

Funcom's First Quarter 2019 Financials



Financials

- Revenues for the quarter increased by 117% to USD 5 812 thousand, versus same period last year (1Q18: USD 2 677 thousand)
- EBITDA increased by USD 2 467 thousand to USD 2 544 thousand (77)
- EBIT increased by USD 1 265 thousand to USD 128 thousand (-1 138)
- The equity increased by 31% to USD 45 955 thousand (35 137)
- The cash position increased by 19% to USD 19 614 thousand (16 533)
- Cash flow from operating activities for the quarter increased by 572% to USD 4 102 thousand (611)

Highlights

- The first quarter of 2019 reports another profitability record: the last twelve-month EBITDA of 55% is the highest in Funcom's history, despite no new game launches in the quarter
- *Conan Exiles* continued to perform well with a successful Steam free weekend during the first quarter, and two DLC releases and another Steam free weekend after the quarter
- *Conan Unconquered* has been well received by the gaming press and is launching next week, on 30 May 2019
- The pipeline of projects in development has been further strengthened, with seven confirmed new games in development in addition to over eight other active investments in existing games
- Exclusive gaming partnership with DUNE and majority acquisition of Lisbon developer ZPX announced

Words from the CEO

"The first quarter of 2019, a quarter without any new game launches, brings us the highest rolling 12 months EBITDA margin to date of 55%. A remarkable result that clearly shows the profitability that can be achieved through successful game launches, especially for the larger multiplayer games we develop internally.

This quarter, and this year as a whole, are dominated by investments into the growing pipeline of upcoming games, where we now have seven confirmed new titles in development, in addition to several activities to continue monetizing the existing catalogue and bring the revenue needed to support those investments.

Conan Unconquered is the next of these titles to be released, a week from today, and the first time Conan the Barbarian will command armies in a Real Time Strategy game. Conan Unconquered promises gamers many hours of entertainment, alone or with a friend, as you fight to survive the waves of enemies trying to destroy your city.

With the partnership with Legendary Entertainment for games based on the works of Frank Herbert's DUNE we secured a fantastic science fiction universe to complement the vast worlds of Conan and Robert E Howard, giving us two strong Intellectual Property catalogues to explore through our games.

We have more games in our development pipeline than ever before and in order to support it we are gradually investing in our organization, both on the publishing front but also on the development side as seen by the partial acquisition of Lisbon-based studio ZPX.

This first quarter was a good start to the year even without a new game being released, and we're looking forward to the upcoming releases throughout the year and especially to the larger releases in 2020 and beyond."

Rui Casais, Chief Executive Officer

Funcom N.V.

Badhoevedorp, The Netherlands, 23 May 2019

This information is subject to the disclosure requirements acc. to §5-12 of vphl (Norwegian Securities Trading Act)