

Third Quarter 2017

Stockholm
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Q3 HIGHLIGHTS



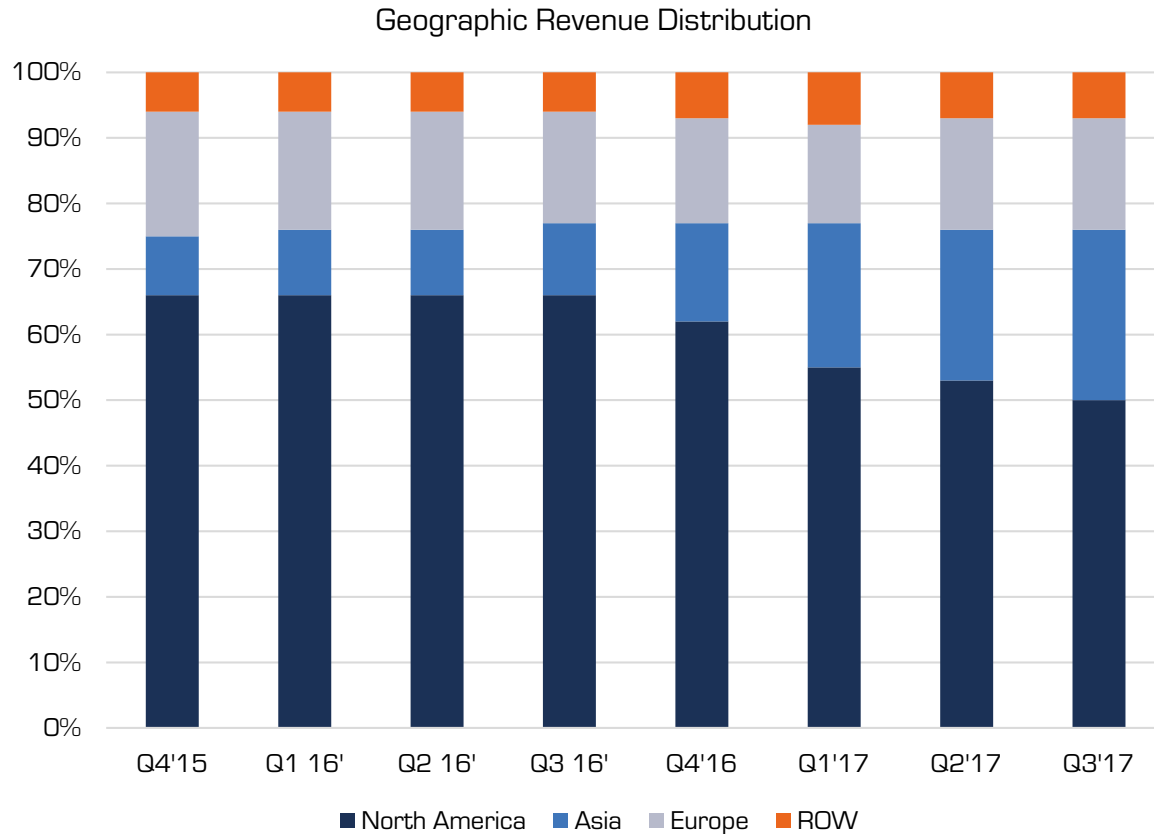
- Portfolio of licensed and wholly owned games grew at about the same pace
- Released “*Pirates & Pearls*”, the company’s first pure match-3 based game
- Revenues increased 112% y-o-y, with the strongest growth coming from Asia
- Positive cash flow of SEK 31.5 M with available cash increasing to SEK 98.7 M
- High MAGRPPU of \$40.1 USD during the quarter

FINANCIAL SUMMARY



- Net turnover SEK 268.3 M, growth 112 %
 - Portfolio of wholly owned games and licensed games growing at about the same pace
 - Trend of strong growth in Asia continued
 - Higher % of revenue continued to come from small-screen devices (phones, not tablets)
- Operating profit (EBIT) SEK 32.6 M, EBIT-margin 12.2 %
 - Write-downs impacted the period with SEK 1.8 M
 - Positive effect from other operating income/expense.
- Cash flow SEK 31.5 M
 - Business is generating significant positive cash flow
 - Cash and cash equivalents amounting to SEK 98.7 M at the end of the quarter

CONTINUED GROWTH IN ASIA



- Revenue has continued to grow across all regions in absolute terms
- Biggest growth has come from Asia, 401% y-o-y
- Asia now accounts for 26% (11%) of total revenue

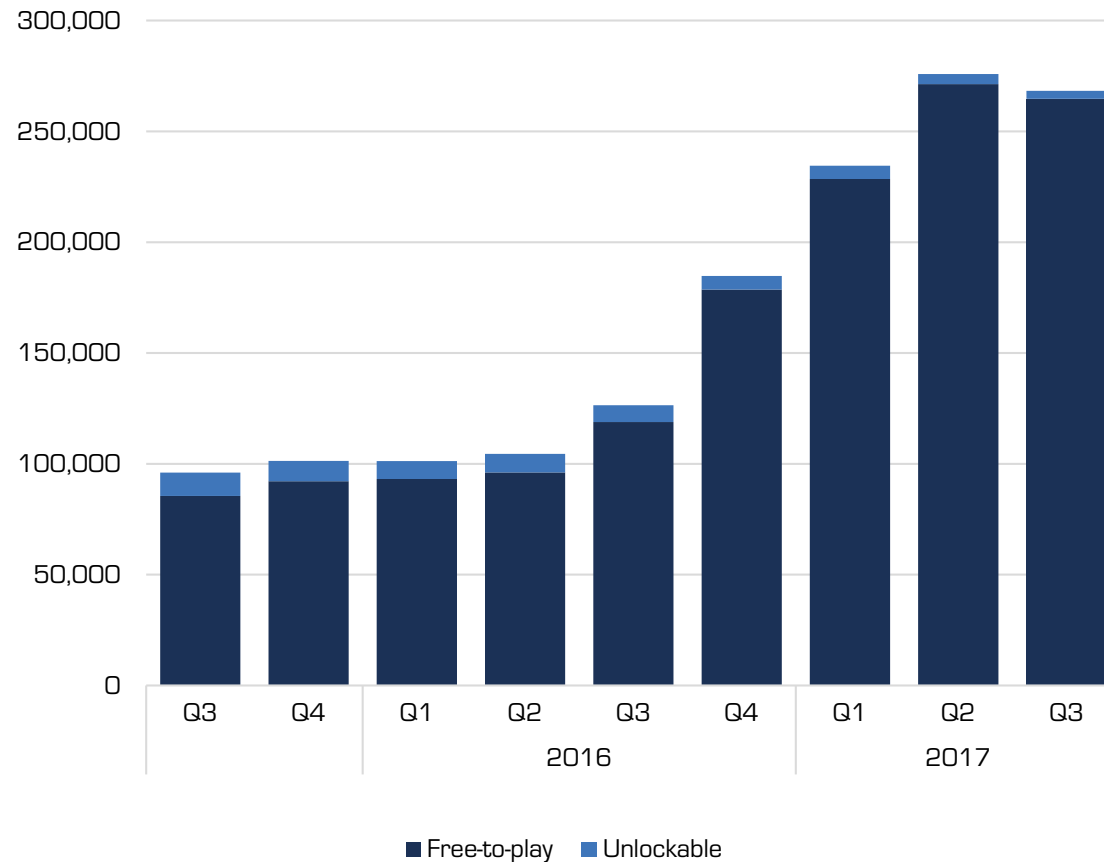
Total Revenue by Region

(SEK M)	Q3 16'	Q3 17'	Y-O-Y %
North America	83.5	134.1	61%
Asia	13.9	69.7	401%
Europe	21.5	45.6	112%
ROW	7.6	18.8	148%

REVENUE

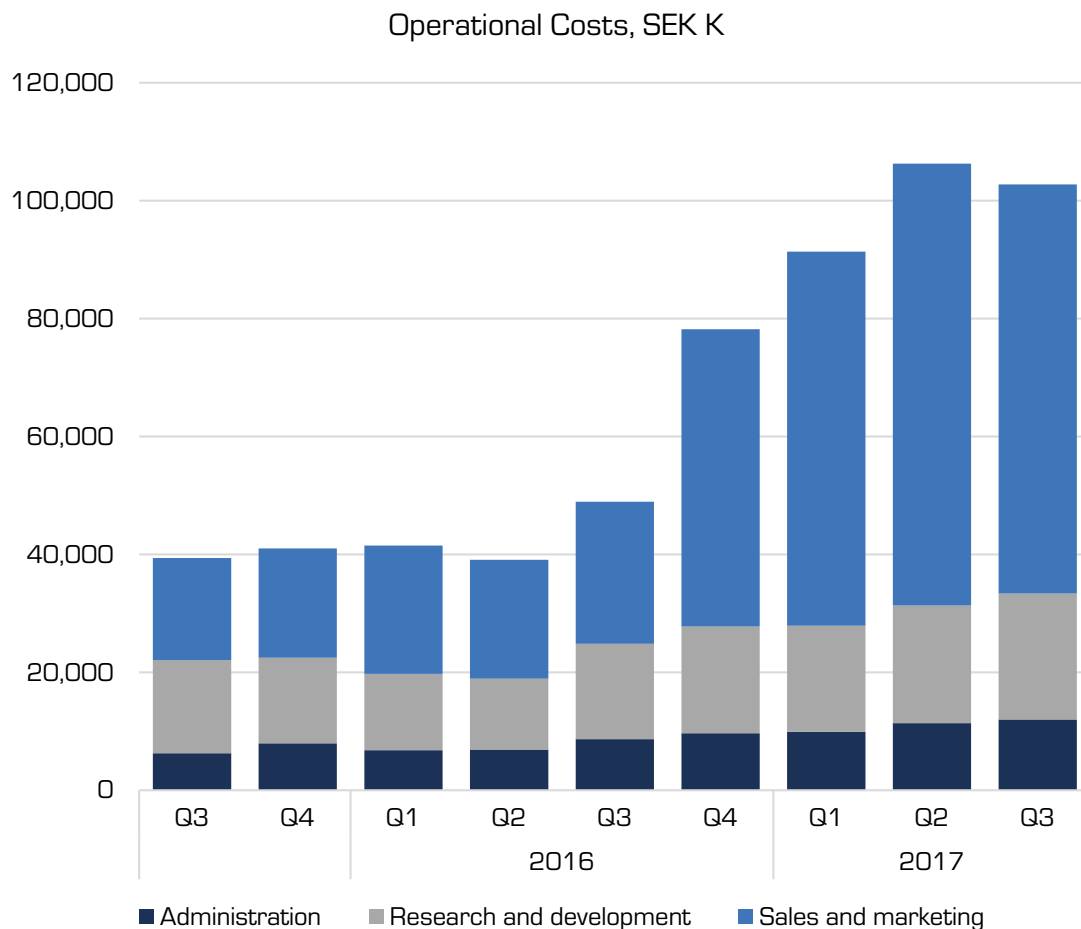


Gross Revenue, SEK K



- 112% top-line growth in Q3
 - Growth driven by both wholly owned and licensed games
 - Reported revenue in SEK impacted by the weakening of USD/JPY during the quarter
 - Internal reports in USD show 6% sequential growth
- F2P growing by 121%
 - Own games and licensed games were growing at about the same pace, while the growth of licensed games was driven by Hidden City
 - Entered Q3 with good momentum but the back end of the quarter was weaker. This was due to balance experiments that were not too successful as well as what appeared to be seasonally lower player activity
 - Q4 off to a strong start with a nice uplift in October following the release of holiday updates as well as increased opportunities for user acquisition
- Unlockable games down to 1% (6%) of total revenue

OPERATIONAL COSTS



- Admin costs

- Admin costs increased in line with the growth of the organization and the platform

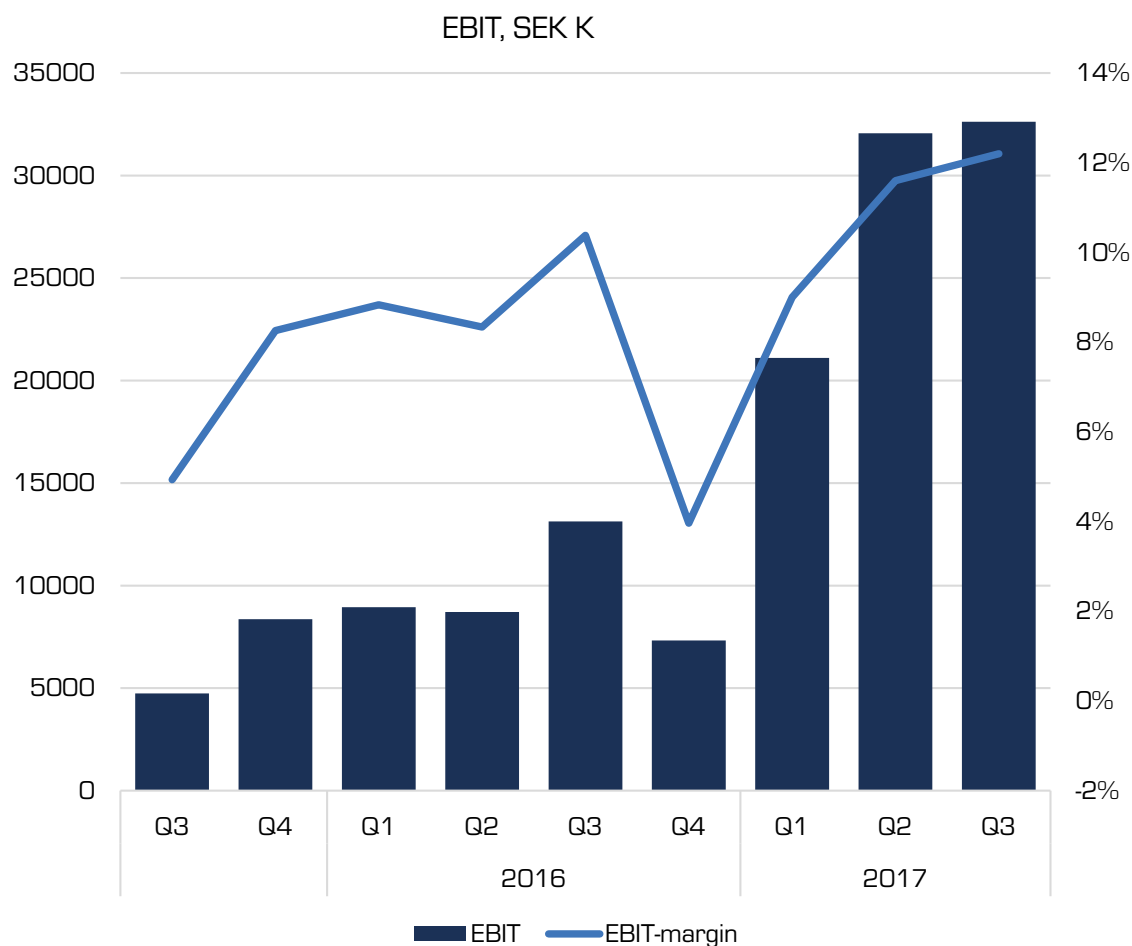
- Research & Development

- Increase in costs primarily driven by staff increases and increased server capacity
- Capitalization ratio was lower y-o-y

- Sales & Marketing

- UA at 24% of sales compared to 17% in 2016 as we continue to pursue identified growth opportunities in high ARPU countries

EBIT | EBIT-MARGIN



- EBIT SEK 32.6 M

- EBIT increased y-o-y and q-o-q
- EBIT positively impacted by other operating income/expense. Items are primarily related to fx effects on intra-group items in the parent company.

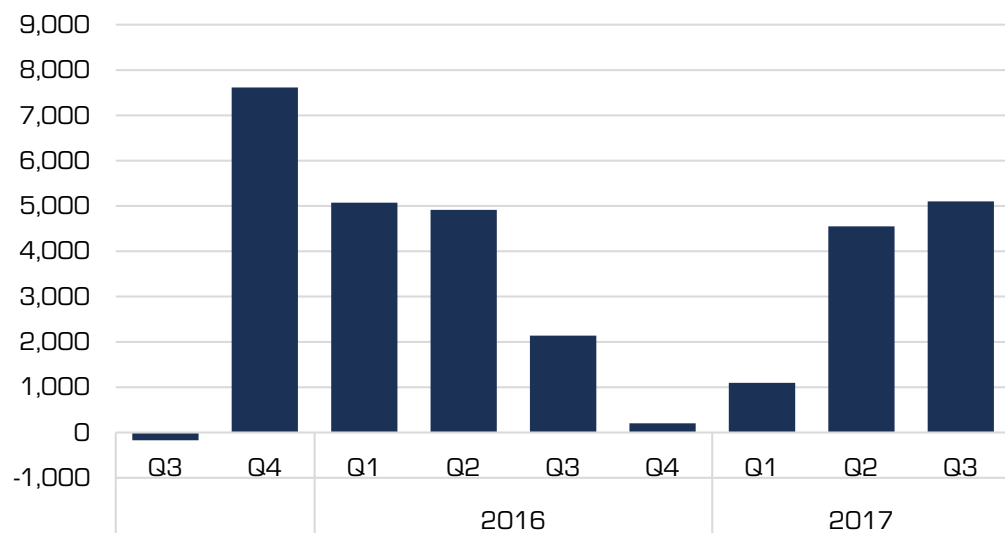
- EBIT margin 12.2% (10.4)

- Margins continue to increase given the inherent leverage in the business model

NET CAPITALIZATION



Net Capitalization, SEK K



- Capitalization net of amortization amounted to SEK 5.1 M
 - Capitalization increased significantly compared to 2016 with the increase in development staff
 - Amortization increased slightly from last year but did not compensate for the higher capitalization
- Games portfolio SEK 105.5 M
 - F2P representing 99% of total value
 - 2 new launches increased active portfolio to 18 F2P games

MSEK	SEP 30 2017	SEP 30 2016
Released games F2P	86.7	69.9
Released games Unlockable	0.5	2.7
Not released games F2P	18.2	31.1
Not released games Unlockable	0.0	0.2
Net value of games portfolio	105.5	103.9

CASH FLOW



(KSEK)	Q3 -17	Q3 -16
Cash flow before changes in working capital	44,485	23,566
Changes in working capital	3,044	10,759
Cash flow from operating activities	47,529	34,325
Cash flow from investing activities	-17,652	-13,470
Cash flow from financing activities	1,643	113
Cash Flow	31,520	20,969

- Cash flow from operating activities SEK 47.5 M
 - Slight positive impact from changes in working capital
 - Business generating significant positive cash flow
 - Taxes paid amounted to 2.2 MSEK
- Cash flow SEK 31.5 M
 - Investing activities increased y-o-y
 - The majority of investing activities are related to the development of both new and existing games
 - Financing activities are related to warrant program

Q&A

