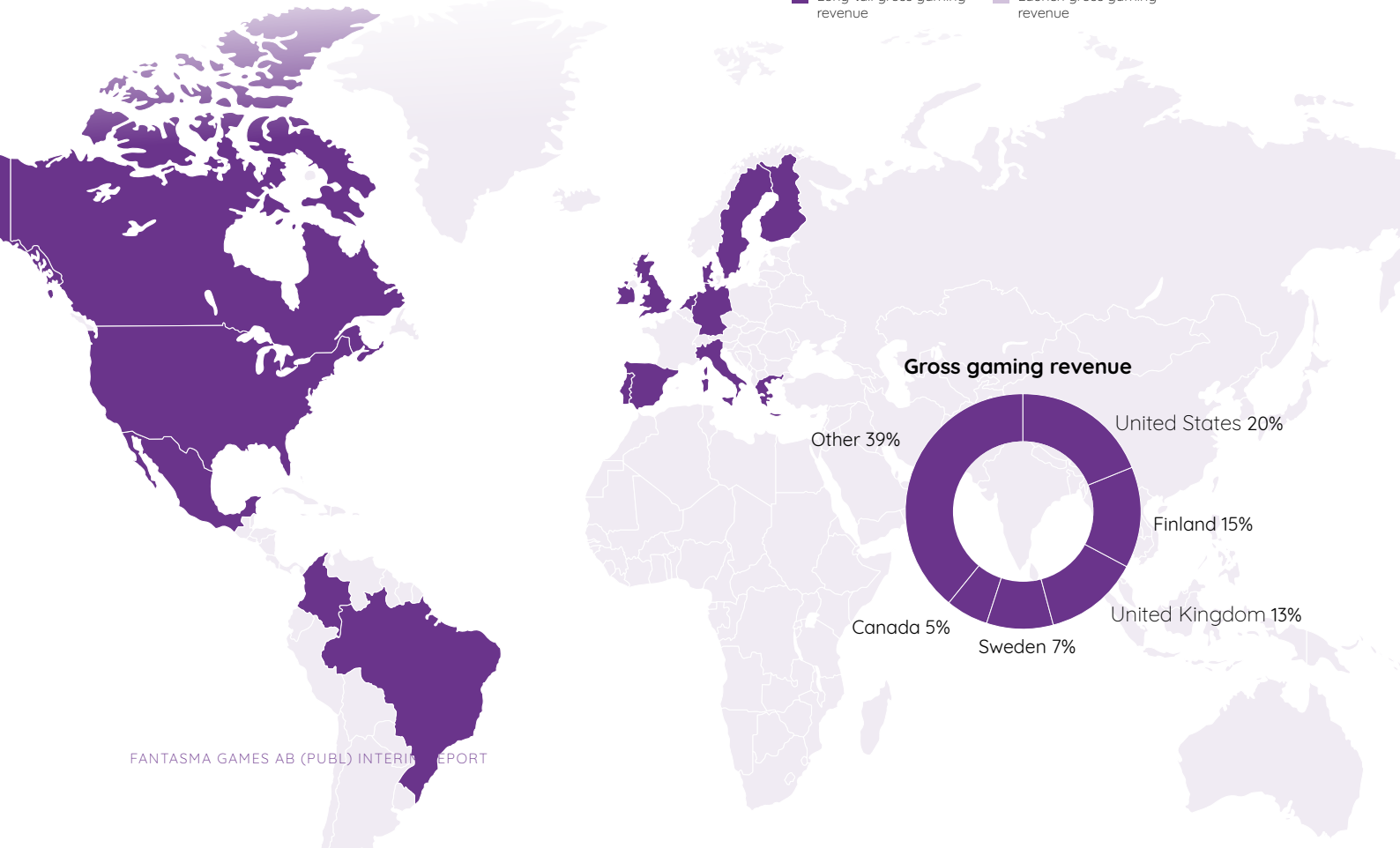
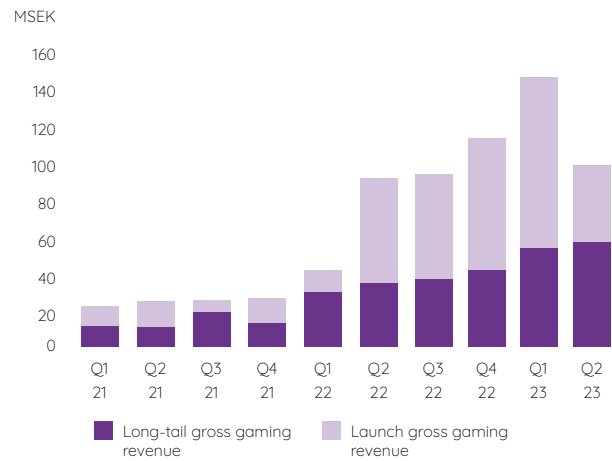
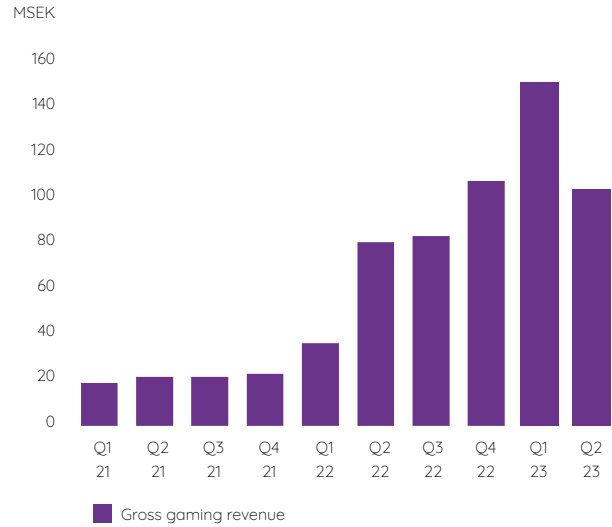


GAMING OVERVIEW

Gross gaming revenue

The gross gaming revenue, i.e., the difference between stakes and winnings, is the amount that forms the basis for Fantasma Games' income associated with its own games. During the quarter, gross gaming revenue amounted to MSEK 101 (84), corresponding to an increase of 19 per cent compared with the same period last year. During the quarter, two games were launched due to delays in game releases by our distributors.

The so-called long-tail gross gaming revenue (gross gaming revenue from games older than six months) continues to grow and amounted to MSEK 57 (32) at the end of the quarter from 22 games, corresponding to an increase of 80 per cent compared to the same period last year. This growth is the foundation of the Company's ability to increase income from its own games over time. During the second quarter, the proportion of long-tail gross gaming revenue amounted to 57 per cent of the total gross gaming revenue, compared to 38 per cent during the same period in 2022. Variations between quarters are completely natural, and mainly depend on how many games Fantasma Games launches during the period. During the second quarter, Fantasma Games carried out fewer launches than in previous quarters, which contributed to the Company's launch gross gaming revenue amounting to MSEK 44 (53) at the end of the quarter from five games, of which two games relate to launches during Q2.



FINANCIAL OVERVIEW

Revenue

The Group's total income during the second quarter amounted to MSEK 10.7 (8.9). Of this, MSEK 8.0 (7.5) came from the Group's net sales, and MSEK 2.6 (1.4) from capitalised development costs. Other income amounted to MSEK 0.1 (-0) for the quarter.

During the first two quarters, the Group's total income amounted to MSEK 25.2 (15.3). Of this, MSEK 19.6 (12.3) came from the Group's net sales, and MSEK 5.4 (2.9) from capitalised development costs. Other income amounted to MSEK 0.1 (-0).

Costs and profitability

Costs for services sold amounted to MSEK 1.1 (1.2) during the quarter. Other external expenses during the period amounted to MSEK 3.1 (1.8), personnel costs to MSEK 5.0 (4.8), depreciation and impairment to MSEK 2.4 (1.7), and other operating expenses to MSEK 0.1 (0.0). The financial costs during the second quarter amounted to MSEK 0.4 (0.3), and tax costs amounted to MSEK 0 (0). During the first two quarters, costs for services sold amounted to MSEK 2.9 (2). Other external expenses amounted to MSEK 6.4 (3.9), personnel costs to MSEK 9.8 (8.8), and other operating expenses to MSEK 0.1 (0.1). The increase in other external costs is largely linked to the higher production rate, which is also directly connected to the rise in capitalized development costs.

Result

The Group's result during the second quarter of 2023 amounted to MSEK -1.4 (-1), and to MSEK 0.8 (-3.2) for the first two quarters.

Financial position

The Group's cash and cash equivalents amounted to MSEK 9.1, and short-term receivables amounted to MSEK 6.6 at the end of the period, and, in total, current assets amounted to MSEK 15.7. The Company assesses that its current liquidity is sufficient to finance the existing plans for the next 12 months.

Correction of errors

Due to the correction of an error in the calculation of the contingent consideration for the acquisition of Wiener Games, amounts for 2021 and 2022 were changed, see Note 2. The correction affects the impairment of goodwill in the consolidated income statement, and financial items in the consolidated and Parent Company's income statement, as well as intangible fixed assets, equity, and other liabilities in the consolidated and Parent Company's balance sheet.

10.7 MSEK

The Group's total income during the second quarter amounted to MSEK 10.7 (8.9).

0.8 MSEK

The Group's result during the second quarter of 2023 amounted to MSEK -1.4 (-1), and to MSEK 0.8 (-3.2) for the first two quarters.



FINANCIAL REPORTING

Consolidated income statement in summary

(TSEK)	Q2 2023 Apr-Jun	Q1 2022* Jan-Mar	Q1-Q2 2023 Jan-Jun	Q1-Q2 2022 Jan-Jun	R12 Jul-Jun	FY 2022 Jan-Dec
Operating income						
Net income	8 042	7 515	19 603	12 324	38 263	30 984
Capitalised work on own account	2 558	1 386	5 439	2 949	9 998	7 508
Other operating income	78	-1	145	-1	258	113
Total income	10 679	8 900	25 187	15 273	48 519	38 605
Operating expenses						
Cost of services sold	-1 114	-1 242	-2 889	-1 986	-5 333	-4 429
Other external expenses	-3 071	-1 812	-6 430	-3 922	-11 615	-9 107
Personnel costs	-4 973	-4 736	-9 754	-8 807	-20 271	-19 324
Depreciation and amortisation*	-2 374	-1 700	-4 625	-3 288	-8 918	-7 581
Other operating expenses	-60	-29	-141	-51	-335	-245
Total operating expenses	-11 592	-9 519	-23 840	-18 053	-46 472	-40 686
Operating profit	-913	-619	1 347	-2 781	2 047	-2 081
Financial expenses*	-441	-339	-557	-449	-954	-846
Profit before tax	-1 354	-957	790	-3 230	1 093	-2 926
Tax on profit	0	0	0	0	-242	-242
Net profit	-1 354	-957	790	-3 230	852	-3 168

*Corrected, see Note 2

Consolidated balance sheet in summary

(TSEK)	2023-06-30	2022-06-30*	2022-12-31
ASSETS			
Non-current assets			
Intangible assets*	28 239	25 553	26 520
Property, plant and equipment	42	23	40
Financial assets	981	259	971
Total non-current assets	29 262	25 836	27 530
Current assets			
Current receivables	6 608	4 733	9 471
Cash and cash equivalents	9 116	11 863	5 777
Total current assets	15 724	16 596	15 248
Total assets	44 986	42 432	42 779
EQUITY AND LIABILITIES			
Equity			
Share capital	889	889	889
Contributed capital	65 436	60 688	51 221
Accumulated earnings incl profit/loss for the period*	-35 778	-34 170	-23 490
Total equity	30 548	27 408	28 620
Long-term liabilities			
Other long-term liabilities*	8 914	10 602	9 525
Total long-term liabilities	8 914	10 602	9 525
Current liabilities			
Trade accounts payable	578	231	703
Other current liabilities	4 947	4 191	3 930
Total current liabilities	5 525	4 422	4 633
Total equity and liabilities	44 986	42 432	42 779

*Corrected, see Note 2

Consolidated cash flow analysis in summary

(TSEK)	Q2 2023 Apr-Jun	Q2 2022* Apr-Jun	Q1-Q2 2023 Jan-Jun	Q1-Q2 2022* Jan-Jun	R12 Jul-Jun	FY 2022 Jan-Dec
From operating activities						
Operating profit	-913	-619	1 347	-2 781	2 047	-2 081
Adjustment for non cash flow related items	2 352	1 638	4 614	3 085	9 126	7 597
Interest received	0	0	15	0	19	4
Interest paid	0	-1	-6	-1	-7	-2
Paid taxes	-26	-23	-80	-33	-263	-216
Cash flow from operating activities before changes in working capital	1 413	996	5 891	271	10 921	5 301
Cash flow from changes in working capital						
Increase/decrease in accounts receivables	4 898	-263	3 152	-889	-1 577	-5 618
Increase/decrease in accounts payables	-709	-34	-240	518	-110	648
Cash flow from operating activities	5 602	699	8 803	-100	9 234	331
Investing activities						
Investments in intangible assets	-2 678	-1 386	-5 559	-2 949	-10 118	-7 508
Investments in tangibl assets	0	-15	0	-15	-31	-46
Investments in other financial assets	0	0	18	0	-232	-250
Acquisitions of Group companies	0	0	0	0	-1 698	-1 698
Cash flow from investing activities	-2 678	-1 401	-5 541	-2 964	-12 078	-9 501
Financing activities						
Redemption of subscription warrants	0	6 818	0	6 818	0	6 818
Cash flow from financing activities	0	6 818	0	6 818	0	6 818
Cash flow for the period	2 924	6 116	3 262	3 754	-2 844	-2 352
Cash and cash equivalents at the beginning of the period	6 119	5 743	5 777	8 105	11 864	8 105
Exchange-rate differences in cash and cash equivalents	73	5	77	5	96	25
Cash and cash equivalents at the end of the period	9 116	11 863	9 116	11 863	9 116	5 777

Group change in equity in summary

(TSEK)	Share capital	Development expenditure reserve	Share premium reserve	Other non-restricted equity	Total equity
At period start 2022-04-01*	759	9 276	44 260	-33 344	20 951
Development expenditure fund		1 386		-1 386	0
Disovlement of deprecitation		-921		921	0
New share issue	131		7 116		7 246
Issue costs			-428		-428
Calculation differences				597	597
Net profit				-957	-957
At period end 2022-06-30	889	9 741	50 947	-34 170	27 408

(TSEK)	Share capital	Development expenditure reserve	Share premium reserve	Other non-restricted equity	Total equity
At period start 2023-04-01	889	13 179	51 221	-34 276	31 013
Development expenditure fund		2 558		-2 558	0
Disovlement of deprecitation		-1 521		1 521	0
Calculation differences				889	889
Net profit				-1 354	-1 354
At period end 2023-06-30	889	14 216	51 221	-35 778	30 548
Vid periodens slut 2023-06-30	889	14 216	51 221	-35 778	30 548

*Corrected, see Note 2



The Parent Company's income statement in summary

(TSEK)	Q2 2023 Apr-Jun	Q2 2022* Apr-Jun	Q1-Q2 2023 Jan-Jun	Q1-Q2 2022* Jan-Jun	R12 Apr-Mar	FY 2022 Jan-Dec
Operating income						
Net income	5 235	5 355	14 200	8 235	26 524	20 558
Capitalised work on own account	2 558	1 386	5 439	2 949	9 998	7 508
Other operating income	78	-1	211	-1	325	113
Total income	7 872	6 740	19 850	11 183	36 845	28 178
Operating expenses						
Cost of services sold	-1 114	-1 242	-2 889	-1 986	-5 333	-4 429
Other external expenses	-3 362	-1 698	-6 767	-3 614	-11 819	-8 666
Personnel costs	-3 173	-2 940	-6 047	-5 650	-12 075	-11 677
Depreciation and amortisation*	-1 523	-922	-2 943	-1 732	-5 530	-4 319
Other operating expenses	-50	-24	-130	-44	-286	-200
Total operating expenses	-9 221	-6 827	-18 777	-13 026	-35 042	-29 291
Operating profit	-1 350	-86	1 074	-1 842	1 804	-1 112
Financial expenses*	-441	-339	-557	-449	-958	-850
Profit before tax	-1 791	-425	516	-2 291	846	-1 962
Tax on profit	0	0	0	0	0	0
Net profit	-1 791	-425	516	-2 291	846	-1 962

*Corrected, see Note 2

The Parent Company's balance sheet in summary

(TSEK)	2023-06-30	2022-06-30*	2022-12-31
ASSETS			
Non-current assets			
Intangible assets*	14 766	10 178	12 149
Financial assets	19 962	19 249	19 980
Total non-current assets	34 727	29 427	32 129
Current assets			
Current receivables	2 910	2 446	5 042
Cash and cash equivalents	5 909	10 454	5 308
Total current assets	8 819	12 900	10 350
Total assets	43 547	42 327	42 480
EQUITY AND LIABILITIES			
Equity			
Share capital	889	889	889
Development expenditure fund	14 216	9 741	11 716
Contributed capital*	50 770	50 770	50 770
Accumulated earnings incl profit/loss for the period*	-36 420	-33 085	-34 436
Total equity	29 455	28 316	28 939
Long-term liabilities			
Other long-term liabilities*	8 897	10 568	8 397
Total long-term liabilities	8 897	10 568	8 397
Current liabilities			
Trade accounts payable	624	320	685
Other current liabilities	4 570	3 124	4 459
Total current liabilities	5 194	3 443	5 144
Total equity and liabilities	43 547	42 327	42 480

*Corrected, see Note 2

The Parent Company's cash flow analysis in summary

(TSEK)	Q2 2023 Apr-Jun	Q2 2022* Apr-Jun	Q1-Q2 2023 Jan-Jun	Q1-Q2 2022* Jan-Jun	R12 Jul-Jun	FY 2022 Jan-Dec
From operating activities						
Operating profit	-1 350	-86	1 074	-1 842	1 804	-1 112
Adjustment for non cash flow related items	1 520	920	2 947	1 731	5 537	4 321
Interest and other financing costs	0	-1	-6	-1	-7	-2
Paid taxes	-26	-18	-80	-92	-51	-63
Cash flow from operating activities before changes in working capital	144	816	3 936	-204	7 283	3 144
Cash flow from changes in working capital						
Increase/decrease in accounts receivables	3 395	-930	2 143	-1 189	-643	-3 975
Increase/decrease in accounts payables	-790	-432	63	-2	622	557
Cash flow from operating activities	2 749	-547	6 142	-1 395	7 263	-275
Investing activities						
Investments in intangible assets	-2 678	-1 386	-5 559	-2 949	-10 118	-7 508
Investments in other financial assets	0	0	18	0	-232	-250
Acquisitions of Group companies	0	0	0	0	-1 458	-1 458
Cash flow from investing activities	-2 678	-1 386	-5 541	-2 949	-11 808	-9 216
Financing activities						
Redemption of subscription warrants	0	6 818	0	6 818	0	6 818
Cash flow from financing activities	0	6 818	0	6 818	0	6 818
Cash flow for the period	71	4 885	601	2 473	-4 545	-2 673
Cash and cash equivalents at the beginning of the period	5 837	5 569	5 308	7 981	10 454	7 981
Cash and cash equivalents at the end of the period	5 909	10 454	5 909	10 454	5 909	5 308

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 2022-04-01*	759	9 276	44 083	-32 195	21 923
Development expenditure fund		1 386		-1 386	0
Disovlement of deprecitation		-921		921	0
New share issue	131		7 116		7 246
Issue costs			-428		-428
Net profit				-425	-425
At period end 2022-06-30	889	9 742	50 770	-33 084	28 316

(TSEK)	Share capital	Development expenditure reserve	Share premium reserve	Other non-restricted equity	Total equity
At period start 2023-04-01	889	13 179	50 770	-33 590	31 246
Development expenditure fund		2 558		-2 558	0
Disovlement of deprecitation		-1 521		1 521	0
Net profit				-1 791	-1 791
At period end 2023-06-30	889	14 216	50 770	-36 417	29 455

*Corrected, see Note 2



OTHER INFORMATION

Note 1 - 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). The interim report does not contain all the information that should be provided in a full financial report. The applied accounting principles and calculation methods are the same as those applied in the last Annual Report for 2022.

Options programme

At an Extraordinary General Meeting on 30 September 2022, a resolution was taken on a private placement of a total of 110 000 subscription warrants within the framework of an incentive programme for existing and future senior executives, key individuals, and employees of the Company, as well as any subsidiaries that may form part of the Company's Group from time to time. All subscription warrants were subscribed by the subsidiary Fantasma Incentive AB, and then passed on to the participants in the incentive programme. Each subscription warrant gives the holder the right to subscribe for one share at a subscription price corresponding to fifty (50) kronor during the period from and including 30 September 2025 up to and including 30 November 2026. However, the subscription price may never fall below the share's quota value. In the event the subscription warrants are fully exercised, the share capital will increase by a maximum of SEK 27 500, and entail a dilution of approximately three per cent.

Another incentive programme for a total of 100 000 shares has been in place since 2021. For more information on

the incentive programme 2021/2024, see the 2022 Annual Report.

Note 2 - Correction of errors

In conjunction with the acquisition of Wiener Games in November 2021, an error was made in the calculation of the contingent consideration. In the Group, as of 31 December 2021, the incorrect calculation of the contingent consideration resulted in goodwill and the liability for the contingent consideration being valued too high, which in turn affects the impairment of goodwill in the financial items. In equity, the result for the year and the translation difference are affected.

For the Parent Company, as of 31 December 2021, shares and participating interests, as well as the liability for the contingent consideration, were reported at too high a value, and the financial items were affected. In equity, the result for the year is affected.

In the Group, as of 31 March 2022, after the correction as of 31 December 2021, equity is affected in the form of the result for the year and the translation difference. For the Parent Company, we only note an adjustment of the result for the year in equity, as well as financial items in the income statement, as a result of a lower currency effect on the long-term liability.

The following summary shows the effects of the correction of errors for the Group's and Parent Company's balance sheet and income statement as of 31 December 2021 and 31 March 2023. The correction has had no effect on the Group's or Parent Company's cash flow.

Note 2 - Adjustment of material error

Group (ksek) - 2021-12-31

Balance sheet excluding equity (extract)	According to previously approved annual report - 2021-12-31	Correction of misstatement	After correction of misstatement
Intangible assets	30 276	-5 074	25 202
Other long-term liabilities	-15 344	4 991	-10 354
Net		-83	
Equity			
Calculation differences	-32	-129	-162
Profit for the period	-7 451	46	-7 405
Other equity	30 586	0	30 586
Sum	23 103	-83	23 019

Income statement (extract)	According to previously approved annual report - 2021-12-31	Correction of misstatement	After correction of misstatement
Depreciation and amortisation	-2 573	88	-2 485
Financial expenses	10	-42	-32
Net		46	

Parent company (ksek) - 2021-12-31

Balance sheet (extract)	According to previously approved annual report - 2021-12-31	Correction of misstatement	After correction of misstatement
Financial assets	24 282	-5 033	19 249
Other long-term liabilities	-15 111	4 991	-10 120
Net		-42	
Equity			
Profit for the period	-6 765	-42	-6 807
Other equity	30 596	0	30 596
Sum	23 831	-42	23 789

Income statement (extract)	According to previously approved annual report - 2021-12-31	Correction of misstatement	After correction of misstatement
Financial expenses	17	-42	-25
Net		-42	

Note 2 - Adjustment of material error

Group (ksek) - 2022-09-30

Equity	According to previously approved interim report - 2022-09-30	Correction of misstatement	After correction of misstatement
Calculation differences	309	747	1 056
Profit for the period	-4 455	1 044	-3 411
Other equity*	29 921	46	29 967
Sum	25 779	1 838	27 612

Income statement (extract)	According to previously approved interim report - 2022-09-30	Correction of misstatement	After correction of misstatement
Depreciation and amortisation	-6 087	707	-5 379
Financial expenses	-1 003	337	-666
Net		1 044	

Parent company (ksek) - 2022-09-30

Equity	According to previously approved interim report - 2022-09-30	Correction of misstatement	After correction of misstatement
Profit for the period	-2 873	337	-2 535
Other equity*	30 649	-42	30 607
Sum	27 776	337	28 072

Income statement (extract)	According to previously approved interim report - 2022-09-30	Correction of misstatement	After correction of misstatement
Financial expenses	-1 003	337	-666
Net		337	

Financial calendar

Fantasma Games intends to publish financial reports during the year as follows:

Interim Report July - September; 8 November 2023

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 result, and describes significant risks and uncertainties faced by the Company.

Stockholm, 9 August 2023

Fredrik Johansson, CEO

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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 August 2023, at 7:30 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 Erik Penser Bank. Contact information: adam.tapper@penser.se. Phone: +46 8463 8271.



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