

QUARTERLY REPORT 1 January -31 March 2021

KVARTALSRAPPORT 1 JANUARI - 31 MARS 2021

Adventure Box Technology AB (publ) Org. No. 556963-6599

COMPANY DEVELOPMENT

| Adventure Box Technology consolidated Group in thousands SEK | 1 Jan - : | 12 months 1 Jan - 31 Dec | |
|--|-----------|-----------------------------|---------|
| | 2021 | 2020 | 2020 |
| Net sales | 0 | 44 | 133 |
| Net income | -5,887 | -5,096 | -20,499 |
| Earnings per share before dilution, SEK | -0.39 | -0.56 | -1.84 |
| Average amount of shares, before dilution, 000's | 15,070 | 9,142 | 11,127 |
| Cash flow after net investment | -8,417 | -5,799 | -21,291 |
| Cash and bank | 48,768 | 4,795 | 57,490 |
| Total equity | 71,206 | 26,963 | 77,093 |

OUARTER JANUARY 1 - MARCH 31 IN SUMMARY

- The Group's net sales during the quarter were SEK 0.0 million (SEK 0.0 million).
- Net income amounted to SEK -5.9 million (SEK -5.1 million) or SEK -0.39 (SEK -0.56) per share before dilution.
- Net cash flow before financial items was SEK -8.4 million (SEK -5.8 million)
- The Company's cash and cash equivalents at the end of the quarter amounted to SEK 48.8 million (SEK 4.8 million).
- The Group's equity at the end of the quarter amounted to SEK 71.2 million (SEK 27.0 million).
- The Company has recruited two positions according to plan, of which one a full-time CFO.
- The Company reported increased user engagement

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- The Company entered into a partnership with Gestrument to enable Adventure Box game creators to easily create and use interactive music in the computer games and audiovisual experiences they create.
- Since April 1, the Company has new facilities in Wenner-Gren Center, Sveavägen 166.
- Adventure box AB changes certified advisor to Aktieinvest.
 Aktieinvest FK AB will take over as Certified Adviser on August
 17, 2021. Until then, Redeye AB will continue to act as Certified Adviser for the Company.
- Rikard Herlitz as elected as a board members at the AGM.
- At the Annual General Meeting, it was also decided to Establish a warrant-based incentive program for key personnel in accordance with the Board's proposal, involving the issue of a maximum of 100,000 warrants of series 2021/2024: 1 and Establishment of a warrant-based incentive program for board members in accordance with 20,000 warrants of series 2021/2024: 2.

CEO STATEMENT: STEADILY TOWARDS OUR GOAL



Our focus is firm. We continuously strive towards creating the most excellent product for our users. We proceed in close collaboration with select users who test new features before releasing them to the market

We made 12 updates to our platform during Q1. These updates include a total of 125 specific improvements consisting of new functions, improvements to our user interface, corrections of technical errors, and improvements of performance or internal platform functionality.

We have many creative and loyal users. This report contains some of their work. In addition to creating fantastic games, often of game types beyond what we imagined, our users also create their 3D models, which they both use in the games they design and sell to other users in stores they have placed in their game worlds. Several users find creative ways to maximize the functionality we offer. An excellent example of this is the feature that allows users to import and use a custom shield. This feature has been used in an ingenious way to create 3D models of dragons and drones flying over the game character. A user has even designed a walker that the game character pushes in front of him. The trend for the number of imported 3D models is positive.

Today, our users play together, but they create separately. During Q2 and Q3, we will release functionality that will allow them to create together. We will also make it possible for users to create on mobiles and tablets.

We work according to agile principles, meaning that we constantly measure and evaluate and adapt our plans based on what we learn. With that said, our current goal is that during Q4, we will add more features to vary the content created with Adventure Box. During Q1 2022, we plan to introduce more visual styles, and during Q2 2022 we will have come a long way with our model for revenue sharing.

I have high expectations of the opportunities our collaboration with Gestrument will open up for our creators. We will see audiovisual content of a whole new kind.

Revenue sharing is a powerful way to reinforce desired behaviors. For revenue sharing to work, we must have revenue. Those who today sell their 3D models to other users collect platform currency, Adventure BUX. This platform currency model has started to work. In the future, while expanding the areas of use for our platform currency, we will reduce the extent to which we reward users with it. Then users will need to buy Adventure BUX to access the content or functions they want to have access to on the Adventure Box platform.

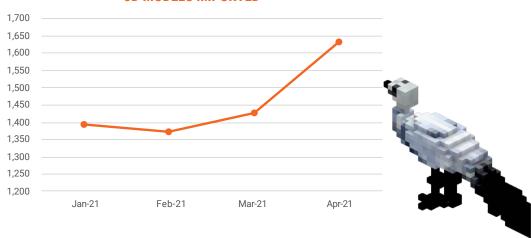
During Q1, we have had the pleasure of reporting multiple instances of increased user engagement metrics. We are seeing more loyal users and an increasing proportion of returning users. Our users are constantly spending more time with us. We have observed an increase in the proportion of users who come to our platform not because they have seen paid marketing but because, for example, they clicked on a message from a friend on social media. When our user numbers grow without paid marketing, we will significantly increase our investment in marketing. Then we earn interest on interest on these investments. Until then, we will continue to be content with about 200,000 users per month. This amount is enough for the measurements of user behavior we register to improve our product further.

During Q1, we added a full-time CFO, Sofia Nilsson. I am very pleased with the support we receive from Sofia.

At the Annual General shareholder Meeting on May 20, Rikard Herlitz was elected to the Board. Rikard's demonstrated competence as a development manager in the computer game world, and his professional network will strengthen our already strong Board.

3D MODELS IMPORTED







THE COMPANY'S FINANCIAL DEVELOPMENT

FINANCIAL SUMMARY

| in thousands SEK (if not otherwise specified) | 1 J | an - 31 Mar | 12 månader 1 Jan - 31 Dec |
|---|--------|-------------|------------------------------|
| Adventure Box Technology consolidated Group | 2021 | 2020 | 2020 |
| Net sales | 0 | 44 | 133 |
| Other revenues | 313 | 152 | 407 |
| Total expenses | -7,363 | -5,803 | -24,973 |
| Earning before interest and tax (EBIT) | -5,845 | -5,076 | -20,528 |
| Earnings before tax (EBT) | -5,887 | -5,096 | -20,499 |
| Net income | -5,887 | -5,096 | -20,520 |
| Cash flow after net investments | -8,417 | -5,799 | -21,291 |
| Investments in intangible fixed assets, net | -2,010 | -1,257 | -7,763 |
| Cash and bank | 48,768 | 4,795 | 57,490 |
| Total equity | 71,206 | 26,963 | 77,093 |
| Key ratios | | | |
| Earnings per share before dilution, SEK | -0.39 | -0.56 | -1.84 |
| Earnings per share after dilution, SEK | -0.35 | -0.47 | -1.59 |
| Return on equity, % | neg | neg | neg |
| Equity by share, SEK | 4.73 | 2.95 | 5.12 |
| Solvency ratio | 90% | 89% | 89% |
| Number of employees | 14 | 9 | 14 |

QUARTER JANUARY-MARCH 2021

The figures for the first quarter of 2021 reflect the Adventure Box Group when the subsidiary Adventure Box Incentive AB was formed in June 2020, consolidated from the second quarter of 2020. Comparative figures with the first quarter last year refer only to the parent company Adventure Box Technology AB.

Net sales

The Group's net sales for the first quarter decreased compared to last year, amounting to SEK 0 thousand (SEK 44 thousand).

Expenses

Operating expenses for the period amount to SEK 7,363 thousand (SEK 5,803 thousand) mainly driven by the increase of personel costs SEK 3,181 thousand (SEK 2,236 thousand) due to an increased number of employees.

Earnings before tax

Earnings before tax amounted to SEK -5,887 thousand (SEK-5,096 thousand) or -0.39 SEK (-0.56 SEK) per share before dilution.

Cash-flow and liquidity

Cash-flow for the period amounted to SEK -8,208 thousand (SEK -5,911 thousand), and net cash-flow before financial items amounted to SEK-8,449 thousand (SEK (-5,799 thousand), or -0.54 SEK (-0.65 SEK) per share. Liquid assets by the end of the quarter amounted to SEK 48,768 thousand (SEK 4,795 thousand).

Investments

The Company invested SEK 33 thousand (SEK 31 thousand) in tangible assets during the quarter. Investments in development amounted to SEK 2,010 thousand (SEK 1,257 thousand).

Equity

The Company's equity amounted to SEK 71,206 thousand (SEK 26,963 thousand) at the end of the quarter or 4.73 SEK (2.95 SEK) per share. The solvency ratio by the end of the period was 90% (89%).

THE GROUP OF COMPANIES

Adventure Box Technology AB (publ)(556963-6599) is seated in Stockholm and is a parent company of two companies. Adventure Box Technology AB (publ) is the holder of 100% of the shares in Adventure Box Incentive AB (559244-0241)

Incentive schemes for personnel and consultants

There are three incentive schemes in the Company.

Programme 1:2016: 47,340 warrants giving the holder the right to at the latest on 2020-05-31 to subscribe for one share in Adventure Box Technology AB (publ) at a strike price of 9.40 SEK per share. Since the warrants have been out-of-the-money, the warrants have not been utilized for share conversion.

Programme 2:2017: 110,110 warrants giving the holder the right to at the latest on 2020-10-01 to subscribe for one share in Adventure Box Technology AB (publ) at a strike price of 20 SEK per share. Since the warrants have been out-of-the-money, the warrants have not been utilized for share conversion.

Programme 3:2019: 286,500 warrants giving the holder the right to at the latest on 2022-05-09 to subscribe for one share in Adventure Box Technology AB (publ) at a strike price of 9.40 SEK per share.

Progrmme 4:2020: 155,000 warrants giving the holder right to at the latest on 2023-09-30 to subscribe for one share in Adventure Box Technology AB (publ). The average volume weighed stock price of the share was 7.58, and thus the strike rate will be SEK 7.58 x 1.30 = SEK 9.86 per share. Upon full subscription, the warrants bring in SEK 1,528,300 by issuing 155,000 new shares, corresponding to a dilution of approximately 1.03 percent.

Progrmme 5:2021: 100,000 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 subscription price for each new share subscribed by the support of the warrants shall be determined to an amount equivalent to 130 percent of the volume-weighted average price of the Company's share on Nasdaq First North Growth Market during the period 10 (ten) trading days from 21 May 2021 and forward. As of the day 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 no more than 100,000 (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 0.7 percent.

Warrants for shareholders

At an extra shareholder's meeting 2019-07-09, the meeting decided to emit 2,613,750 warrants as a part of the capital injection carried out during the summer. The holder of two warrants has the right to subscribe to one share in the Company from 2019-11-01 until 2021-09-30. Since the share price has been below the strike price for the main part of the period on to 2020-03-31, the warrants have not been utilized for share conversion. From 2020-04-01 until 2021-09-30, The holder of two warrants has the right to subscribe to one share in the Company at a strike price of 16 SEK per share. On full subscription, the Company will have a capital injection of 20,910,000 SEK through the emission of 1,306,875 new shares., with a dilution effect of around 12.51 %

Transactions with related parties

There were no transactions with related parties during the quarter.

The Company s operations and risk factors

Adventure Box operations are affected by many risks that may affect the earnings and the company's financial position to varying degrees. For a description of the risks associated with the Company, please see pages 26-27 in the annual report for 2020 of the Company, which is also available on the Company's website.

Employees

The number of employees at the end of the period was 14 (9).

THE BOARD'S DECLARATION

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

Stockholm 2021-05-28

The Board of Directors
Adventure Box Technology AB (publ)

This interim report has not been the subject of a review by the Company's auditors.

COMPRISED INCOME STATEMENT, GROUP

| in thousands SEK (if not otherwise specified) | 1 Jan -3 | 1 mar | 12 månader 1 Jan - 31 Dec |
|--|----------|--------|------------------------------|
| Adventure Box Technology consolidated group | 2021 | 2020 | 2020 |
| Revenues | | | |
| Net sales | 0 | 44 | 133 |
| Capitalized development expenses | 1,205 | 531 | 3,905 |
| Other revenues | 313 | 152 | 407 |
| Total revenues | 1,518 | 727 | 4,445 |
| Operating expenses | | | |
| Purchased services | -540 | 0 | -652 |
| External expenses | -1,852 | -2,295 | -8,758 |
| Personnel expenses | -3,181 | -2,236 | -10,472 |
| Depreciation and revaluations | -1,790 | -1,272 | -5,091 |
| Total operating expenses | -7,363 | -5,803 | -24,973 |
| Earnings before interest and tax (EBIT) | -5,845 | -5,076 | -20,528 |
| Financial income and expenses | | | |
| Financial net | -42 | -20 | 29 |
| Earnings before tax (EBT) | -5,887 | -5,096 | -20,499 |
| Income tax | 0 | 0 | -21 |
| Net income | -5,887 | -5,096 | -20,520 |
| Average amount of shares, before dilution, 000's | 15,070 | 9,142 | 11,127 |
| Average amount of shares, after dilution, 000's | 16,818 | 9,142 | 12,894 |
| The number of shares on closing date, before dilution, 000's | 15,070 | 9,142 | 15,070 |
| The number of shares on closing date, after dilution, 000's | 16,818 | 9,142 | 16,818 |
| Earnings per share, before dilution, SEK | -0.39 | -0.56 | -1.84 |
| Earnings per share, after dilution, SEK | -0.35 | -0.47 | -1.59 |
| | | | |

COMPRISED BALANCE SHEET, GROUP

| in thousands SEK | | | 31 Dec |
|---|--------|--------|--------|
| Adventure Box Technology consolidated group | 2021 | 2020 | 2020 |
| ASSETS | | | |
| Non-current assets | | | |
| Inangible assets | | | |
| Capitalized development expenses | 28,384 | 24,944 | 27,643 |
| Tangible assets | | | |
| Machinery & equipment | 56 | 42 | 31 |
| Total non-current assets | 28,440 | 24,986 | 27,674 |
| Current Assets | | | |
| Accounts receivables and other current assets | 1,643 | 399 | 1,042 |
| Cash and bank | 48,768 | 4,795 | 57,490 |
| Total current assets | 50,411 | 5,194 | 58,532 |
| TOTAL ASSETS | 78,851 | 30,180 | 86,206 |
| EQUITY and LIABILITIES | | | |
| Equity | | | |
| Restricted equity | 23,732 | 17,157 | 21,208 |
| non-restricted equity | 47,474 | 9,806 | 55,885 |
| Total equity | 71,206 | 26,963 | 77,093 |
| Provisions and liabilities | | | |
| Long-term liabilities | 3,417 | 543 | 3,176 |
| Current liabilities | 4,228 | 2,674 | 5,937 |
| Total provisions and liabilities | 7,645 | 3,217 | 9,113 |
| TOTAL EQUITY AND LIABILITIES | 78,851 | 30,180 | 86,206 |

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

in thousands SEK

| Adventure Box Technology AB, 1 Jan-31 Dec 2020 | Share capital | Fund for development expenses | Other capital contributions | Retained earnings | This period´s income | Total sha- reholder's equity |
|--|------------------|-------------------------------|-----------------------------|----------------------|----------------------------|------------------------------------|
| Opening balance 2020-01-01 | 914 | 14,985 | 43,874 | -17,576 | -10,138 | 32,059 |
| Income | | | | | | |
| Appropriation of last year's income | | | | -10,138 | 10,138 | |
| Change of fund for developmnet expenses | | 4,716 | | -4,716 | | |
| Net income for period | | | | | -20,520 | -20,520 |
| Total income | | 4,716 | 0 | -14,854 | -10,382 | -20,520 |
| Transactions with shareholders | | | | | | |
| Capital Injections | 593 | | 69,045 | | | 69,638 |
| Capital Injection costs | | | -4,084 | | | -4,084 |
| Total transactions with shareholders | 593 | 0 | 64,961 | 0 | 0 | 65,554 |
| Closing balance 2020-12-31 | 1,507 | 19,701 | 108,835 | -32,430 | -20,520 | 77,093 |
| Adventure Box Technology AB, 1 Jan-31 Mar 2020 | | | | | | |
| Opening balance 2020-01-01 | 914 | 14,985 | 43,874 | -17,576 | -10,138 | 32,059 |
| Income | | | | | | |
| Appropriation of last year´s income | | | | -10,138 | 10,138 | |
| Change of fund for developmnet expenses | | 1,257 | | -1,257 | | |
| Net income for period | | | | | -5,096 | -5,096 |
| Total income | 0 | 1,257 | 0 | -1,257 | -5,096 | -5,096 |
| Transactions with shareholders | | | | | | |
| Total transactions with shareholders | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing balance 2020-03-31 | 914 | 16,242 | 43,874 | -18,833 | -15,234 | 26,963 |
| Adventure Box Technology Group, 1 Jan-31 Mar 2021 | | | | | | |
| Opening balance 2021-01-01 | 1,507 | 19,701 | 108,835 | -32,430 | -20,520 | 77,093 |
| Income | | | | | | |
| Appropriation of last year's income | | | | -20,596 | 20,596 | |
| Change of fund for developmnet expenses | | 2,524 | | -2,524 | | 0 |
| Net income for period | | | | | -5,887 | -5,887 |
| Total income | 0 | 2,524 | 0 | -23,120 | 14,709 | -5,887 |
| Transactions with shareholders | | | | | | |
| Total transactions with shareholders | 0 | 0 | 0 | 0 | 0 | 0 |
| Closing balance 2021-03-31 | 1,507 | 22,225 | 108,835 | -55,550 | -5,811 | 71,206 |

COMPRISED STATEMENT OF CASH FLOW, GROUP

| in thousands SEK | 1 Jan - | 31 Mar | 12 månader 1 Jan- 31 Dec |
|---|---------|--------|-----------------------------|
| Adventure Box Technology consolidated group | 2021 | 2020 | 2020 |
| Operating activities | | | |
| Earnings after financial items | -5,887 | -5,096 | -20,499 |
| Depreciation | 1,790 | 1,272 | 5,091 |
| Tax | | | -21 |
| Other non-cash items | 0 | 0 | 0 |
| Cash flow from operating activites | -4,096 | -3,824 | -15,429 |
| before change in working capital | | | |
| Change in working capital | -2,310 | -687 | 1,933 |
| Cash flow from operating activites | -6,406 | -4,511 | -13,496 |
| Investment activities | | | |
| Repayment of deposits | 0 | 0 | 0 |
| Investments in intangible fixed assets, net | -2,010 | -1,257 | -7,763 |
| Investments in tangible fixed assets, net | -32 | -31 | -32 |
| Cash flow from investing activites | -2,042 | -1,288 | -7,795 |
| Cash flow after net investment | -8,449 | -5,799 | -21,291 |
| Financing activities | | | |
| Repayments on loans | 241 | -112 | -479 |
| New loans | | | 3,000 |
| Contributed equity | | | 65,554 |
| Cash flow from financing activites | 241 | -112 | 68,075 |
| CASH FLOW FOR THE PERIOD | -8,208 | -5,911 | 46,784 |
| Liquid assets beginning of period | 57,490 | 10,706 | 10,706 |
| Liquid assets at end of period | 48,768 | 4,795 | 57,490 |

COMPRISED INCOME STATEMENT, PARENT COMPANY

| in thousands SEK | 1 Jan - | 31 Mar | 12 månader 1 Jan- 31 Dec |
|---|---------|--------|-----------------------------|
| Adventure Box Technology AB | 2021 | 2020 | 2020 |
| Revenues | | | |
| Net sales | 0 | 44 | 133 |
| Capitalized development expenses | 1,205 | 531 | 3,905 |
| Other revenues | 313 | 152 | 407 |
| Total revenues | 1,518 | 727 | 4,445 |
| Operating expenses | | | |
| Purchased services | -540 | 0 | -652 |
| External expenses | -1,852 | -2,295 | -8,755 |
| Personnel expenses | -3,181 | -2,236 | -10,472 |
| Depreciation and revaluations | -1,790 | -1,272 | -5,091 |
| Total operating expenses | -7,362 | -5,803 | -24,970 |
| Earnings before interest and tax (EBIT) | -5,845 | -5,076 | -20,525 |
| Financial income and expenses | | | |
| Financial net | -42 | -20 | -71 |
| Earnings before tax (EBT) | -5,887 | -5,096 | -20,596 |
| Income tax | 0 | 0 | 0 |
| Net income | -5,887 | -5,096 | -20,596 |

COMPRISED BALANCE SHEET, PARENT COMPANY

| in thousands SEK | 31 Mar | 31 Mar |
|---|--------|--------|
| Adventure Box Technology AB | 2021 | 2020 |
| ASSETS | | |
| Non-current assets | | |
| Inangible assets | | |
| Capitalized development expenses | 28,384 | 24,944 |
| Tangible assets | | |
| Machinery & equipment | 56 | 42 |
| Financial assets | | |
| Shares in subsidiaries | 25 | 0 |
| Total non-current assets | 28,465 | 24,986 |
| Current Assets | | |
| Accounts receivables and other current assets | 1,634 | 399 |
| Cash and bank | 48,649 | 4,795 |
| Total current assets | 50,283 | 5,194 |
| TOTAL ASSETS | 78,748 | 30,180 |
| Equity and liabilities | | |
| Equity | | |
| Restricted equity | 23,732 | 17,157 |
| non-restricted equity | 47,913 | 9,806 |
| Total equity | 71,131 | 26,963 |
| Provisions and liabilities | | |
| Long-term liabilities | 3,417 | 543 |
| Current liabilities | 4,201 | 2,674 |
| Total provisions and liabilities | 7,618 | 3,217 |
| TOTAL EQUITY AND LIABILITIES | 78,749 | 30,180 |

NOTES

Note 1. ACCOUNTING PRINCIPLES

The Company prepared this interim report 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 most recent annual report for the financial year ending 2020-12-31.

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.

UPCOMING REPORTS

2021-08-26 Quarterly report Q2 2021

2021-11-25 Quarterly report Q3 2021

2022-02-25 Interim report for the financial year 1 January 2021- 31 December 2021

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