

Thunderful Group to restructure operations for strengthened long-term competitiveness

Thunderful Group AB (“Thunderful” or “the Group”) announced today that it will implement a restructuring program to strengthen the Group’s long-term competitive position. The program aims at lowering costs and increasing focus on areas with the best future growth and profitability prospects. Actions will include both significant staff reductions and evaluation of divestment of non-strategic assets.

The need for Thunderful to enact these changes stems primarily from over-investments made in the last few years. These investments have proven unsustainable given the current industry climate, which has resulted in the Group being particularly affected by challenging market conditions. The new management team and the board of directors have identified the need to restructure the Group and focus its efforts on the strategic assets with the best long-term prospects.

Consequently, Thunderful is now taking action to review investments and adapt its cost structure, which will result in annual cost reductions of 90-110 MSEK and improved cash flow with an equivalent amount. The Group expects the full impact of these savings to take effect in the second half of 2024. The restructuring program, which is expected to affect approximately 20 per cent of the workforce, is estimated to incur one-off expenses of 30-40 MSEK in the first half of the year, and is subject to negotiations with relevant trade unions and other counterparts. Thunderful is also evaluating the divestment of non-strategic assets.

“Since I joined as CEO in the fall of 2023, we have evaluated the current business and the future position of Thunderful,” said CEO Martin Walfisz. “To ensure and strengthen the viability of the Group, we have found no alternative other than to reduce costs and focus the business on areas with the best future growth and profitability prospects. It has been difficult to make these decisions, and it saddens me that we will have to say goodbye to many skilled colleagues and partners. Nevertheless, I am convinced that this is a necessary direction for Thunderful and that these changes will make the company a stronger player in the market.”

Thunderful will hold a live webcast concerning the restructuring program today (January 17, 2024), at 15:30 CET. Access the webcast via link: <https://ir.financialhearings.com/thunderful-group-press-conference-2024>

If you wish to participate via teleconference, please register via link:
<https://conference.financialhearings.com/teleconference/?id=5007184>

After registration you will be provided a phone number and a conference ID to access the conference. You can ask questions via the webcast and via the teleconference.

For more information, please contact:

Martin Walfisz, CEO, Thunderful Group, +46 705 37 19 10, IR@thunderfulgroup.com

Henrik Lundkvist, CFO, Thunderful Group, +46 733 33 66 23, IR@thunderfulgroup.com

About Thunderful Group

Thunderful Group is a group of companies that develops, publishes and invests in games, while also distributing Nintendo products, games, game accessories and toys. It is headquartered in Gothenburg, Sweden, with offices in the United Kingdom, Spain, Germany, Denmark, Finland and Norway. The Group's overall goal is to provide high-quality entertainment products for people of all ages. Thunderful Group is listed on Nasdaq First North Premier. FNCA Sweden AB is appointed Certified Adviser.

This information is information that Thunderful Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-01-17 08:30 CET.

Attachments

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