



-TECHNOLOGY-

QUARTERLY REPORT

FIRST QUARTER 2024

QUARTERLY REPORT FIRST QUARTER 2024

Adventure Box Technology AB (publ)
Org. Nr. 556963-6599

THE GROUP IN SUMMARY

Adventure Box Technology consolidated Group in thousands SEK (if not otherwise specified)	1 Jan -31 Mar		1 Jan -31 Dec
	2024	2023	2023
Net sales	185	346	1,692
Net income	-4,050	-4,487	-14,333
Earnings per share, SEK	-0.10	-0.15	-0.47
Average number of shares, thousands, before dilution	40,486	30,139	30,299
Cash flow after net investment	-2,093	-3,901	-10,580
Cash and bank	271	7,226	1,328
Total equity	12,355	24,055	15,174

THE FIRST QUARTER JANUARY 1 – MARCH 31 IN SUMMARY

- The group's net sales during the quarter amounted to SEK 185 thousand (SEK 346 thousand).
- Loss after tax amounted to SEK -4,050 thousand (SEK -4,487 thousand) or SEK -0.10 (SEK -0.15) per share before dilution.
- Net cash flow before financial items was SEK -2,093 thousand (SEK -3,901 thousand)
- The group's cash and cash equivalents amounted to SEK 271 thousand at the end of the quarter (SEK 7,226 thousand).
- The group's equity at the end of the quarter amounted to SEK 12,355 thousand (SEK 24,055 thousand).
- At the extraordinary shareholder's meeting on the 9th of January the shareholders decided to issue 6,478,122 shares thus raising 1,036 SEK thousand.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Continued development of the game platform KoGaMa with a focus on new social functions, mobile compatibility, and monetization.

CEO STATEMENT

A FOCUS ON SECURITY:

In Q1, we've dedicated resources to strengthen our cybersecurity measures, ensuring the safety of our platform and users' data remains a top priority. We're committed to maintaining this focus on security as a fundamental aspect of our operations.

MARKETPLACE FOR USER GENERATED CONTENT UPDATE:

Additionally, I'm excited to share the successful launch of our updated marketplace for user-generated content. This update marks a significant step forward in our journey, enhancing the experience for both creators and consumers with new features and improved functionality. Our goal is to provide a smoother, more engaging platform that fosters creativity and connection, furthering our mission to become the premier service for user-created 3D entertainment that is easily shareable.

CREATOR COMPETITION SUCCESS:

Furthermore, I'm pleased to report the positive outcome of our recent creator competition featuring the renowned 'Crazy Frog.' The enthusiastic response from creators and fans highlights the vibrant community we've built. We're dedicated to supporting and celebrating the talent and passion within our community as we continue to grow.

COMMITMENT TO EXCELLENCE:

These accomplishments reflect our ongoing commitment to excellence and innovation. Looking ahead, we're focused on delivering value to our customers and shareholders while staying true to our core values of integrity and inclusivity.

Stockholm den 16 maj 2023

Michal Bendtsen
VD

THE GROUP'S FINANCIAL DEVELOPMENT

FINANCIAL SUMMARY

tkr (om ej annat anges)	1 Jan -31 Mar		1 Jan -31 Dec
	2024	2023	2023
Adventure Box Technology koncernen			
Net sales	185	346	1,692
Other revenues	0	0	0
Total expenses	-4,544	-5,325	-17,921
Earning before interest and tax (EBIT)	-4,186	-4,640	-14,935
Earnings before tax (EBT)	-4,231	-4,668	-15,058
Net income	-4,050	-4,487	-14,333
Cash flow after net investments	-2,093	-3,901	-10,580
Investments in intangible fixed assets, net	-464	-769	-2,847
Cash and bank	271	7,226	1,328
Total equity	12,355	24,055	15,174
Key ratios			
Earnings per share before dilution, SEK	-0.10	-0.15	-0.47
Earnings per share after dilution, SEK	-0.10	-0.15	-0.47
Return on equity, %	neg	neg	neg
Equity by share, SEK	0.29	0.80	1.01
Solvency ratio	67%	79%	75%
Number of employees	7	10	7

QUARTER JANUARY- MARCH 2024

All comparative figures refer to the Adventure Box Group as the subsidiary Adventure Box Incentive AB was formed in June 2020, which is consolidated from the second quarter of 2020, and the in Q4 acquired company of Multiverse ApS including its subsidiary Kogama Works ApS is consolidated from the 7th of October 2022.

Net sales

The groups net sales for the first quarter amounted to SEK 185 thousand (SEK 346 thousand).

Expenses

Operating expenses for the quarter amounted to SEK 4,544 thousand (SEK 5,325 thousand).

Earnings before tax

Net earnings amounted to SEK -4,050 thousand (SEK -4,467 thousand) or SEK -0.10 (SEK -0,15) per share before dilution.

Cash-flow and liquidity

The quarter's cash flow amounted to SEK -1,057 thousand (SEK -4,151 thousand) and the net cash flow before financial items amounted to SEK -2,093 thousand (SEK -3,901 thousand), or SEK -0.05 (SEK -0.13) per share before dilution. Cash and cash equivalents at the end of the period were SEK 271 thousand (SEK 7,226 thousand).

The board assesses that there are challenges regarding continued operations and therefore sees it as crucial that the group increases its profitability and carries out the planned capital raising during the

spring and summer of 2024. The board makes the assessment that the group has good conditions to carry out capital raising to ensure the group's continued operation and at the same time be able to implement strategic investments in the short and long term. A capital raising round is taking place during the months of April and May and has led to a bridge financing of 1,000 SEK thousand.

Investments

During the quarter, the group invested SEK 0 thousand (SEK 0 thousand) in tangible fixed assets and SEK 454 thousand (SEK 769 thousand) was invested in development.

Equity

Equity in the group at the end of the quarter amounted to SEK 12,355 thousand (SEK 24,055 thousand) or SEK 0.29 (SEK 0.80) per share. The solvency ratio at the end of the quarter was 67% (79%).

Tax Deficits

Adventure Box's current operations are initially expected to result in tax losses. There are currently not sufficiently convincing reasons that suggest that tax surpluses will exist soon that can justify capitalizing the value of the loss carryforwards, which is why the deferred tax asset has not been reported. The tax deficits in the company amount to SEK 102,825 thousand (SEK 88,539 thousand) as of 31 December 2023.

PARENT COMPANY

The company's form of association is a limited liability company and is regulated by the Companies Act (2005:551). The board has its seat in Stockholm. Adventure Box Technology AB (publ) (556963-6599) is the parent company of a group with a total of three companies. Adventure Box owns all shares in Adventure Box Incentive AB (559244-0241) and Multiverse ApS in Copenhagen (297596) including its 100% owned subsidiary Kogama Works ApS (1574953).

QUARTER JANUARY - MARCH 2024

Net sales

The parent company's net sales for the quarter amounted to SEK 0 thousand (SEK 0 thousand).

Expenses

Operating expenses for the quarter amounted to SEK 2,351 thousand (SEK 3,480 thousand).

Earnings before tax

Earnings after financial items were SEK -1,843 thousand (SEK -2,833 thousand)

Liquidity

Cash and cash equivalents amounted to SEK 107 thousand (SEK 6,418 thousand) at the end of the quarter.

Equity

Equity in the parent company at the end of the quarter amounted to SEK 21,935 thousand (SEK 27,241 thousand) or SEK 0.52 (SEK 0.90) per share. The equity ratio at the end of the quarter was 80% (89%). The number of shares in the company amounts to 42,358,122 and the share capital is SEK 4,235,812.20.

INCENTIVE SCHEMES FOR PERSONNEL AND CONSULTANTS

The company has one active option program.

Program 5: 2021 1 & 2:

120,000 warrants giving the holder right to subscription of new shares by the support of the warrants that may take place during the period commencing on 1 July 2024 (however, not earlier than the day after the publication of the Company's interim report for the period Q1 2024) up to and including the date that falls 30 calendar days thereafter. The average volume-weighted price during the period was 6.96, giving a subscription price of (9.69 x 1.30) SEK 9.04 per share. As of the date of the proposal, there are 15,069,686 shares in the company. If all warrants that may be issued and transferred are exercised for subscription of shares, the number of shares and votes in the Company will increase by a maximum of 120,000 (subject to possible recalculation of the number of shares according to the terms and conditions of the warrants), corresponding to a dilution of the share capital and votes in the Company of approximately 0.395 percent.

TRANSACTIONS WITH RELATED PARTIES

There were no transactions with related parties during the quarter.

THE COMPANY'S OPERATIONS AND RISK FACTORS INDUSTRY AND BUSINESS-RELATED RISKS

Commercialization

The company was founded in 2014 and has not proven its business model or its earning capacity. The company is dependent on successfully developing and commercializing a platform for creating and sharing computer games. Commercialization is also dependent on the company's revenue models being adapted to the platform, so revenue is generated. Should a commercialization fail, the company's revenues risk not being able to increase to a level where the company is profitable.

Estimated probability that the risk occurs: medium.

Estimated negative impact on earnings because of lost revenue if the risk occurs: high.

Competitive market

The company is in an early phase and competes with competitors who both have other similar products or substitute products. The competition is particularly fierce and the challenge for the company is great. If the company fails in developing to reach market shares, the result risks being negatively affected because of lower revenues.

Estimated probability that the risk occurs: medium.

Assessed negative impact on the company's operations, financial position, and earnings if the risk occurs: medium.

Processing of personal data and regulatory risks

The company collects and processes personal data to a certain extent in relation to users and employees. If the company fails in its processing of personal data in accordance with COPPA or other related statutes, or if the company is exposed to infringement, or otherwise inadvertently violates applicable data protection legislation, the company risks claim for damages, among other penalties. If the company mishandles this processing of personal data, it can have a negative impact on the company's results, including injunctions from authorities or increased costs.

Estimated probability that the risk occurs: low.

Estimated negative impact on the company's earnings if the risk occurs: medium.

Dependency on key personnel

Should key personnel or qualified personnel leave the company, and the company fails to recruit qualified personnel, this may adversely affect operations.

Estimated probability that the risk occurs: low.

Assessed negative impact on the company's operations if the risk occurs: medium

Risks related to open source

There is a risk of restrictions on the possibility of commercializing solutions in the event of incorrect use of open-source software. This is a risk that the company's exclusive right to the software ceases and a risk that the company will be obliged to provide source code to third parties. If intellectual property obligations affect Adventure Box, this will have a negative effect on the company's operations and results.

Estimated probability that the risk occurs: low.

Assessed negative impact on the company's operations and earnings if the risk occurs: medium.

Dependency on well-functioning IT systems

The company relies on efficient and uninterrupted operation of multiple IT systems to conduct operations. The company runs the risk of being exposed to data intrusion, virus spread, and other types of crime associated with IT operations. Should extensive breakdowns or other IT operational disruptions occur, the company's opportunities to conduct operations may be affected, which may have a negative impact on the company's operations and results.

Estimated probability that the risk occurs: low.

Assessed negative impact on the company's operations and earnings if the risk occurs: medium.

FINANCIAL RISKS

Future financing needs

The company's board and management continuously evaluate the future capital needs and which financing options are available. The company's assessment is that the current financing is not sufficient to carry out the business to the extent planned for the next twelve months and that there is a risk that the financing alternatives that are sought will take place on unfavorable terms for the company or will not materialize at all. A capital raising round is taking place during the months of April and May and has led to a bridge financing of 1,000 SEK thousand.

Assessed likelihood of the risk occurring: high.

Assessed negative impact on the company's results and financial position if the risk occurs: high

EMPLOYEES

The number of employees by the end of the period were 7 (10) and the number of consultants 2 (3).

This report has not been subject to the control by the company's auditors.

THE BOARD'S DECLARATION

The Board of Directors and the CEO assure that this interim report provides a true and fair view of the company's operations, position, and earnings, and describes the material risks and uncertainties that the company faces.

Stockholm May 16, 2024

The Board of Directors
Adventure Box Technology AB (publ)

COMPRISED INCOME STATEMENT GROUP

in thousands SEK (if not otherwise specified)	1 Jan -31 Mar		1 Jan -31 Dec
Adventure Box Technology consolidated Group	2024	2023	2023
<i>Revenues</i>			
Net sales	185	346	1,692
Capitalized development expenses	173	339	1,294
Other revenues	0	0	0
Total revenues	358	685	2,986
<i>Operating expenses</i>			
Purchased services	-260	-288	-1,205
External expenses	-1,158	-1,135	-2,836
Personnel expenses	-1,744	-2,500	-8,292
Depreciation and revaluations	-1,379	-1,396	-5,578
Other operating expenses	-3	-6	-10
Total operating expenses	-4,544	-5,325	-17,921
Earnings before interest and tax (EBIT)	-4,186	-4,640	-14,935
<i>Financial income and expenses</i>			
Financial net	-45	-28	-123
Earnings before tax (EBT)	-4,231	-4,668	-15,058
Income tax	181	181	725
Net income	-4,050	-4,487	-14,333
Average amount of shares before dilution 000's	40,486	30,139	30,299
Average amount of shares after dilution 000's	40,606	31,887	30,419
The number of shares on closing date before dilution 000's	42,358	30,139	35,880
The number of shares on closing date after dilution 000's	42,478	31,887	36,000
Earnings per share before dilution SEK	-0.10	-0.15	-0.47
Earnings per share after dilution SEK	-0.10	-0.15	-0.47

COMPRISED BALANCE SHEET, GROUP

in thousands SEK	31 Mar		31 Dec
Adventure Box Technology consolidated Group	2024	2023	2023
<i>ASSETS</i>			
<i>Non-current assets</i>			
<i>Intangible assets</i>			
Capitalized development expenses	6 767	7 044	6 979
Trade mark	5 228	6 722	5 601
Goodwill	5 589	7 186	5 988
<i>Tangible assets</i>			
Machinery & equipment	155	288	184
<i>Financial assets</i>			
Deposits	37	37	10
Total non-current assets	17 776	21 277	18 762
<i>Current Assets</i>			
Accounts receivables and other current assets	396	1 800	250
Cash and bank	271	7 226	1 328
Total current assets	667	9 026	1 578
TOTAL ASSETS	18 443	30 303	20 340
<i>EQUITY and LIABILITIES</i>			
<i>Equity</i>			
Restricted equity	7 875	4 683	6 763
non-restricted equity	4 480	19 372	8 411
Total equity	12 355	24 055	15 174
<i>Provisions and liabilities</i>			
Deferred tax	1 705	2 430	1 886
Long-term liabilities	892	667	892
Current liabilities	3 491	3 151	2 388
Total provisions and liabilities	6 088	6 248	5 166
TOTAL EQUITY AND LIABILITIES	18 443	30 303	20 340

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

tkr

Adventure Box Technology Group, 1 jan 2023-31 mars 2023	Share capital	Fund for development expenses	Other capital contributions	Translation reserve	Retained earnings	This period's income	Total shareholder's equity
Opening balance 2023-01-01	3,014	900	128,874	59	-79,347	-24,918	28,582
<i>Income</i>							0
Appropriation of last year's earnings					-24,918	24,918	0
Change of fund for development expenses		769			-769		0
Translation reserve				-40			-40
Net earnings for period						-4,487	-4,487
Total earnings		769	0	-40	-25,687	20,431	-4,527
<i>Transactions with shareholders</i>							
Capital Injections							
Total transactions with shareholders	0	0	0	0	0	0	0
Closing balance 2023-03-31	3,014	1,669	128,874	19	-105,034	-4,487	24,055

Adventure Box Technology Group, 1 jan 2024-31 mars 2024

Opening balance 2024-01-01	3,588	3,175	129,185	99	-106,540	-14,333	15,174
<i>Income</i>							0
Appropriation of last year's earnings					-14,333	14,333	0
Change of fund for development expenses		464			-464		0
Translation reserve				195			195
Net earnings for period						-4,050	-4,050
Total earnings	0	464	0	195	-464	-4,050	-3,855
<i>Transactions with shareholders</i>							
Capital Injections	648		388				1,036
Capital injection expenses							0
Total transactions with shareholders	648	0	388	0	0	0	1,036
Closing balance 2024-03-31	4,236	3,639	129,573	294	-107,004	-18,383	12,355

COMPRISED STATEMENT OF CASH FLOW , GROUP

in thousands SEK	1 Jan - 31 Mar		31 Dec
Adventure Box Technology AB	2024	2023	2023
<i>Operating activities</i>			
Earnings after financial items	-4,231	-4,668	-15,058
Depreciation	1,379	1,396	5,578
Other non-cash items	-195	-181	40
Cash flow from operating activities	-3,047	-3,453	-9,440
före förändringar i rörelsekapitalet			
Förändringar i rörelsekapitalet	1,445	348	1,708
Kassaflöde från den löpande verksamheten	-1,602	-3,105	-7,732
before change in working capital			
<i>Investment activities</i>			
Investments in intangible fixed assets, net	-464	-769	-2,847
Liquidity effect of acquisition of subsidiary	0	0	-2
Investments in tangible fixed assets, net	-27	-27	1
Cash flow from investing activities	-491	-796	-2,848
Cash flow after net investment	-2,093	-3,901	-10,580
<i>Financing activities</i>			
Repayments on loans	0	-250	-355
Capital injections	1,036	0	886
Cash flow from financing activities	1,036	-250	531
CASH FLOW FOR THE PERIOD	-1,057	-4,151	-10,049
Liquid assets beginning of period	1,328	11,377	11,377
Liquid assets at end of period	271	7,226	1,328

COMPRISED INCOME STATEMENT, PARENT COMPANY

in thousands SEK	1 Jan - 31 Mar		1 Jan - 31 Dec
Adventure Box Technology AB	2024	2023	2023
<i>Revenues</i>			
Net sales	0	0	0
Capitalized development expenses	173	339	913
Other revenues	336	336	1,345
Total revenues	509	675	2,258
<i>Operating expenses</i>			
Purchased services	-56	-59	-300
External expenses	-984	-988	-2,108
Personnel expenses	-1,233	-2,343	-6,155
Depreciation and revaluations	-75	-84	-332
Write-down of shares in subsidiary	0	0	-1,489
Retirement of capitalized development expenses	-3	-6	-10
Total operating expenses	-2,351	-3,480	-10,394
Earnings before interest and tax (EBIT)	-1,842	-2,805	-8,136
<i>Financial income and expenses</i>			
Financial net	-1	-28	-82
Earnings before tax (EBT)	-1,843	-2,833	-8,218
Income tax	0	0	0
Net income	-1,843	-2,833	-8,218

COMPRISED BALANCE SHEET, PARENT COMPANY

in thousands SEK	31 Mar		31 Dec
Adventure Box Technology AB	2024	2023	2023
<i>ASSETS</i>			
<i>Non-current assets</i>			
<i>Inangible assets</i>			
Capitalized development expenses	3,592	1,621	3,176
<i>Tangible assets</i>			
Machinery & equipment	155	289	183
<i>Financial assets</i>			
Shares in subsidiaries	21,499	21,499	21,499
Total non-current assets	25,246	23,409	24,858
<i>Current Assets</i>			
Intercompany receivables	1,756	58	1,420
Accounts receivables and other current assets	388	867	226
Cash and bank	107	6,418	460
Total current assets	2,251	7,343	2,106
TOTAL ASSETS	27,497	30,752	26,964
<i>Equity and liabilities</i>			
<i>Equity</i>			
Share capital	4,236	3,014	3,588
Fund for development expenses	3,639	1,621	3,175
Total restricted equity	7,875	4,635	6,763
Share premium	129,369	128,667	128,981
Retained earnings	-113,466	-103,228	-104,784
This year's earnings	-1,843	-2,833	-8,218
Non-restricted equity	14,060	22,606	15,979
Total equity	21,935	27,241	22,742
<i>Provisions and liabilities</i>			
Long-term liabilities	892	667	892
Current liabilities	4,670	2,844	3,330
Total provisions and liabilities	5,562	3,511	4,222
TOTAL EQUITY AND LIABILITIES	27,497	30,752	26,964

STATEMENT OF CHANGES IN EQUITY, PARENT COMPANY

in thousands SEK

Adventure Box Technology AB, 1 Jan 2023-31 Mar 2023	Share capital	Fund for development expenses	Share premium	Retained earnings	This year's earnings	Total shareholder's equity
Opening balance 2023-01-01	3,014	900	128,667	-79,185	-23,322	30,074
<i>Earnings</i>						
Appropriation of last year's earnings				-23,322	23,322	
Change of fund for development expenses		769		-769		
Net earnings for the year					-2,833	-2,833
Total earnings	0	769	0	-24,091	20,489	-2,833
<i>Transactions with shareholders</i>						
Warrant premiums received						
Total transactions with shareholders	0	0	0	0	0	0
Closing balance 2023-03-31	3,014	1,669	128,667	-103,276	-2,833	27,241

Adventure Box Technology AB, 1 Jan 2024-31 Mars 2024

Opening balance 2024-01-01	3,588	3,175	128,979	-104,782	-8,218	22,742
<i>Earnings</i>						
Appropriation of last year's earnings				-8,218	8,218	
Change of fund for development expenses		464		-464		0
Net earnings for the year					-1,843	-1,843
Total earnings	0	464	0	-8,682	6,375	-1,843
<i>Transactions with shareholders</i>						
Capital injection	648		388			1,036
Capital injection expenses						0
Total transactions with shareholders	648	0	388	0	0	1,036
Closing balance 2024-03-31	4,236	3,639	129,367	-113,464	-1,843	21,935

NOTES

NOTE 1. ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with the Swedish Annual Reports Act and the Swedish Financial Reporting Board's recommendation BFNAR 2012:1 (K3).

The companies accounting principles and calculation bases for the report are unchanged compared with the annual report for 2022.

Consolidation principles

Subsidiaries are consolidated in accordance with the past-equity method. The cost of an acquisition comprises the fair value of assets provided as payment, issued equity instruments and the liabilities incurred or taken over at the date of transfer. Identifiable acquired assets, assumed liabilities and contingent liabilities arising from a corporate acquisition are initially measured at fair value on the acquisition date. The surplus represented by the difference between cost and fair value of the group's share of identifiable acquired net assets is recognized as goodwill. Intra-Group transactions and balance sheet items, as well as unrealized gains on transactions between Group companies, are eliminated in their entirety.

Translation of foreign currency

Functional currency and reporting currency

Items included in the financial statements of the various Group companies are measured in the currency used in the economic environment in which the particular companies are active (functional currency). Adventure Box Technology AB's functional currency is Swedish kronor (SEK) which also represents the reporting currency of the parent company of the Group. Consequently, the company's financial reports are presented in SEK rounded to the nearest thousand unless otherwise stated. Rounding the nearest thousand may mean that certain amounts do not match when added up.

Transactions and balance sheet items

Transactions in foreign currency are reported in the functional currency based on the exchange rates on the transaction date. Monetary assets and liabilities in foreign currency are reported in the functional currency using the exchange rate as of the balance sheet date. Exchange rate differences arising from the translations are recognized in financial net income items in the income statement. Non-monetary assets and liabilities as well as equity are normally recognized using the exchange rate of the transaction date. Translating foreign subsidiaries' income statements are made at the average yearly exchange rate, monetary assets and liabilities are converted at the balance sheet date rate whereas non-monetary assets and liabilities as well as equity are converted at the rate of the transaction date. Translation gains or losses are recognized in the Group balance sheet as translation reserve in equity.



DEFINITIONS AND KEY RATIOS

Earnings per share

Net income divided by the average number of shares.

Average number of shares

The average number of shares of Adventure Box Technology AB have been calculated as the number of shares outstanding after each capital injection times the number of days the shares have been outstanding.

Solvency ratio

Equity in relation to the total assets of the company.

Return on equity

Net income in relation to the average equity of the company.

Equity per share

Equity in relation to the number of shares outstanding on the balance date.

Cash-flow from operations per share

Cash-flow from operations in relation to the average number of shares.

Cash-flow per share

Cash flow for the period divided by the average number of shares.



UPCOMING REPORTS

2024-08-20 Interim Report Q2

2024-11-26 Interim Report Q3

2025-02-28 Year end report for 2024

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