



FABLE MEDIA

INTERIM REPORT Q3 2024

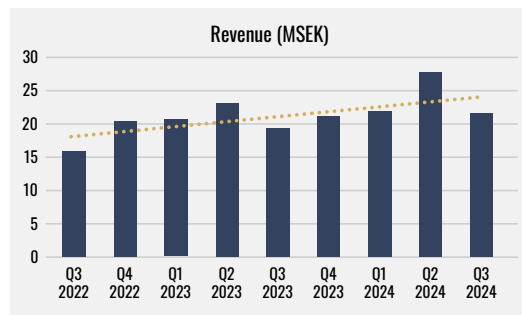
FABLE MEDIA GROUP AB

Q3 EBITDA increased by 34 percent

"Fable Media Group AB", "FMG AB" or "the Company" refers to the parent company with Swedish registration number 556706-8720. "Fable Media Group" or "FMG" refers to the entire group (previously called Future Gaming Group). Amounts in parentheses refer to the comparative period of the previous year.

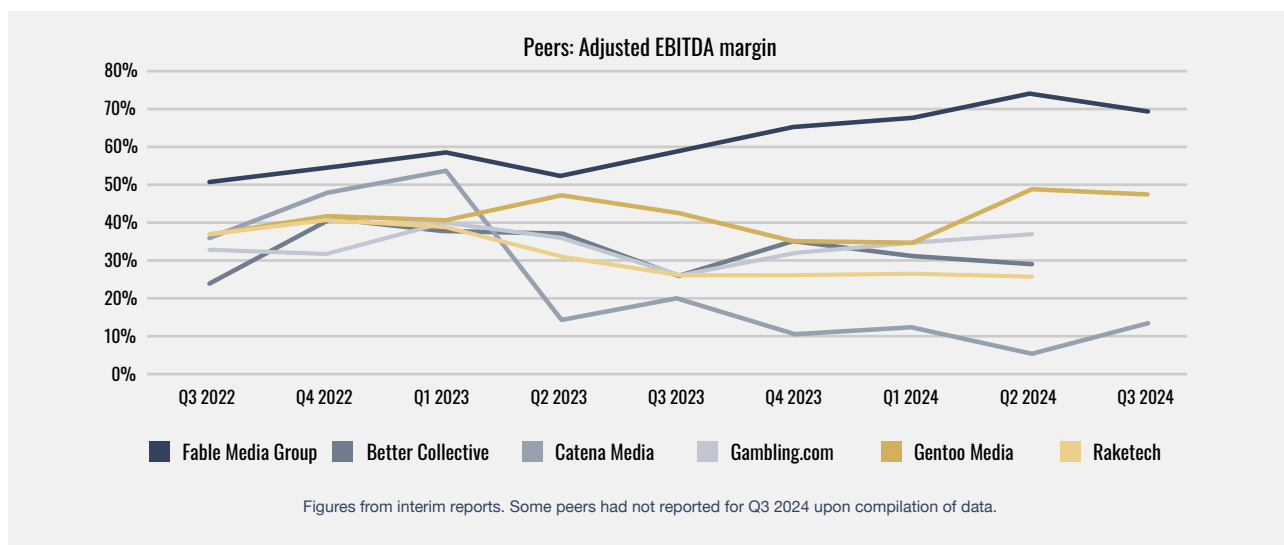
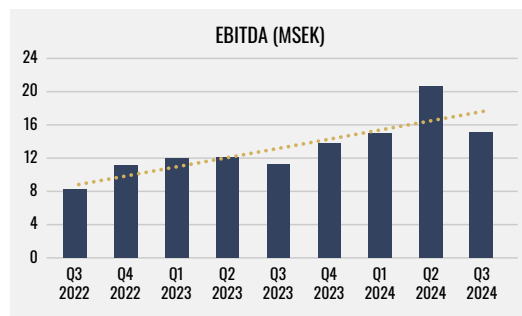
July – September 2024

- Revenue increased by 13 % to 21.7 MSEK (19.2 MSEK)
- Revenue from continuing operations increased by 14 % *
- EBITDA increased by 34 % to 15.2 MSEK (11.4 MSEK)
- The EBITDA margin amounted to 70 % (59 %)
- Operating profit (EBIT) amounted to 14.1 MSEK (10.2 MSEK)
- Profit after tax amounted to 12.0 MSEK (6.7 MSEK)
- Basic and diluted earnings per share: 0.35 SEK (0.20 SEK)



January – September 2024

- Revenue increased by 14 % to 71.5 MSEK (62.9 MSEK)
- Revenue from continuing operations increased by 19 % *
- EBITDA increased by 44 % to 51.0 MSEK (35.4 MSEK)
- The EBITDA margin amounted to 71 % (56 %)
- Operating profit (EBIT) amounted to 32.5 MSEK (31.9 MSEK) **
- Profit after tax amounted to 22.3 MSEK (29.1 MSEK) **
- Basic and diluted earnings per share: 0.66 SEK (0.86 SEK) **



* Excludes revenue from Viistek Media for the comparative period, as the business was discontinued in 2023

** The operating profit (EBIT), the profit after tax, and the earnings per share have been impacted by a cost of SEK 15.0 million (SEK 0.0 million for the comparative period) relating to the revaluation of the expected earnout to the seller of Fable Media ApS.





CEO Letter

As of this interim report, Fable Media Group is changing the language for information disclosure to English. This shift supports our commitment to clearer communication with international stakeholders as our group continues to demonstrate strong performance.



In the third quarter, Fable Media Group achieved an EBITDA profit of SEK 15.2 million, marking an increase of 34 percent compared to the same period last year. While Q3 did not match the record-breaking levels of Q2, it was still our second-best quarter ever in EBITDA terms. Typically, Q3 has been a seasonally softer period for us, as several major sports leagues take a summer break during this time. Additionally, lower sports betting margins across the industry characterized the quarter. In light of these factors, we are especially pleased with our performance.

We continue to show high profitability with industry-leading margins compared to our peers. This success results from our strong operational performance and a business model centered on revenue share agreements. Nearly all our revenue comes from these agreements, rather than one-time CPA commissions. This approach means that when we succeed in referring high-quality players to our partners, they generate substantial, ongoing revenue for us over an extended period. Our team has focused on this strategy for many years, which now yields more stable, long-term revenue and improved profit margins.

In addition, we have continued to strengthen our balance sheet. In July, we repurchased additional bonds for a nominal amount of SEK 7.6 million. I am pleased to note that over the past two years, we have effectively halved our bond debt and have settled the majority of our earnout liability. These debt reductions total more than SEK 90 million, significantly bolstering Fable Media Group's financial stability compared to just a few years ago.

Lastly, Q4 has shown a promising start with several new partnerships that are already generating impressive player activity. We are eager to monitor how these partnerships evolve and contribute to the group over time.

Alexander Pettersson
CEO, FABLE MEDIA GROUP AB



About Fable Media Group

Fable Media Group invests in lead generation businesses. The parent company Fable Media Group AB is listed on Spotlight Stock Market in Stockholm since 2012 with the ticker FABLE. Through its subsidiaries Fable Media and Phase One Performance, the group focuses on promoting online sports betting operators, utilizing performance-based affiliate marketing.

Significant events during the third quarter

- On July 15, Fable Media Group AB confirmed that the second quarter of 2024 was record-breaking, with preliminary revenues of approximately SEK 27.5 to 28 million and a preliminary EBITDA of around SEK 20.5 to 21 million. As a result of the strong performance, the Company increased the expected remaining earnout liability for its subsidiary Fable Media ApS by SEK 15 million.
- On July 24, Fable Media Group announced that it had entered into an agreement to repurchase additional bonds under its bond loan with ISIN SE0010547422, for a nominal amount of approximately SEK 7.6 million. The cash settlement will amount to around SEK 6.7 million and will impact the Company's cash reserves during the third quarter of 2024. The repurchase is made at a discounted price and is expected to have a positive effect on net financials for the third quarter of 2024 of approximately SEK 2.1 million.

- On August 21, Fable Media Group announced that it expects the Group to achieve revenue of SEK 97 to 105 million and an EBITDA of SEK 70 to 75 million for the full year 2024, with an anticipated EBITDA margin of 70 to 74 percent.
- On August 22, Fable Media Group published its Interim Report for Q2 2024. During the second quarter of 2024, revenue amounted to SEK 27.6 million, and the EBITDA was SEK 20.7 million.

Significant events after the end of the quarter

- On November 4, Fable Media Group AB announced that it has decided to change the language for information disclosure to English, effective from November 7. The change aligns with the company's ambitions to enhance communication with international stakeholders.



Financial development during the quarter

(Amounts in parentheses refer to the comparative period of the previous year)

The Group's revenue for the third quarter of 2024 increased by 13 percent to SEK 21.7 million (SEK 19.2 million). Revenue for continuing operations, i.e. excluding the discontinued Viistek Media, grew by 14 percent.

EBITDA increased by 34 percent to SEK 15.2 million (SEK 11.4 million), and the EBITDA margin reached 70 percent (59 %).

Operating profit (EBIT) for the third quarter of 2024 amounted to SEK 14.1 million (SEK 10.2 million).

Liquidity and Financing

As of September 30, 2024, Fable Media Group's bank deposits amounted to SEK 4.2 million (SEK 13.5 million).

As of the same date, Fable Media Group's bond loan totaled a nominal amount, including capitalized interest, of approximately SEK 122.6 million (SEK 122.6 million). Simultaneously, Fable Media Group had repurchased bonds for a nominal amount, including capitalized interest, of approximately SEK 62.2 million (SEK 30.6 million), which are held for its own account.

Additionally, the company had capitalized loan costs of approximately SEK 0.2 million (SEK 0.7 million), which are amortized over the remaining term of the bond loan. In the balance sheet, the bond loan is reported as the total nominal amount, less the repurchased bonds and the capitalized loan costs, amounting to approximately SEK 60.2 million (SEK 91.2 million).

The interest rate on the bond loan is 0 percent until December 8, 2024, after which it will increase to 5 percent. The bond matures on December 8, 2025.

Earnout

The acquisition of Fable Media ApS includes an earnout provision based on the profit after tax of Fable Media ApS and its subsidiaries for the period from January 1, 2022, to March 31, 2025. The earnout is primarily financed through funds generated by the acquired business. For the third quarter of 2024, the earnout amounted to approximately SEK 8.5 million (SEK 6.6 million).

As of September 30, 2024, the remaining unsettled earnout liability is estimated at approximately SEK 21.4 million (SEK 32.3 million).

Depreciation and Amortization

The Group's results for the third quarter of 2024 include charges of SEK 1.2 million (SEK 1.2 million) related to depreciation and amortization, primarily of intangible assets.

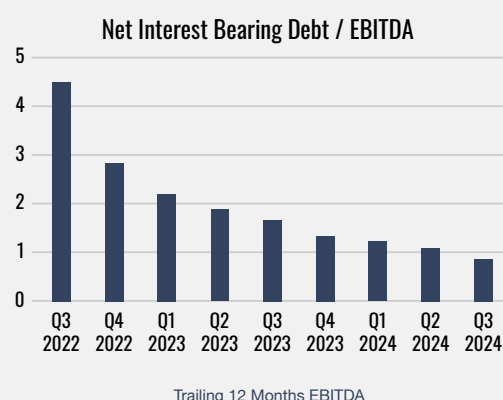
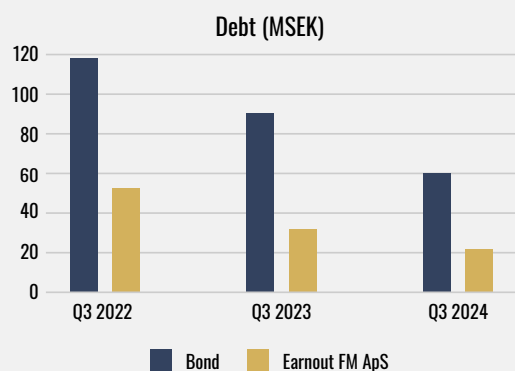
Equity and Share Capital

As of September 30, 2024, the Group's equity amounted to SEK 78.2 million (SEK 54.5 million), with an equity ratio of 44 percent (29 %). The parent company's equity amounted to SEK 211.7 million (SEK 164.1 million).

The Share

The Company has one class of shares. The Company's share is listed on Spotlight Stock Market in Stockholm under the ticker "FABLE." As of September 30, 2024, the total number of shares was 33,970,630 (33,970,630).

The average number of shares during the third quarter of 2024, both before and after dilution, was 33,970,630 (33,970,630).



”Virtually all of the Group’s revenue comes from revenue share agreements, facilitating the high profit margins”

Business Model

Fable Media Group’s business model involves marketing the Group’s partners (clients) online. In return, the group receives a commission on the players/end users it refers to its partners. The partners mainly consist of well-established sports betting operators.

Fable Media Group drives traffic to its partners mainly through “paid media,” meaning the group purchases online advertising space and place ads on behalf of its partners. The Group achieves profitability by identifying attractive player segments and then cost-efficiently marketing its partners towards these players.

Revenue type & partners

Fable Media Group focuses its business model on revenue share agreements with the sports betting operators, as opposed to one-time commissions (CPA).

99 percent of Fable Media Group’s total revenue for the third quarter of 2024 came from revenue share agreements.

Through these agreements, the group receives a portion of the gaming revenue generated by the players at the sports betting operators. Some players may generate significant revenue over time, which helps the group to maintain high profit margins. Therefore, the primary goal is to deliver high-quality players to the group’s partners.

Full-Year Forecast

For the full year 2024, Fable Media Group expects revenue of SEK 97 to 105 million and an EBITDA result of SEK 70 to 75 million, with an expected EBITDA margin of 70 to 74 percent. The forecast thus remains unchanged from the Q2 2024 report. The forecast is based on the results so far this year and the expected development for the remainder of the year, taking into account typical seasonality effects.

Accounting and Valuation Principles

Fable Media Group AB (publ) applies International Financial Reporting Standards (IFRS) as adopted by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act (“Årsredovisningslagen”), and RFR 1 Supplementary Accounting Rules for Groups.

The parent company’s financial statements are prepared in accordance with the Swedish Annual Accounts Act and the Swedish Financial Reporting Board’s recommendation RFR 2 Accounting for Legal Entities. The same accounting principles as for the Group are applied, except in cases specified under the section “Parent Company’s Accounting Principles” in the most recently published annual report.

Reverse Acquisition

On March 31, 2022, Fable Media Group AB (then operating under the name Future Gaming Group International AB) acquired Fable Media ApS and its wholly owned subsidiary Flip Media Ltd. The purchase price amounted to SEK 178.8 million, including the estimated earnout, and was partly financed through a new share issue in Fable Media Group AB. In accordance with IFRS 3, “Business Combinations”, the acquisition has been classified as a reverse acquisition. This means that the Group’s consolidated financial statements are prepared by the parent company, Fable Media Group AB (the legal acquirer), but are presented in the financial reports and notes as a continuation of the financial statements of the subsidiary, Fable Media ApS (the accounting acquirer).

Key Performance Indicators

EBITDA: Earnings before interest, taxes, depreciation and amortization, excluding earnout revaluations

Upcoming Reporting Dates

The company will provide recurring financial information according to the following schedule:

Year-End Report 2024 February 20, 2025

Stockholm, November 14, 2024

Fable Media Group AB (publ)

The Board of Directors

This report has not been subject to a review by the Company’s auditor.

For further information:

Fable Media Group AB
Alexander Pettersson, CEO
alexander@fablemedia.se



Consolidated Income Statement

AMOUNTS IN SEK THOUSANDS	2024-07-01 2024-09-30	2023-07-01 2023-09-30	2024-01-01 2024-09-30	2023-01-01 2023-09-30	2023-01-01 2023-12-31
Revenue	21,681	19,204	71,472	62,853	83,933
Direct expenses	-3,096	-3,975	-9,753	-15,239	-19,875
Other external expenses	-2,175	-1,352	-6,772	-4,608	-6,001
Employee benefits	-1,089	-2,238	-3,469	-7,026	-8,040
Depreciation and amortisation	-1,166	-1,184	-3,463	-3,497	-4,615
Revaluation of earnout	-	-	-15,000	-	-10,000
Other operating expenses	-97	-283	-516	-559	-825
Operating profit / loss	14,058	10,172	32,499	31,924	34,577
EBITDA	15,225	11,356	50,963	35,421	49,191
Interest income and similar income	6	4	25	9	137
Interest expenses and similar charges	-20	-3	-70	-32	-214
Other financial items	1,809	-1,437	1,041	3,866	7,026
Net financial items	1,795	-1,436	995	3,843	6,949
Profit / Loss before taxes	15,853	8,737	33,495	35,767	41,526
Tax	-3,829	-2,078	-11,192	-6,712	-10,388
Profit / Loss for the period	12,024	6,658	22,303	29,055	31,138
Basic earnings per share, SEK	0.35	0.20	0.66	0.86	0.92
Diluted earnings per share, SEK	0.35	0.20	0.66	0.86	0.92

Consolidated Statement of Comprehensive Income

AMOUNTS IN SEK THOUSANDS	2024-07-01 2024-09-30	2023-07-01 2023-09-30	2024-01-01 2024-09-30	2023-01-01 2023-09-30	2023-01-01 2023-12-31
Profit / Loss for the period	12,024	6,658	22,303	29,055	31,138
Total other comprehensive income					
<i>Items that may be reclassified subsequently to profit or loss;</i>					
Translation differences from the conversion of foreign subsidiaries	-48	-260	-220	298	-79
Total other comprehensive income for the period	11,976	6,398	22,083	29,353	31,059



Consolidated Statement of Financial Position

AMOUNTS IN SEK THOUSANDS	2024-09-30	2023-09-30	2023-12-31
ASSETS			
Fixed assets			
Goodwill	160,808	160,808	160,808
Patents, Licenses and similar rights	882	5,395	4,116
Deposits	80	530	523
Equipment	5	26	19
Total fixed assets	161,774	166,759	165,467
Current assets			
Accounts receivable	8,477	5,226	6,520
Current tax receivables	116	585	105
Other receivables	1,472	1,292	1,637
Prepaid expenses and accrued income	828	3,643	3,915
Total current assets	10,893	10,747	12,177
Cash and cash equivalents	4,201	13,540	4,806
TOTAL ASSETS	176,868	191,046	182,451
EQUITY AND LIABILITIES			
Equity			
Share capital	143,115	143,115	143,115
Retained earnings	-88,871	-120,009	-120,009
Translation differences	1,694	2,291	1,914
Profit for the period	22,303	29,055	31,138
Total equity	78,240	54,451	56,157
LIABILITIES			
Non-current liabilities			
Liabilities to credit institutions	60,175	91,247	68,782
Other long term liabilities	–	13,850	11,697
Total non-current liabilities	60,175	105,096	80,479
Current liabilities			
Accounts payables	4,305	3,288	4,452
Current tax liabilities	9,182	7,467	8,127
Other liabilities	24,547	20,348	32,675
Accrued expenses and prepaid income	419	395	560
Total current liabilities	38,453	31,499	45,815
TOTAL EQUITY AND LIABILITIES	176,868	191,046	182,451



Consolidated Statement of Changes in Equity

AMOUNTS IN SEK THOUSANDS	SHARE CAPITAL	OTHER CONTRIB- UTED CAPITAL	RESERVES	RETAINED EARNINGS INCLUDING PROFIT FOR THE PERIOD	TOTAL
Equity at the beginning of the year	143,115	–	1,914	-88,871	56,157
Profit/loss for the period				22,303	22,303
Other comprehensive income					–
Translation differences			-220		-220
Equity 2024-09-30	143,115	–	1,694	-66,569	78,240



Consolidated Statement of Cash Flows

AMOUNTS IN SEK THOUSANDS	2024-07-01 2024-09-30	2023-07-01 2023-09-30	2024-01-01 2024-09-30	2023-01-01 2023-09-30	2023-01-01 2023-12-31
Cash flow from operating activities					
Cashflow from operating activities before changes in working capital	12,007	6,257	40,635	29,551	40,961
Change in accounts receivable	-733	2,329	-1,812	74	-1,478
Change in other current receivables	3,014	-927	3,301	-343	-1,025
Change in accounts payable	-189	-988	-240	-970	352
Change in other current liabilities	-8,689	-230	-8,586	-33	938
Cashflow from operating activities	5,410	6,441	33,298	28,278	39,748
Cashflows from investing activities					
Acquisition of subsidiaries, net of acquired cash	-6,286	-1,711	-28,340	-19,263	-27,248
Investments in Financial Assets	530	-1	457	-51	-62
Cashflows from investing activities	-5,755	-1,712	-27,883	-19,314	-27,309
Cashflows from financing activities					
Change in bank overdraft facility	-	-1	-	-46	-46
Repayment of loans and transaction costs	0	0	-6,086	-13,185	-25,284
Cashflows from financing activities	0	-1	-6,086	-13,231	-25,331
Cashflow for the period	-346	4,728	-671	-4,267	-12,892
Reconciliation of changes in cash and cash equivalents					
Cash and cash equivalents at the beginning of the period	4,555	8,838	4,806	17,576	17,576
Exchange difference on cash and cash equivalents	-8	-26	66	230	122
Cash and cash equivalents at the end of the period	4,201	13,540	4,201	13,540	4,806
Change in cash and cash equivalents	-354	4,702	-605	-4,036	-12,770



Income Statement - Parent Company

AMOUNTS IN SEK THOUSANDS	2024-07-01 2024-09-30	2023-07-01 2023-09-30	2024-01-01 2024-09-30	2023-01-01 2023-09-30	2023-01-01 2023-12-31
Revenue	602	600	1,803	1,802	2,402
Other external expenses	-677	-655	-2,496	-2,560	-3,458
Employee benefits	-220	-176	-723	-784	-1,021
Other operating expenses	-3	-11	-20	-30	-40
Operating profit / loss	-298	-243	-1,436	-1,572	-2,118
Result from shares in group companies	37,809	–	37,809	30,041	23,741
Other financial income and expenses	1,940	-1,499	938	3,403	6,999
Interest income and similar income	2	0	2	0	0
Interest expenses and similar charges	-128	–	-128	-12	-12
Net financial items	39,624	-1,499	38,622	33,432	30,728
Profit / Loss after financial items	39,326	-1,741	37,186	31,859	28,611
Appropriations	–	–	–	–	15,200
Tax	–	–	–	–	-1,482
Profit / Loss for the period	39,326	-1,741	37,186	31,859	42,329



Statement of Financial Position - Parent Company

AMOUNTS IN SEK THOUSANDS	2024-09-30	2023-09-30	2023-12-31
ASSETS			
Financial fixed assets			
Shares in group companies	306,759	288,467	292,167
Total fixed assets	306,759	288,467	292,167
Current assets			
Receivables from group companies	1,572	1,328	782
Current tax receivables	–	23	–
Other receivables	27	35	108
Prepaid expenses and accrued income	119	134	187
Total current assets	1,718	1,520	1,078
Cash and cash equivalents	58	348	477
TOTAL ASSETS	308,536	290,335	293,722
EQUITY AND LIABILITIES			
Restricted equity			
Share capital	143,115	143,115	143,115
Revaluation reserve	42,000	42,000	42,000
	185,115	185,115	185,115
Non-restricted equity			
Share premium reserve	150,778	150,778	150,778
Retained earnings	-161,365	-203,694	-203,694
Profit for the period	37,186	31,859	42,329
	26,599	-21,056	-10,587
Total equity	211,714	164,058	174,528
Non-current liabilities			
Bonds	60,175	91,247	68,782
Other long term liabilities	–	13,850	11,697
Total non-current liabilities	60,175	105,096	80,479
Current liabilities			
Accounts payables	102	25	186
Liabilities to group companies	13,420	2,399	7,155
Current tax liabilities	1,482	–	1,482
Other liabilities	21,407	18,490	29,507
Accrued expenses and prepaid income	236	267	386
Total current liabilities	36,646	21,181	38,715
TOTAL EQUITY AND LIABILITIES	308,536	290,335	293,722



Statement of Changes in Equity - Parent Company

AMOUNTS IN SEK THOUSANDS	2024-09-30	2023-09-30	2023-12-31
Equity at the beginning of the year	174,528	132,199	132,199
Profit/loss for the period	37,186	31,859	42,329
Equity at the end of the year	211,714	164,058	174,528





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