



paradox
INTERACTIVE®

INTERIM REPORT

JANUARY – SEPTEMBER 2025

*Please note that this is a translation for information purposes only –
in case of any discrepancies between this version and the Swedish,
the Swedish version shall prevail.



INTERIM REPORT

JANUARY – SEPTEMBER 2025

THIRD QUARTER

- Revenues amounted to MSEK 395.0 (MSEK 434.0), a decrease of 9% compared to the same period last year.
- Operating profit amounted to MSEK 111.8 (MSEK 142.8), a decrease of 22%.
- Profit after financial items amounted to MSEK 116.3 (MSEK 151.2), and profit after tax amounted to MSEK 92.9 (MSEK 119.7).
- Cash flow from operating activities amounted to MSEK 195.2 (MSEK 153.7), and cash flow from investing activities amounted to MSEK -182.4 (MSEK -115.3). Cash flow from financing activities amounted to MSEK -9.8 (MSEK -9.6).
- At the end of the period, cash and cash equivalents amounted to MSEK 1,020.4 (MSEK 1,190.4).
- Earnings per share before dilution amounted to SEK 0.88 (SEK 1.13) and after dilution to SEK 0.88 (SEK 1.13).
- Revenues for the quarter are primarily attributable to Age of Wonders 4, Cities: Skylines, Cities: Skylines II, Crusader Kings III, Hearts of Iron IV, Stellaris and Victoria 3.

IMPORTANT EVENTS THIRD QUARTER

- New downloadable content was released for games during the period: Shadows of the Shroud to Stellaris, Archon Prophecy to Age of Wonders 4, National Awakening to Victoria 3, Coronations to Crusader Kings III as well as Shops of Shibuya and Map Pack 4 to Cities: Skylines.
- Steam Summer Sale took place during the period.

FIRST NINE MONTHS

- Sales amounted to MSEK 1,317.2 (MSEK 1,491.8), a decrease of 12% from the previous year.
- Operating profit amounted to MSEK 391.4 (MSEK 326.1), an increase of 20%.
- Profit after financial items amounted to MSEK 409.1 (MSEK 353.0), and profit after tax amounted to MSEK 326.8 (MSEK 273.8).
- Earnings per share before dilution amounted to MSEK 3.09 (MSEK 2.59) and after dilution to MSEK 3.09 (MSEK 2.59).



COMMENTS BY THE CEO

The third quarter has been characterised by a high pace in preparing for what will likely be the most intense period in Paradox's history. In the fourth quarter we will launch two new titles and one remaster, as well as content to most of our core games: a testament to both our breadth and our development capacity.

Like previous years, the number of releases has been fewer in the third quarter, which together with a stronger Swedish krona has had a dampening effect on revenues. Simultaneously the period has been marketing intense with campaigns for our coming releases. In total it affects the quarter's results but strengthens our position for the important period that now awaits.

Victoria 3 and Age of Wonders 4 continue to strengthen their positions as long-term Paradox franchises. Both games have received new content in the quarter, with further content planned before year-end. The players' engagement and the reception of the latest updates strengthen our conviction that these titles will create value for many years to come.

On 21 October we launched Vampire: The Masquerade - Bloodlines 2. It is a project that was initiated in a different era, when the company had a different strategic direction and that is outside of our actual core business. The development process has been long, which makes it especially gratifying that the game is now in the hands of our players. The release is very close to this report, so it is still too early to provide a comment on performance; we follow the game's reception closely and are hard at work with post-launch support.

Outside of the releases we have lined up, we continue our efforts to strengthen Paradox in the long term, both commercially and in terms of development capability. Commercially, we continue to refine our pricing, to continuously review how we package our games and expansions and are continually exploring new partnerships. Our work with Expansion Passes is an example of how we are creating clearer value propositions over time. At the same time, we

continue to seek growth opportunities in new markets where our brands have the potential to grow.

On the development side, we are strengthening our presence in the management genre – an area where we continue to see great potential. Iceflake Studios has built up solid expertise over several years, and together with Haemimont Games we now have a solid base to broaden our portfolio of core games in line with our long-term strategy.

At the same time, the industry in general continues to be challenging, especially for smaller actors. This creates pathways for Paradox to act as a stable partner, and we continually receive new prospects to leverage our financial strength when evaluating external projects and collaborations.

We have a lot to look forward to. In the coming quarter, we will launch several major games, not least of which is Europa Universalis V in two weeks time, and our teams are working hard to provide the experiences that we know our players are craving. With creativity, commercial acumen, and financial stability, we continue to take steps forward - towards a strong future for Paradox.

Fredrik Wester, CEO





PARADOX INTERACTIVE AT A GLANCE

Paradox Interactive is one of the premier developers and publishers of strategy and management games for PC and consoles. By developing long-lived games with downloadable content, renewing its game portfolio with engaging games and having a close relationship to its players, the company creates the strategy and management segments' best gaming experiences.

The group consists of publishing business and six studios in six countries that develop gaming experiences for the company's six million monthly active players. Amongst its most important active games are Cities: Skylines, Cities: Skylines II, Hearts of Iron IV, Crusader Kings III, Europa Universalis IV, Victoria 3, Stellaris and Age of Wonders 4.

Paradox strives for a healthy profit margin, a stable operating cash flow and strong growth. Thus, enabling stable operations and continuous investments in the company's future.

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Million MAU

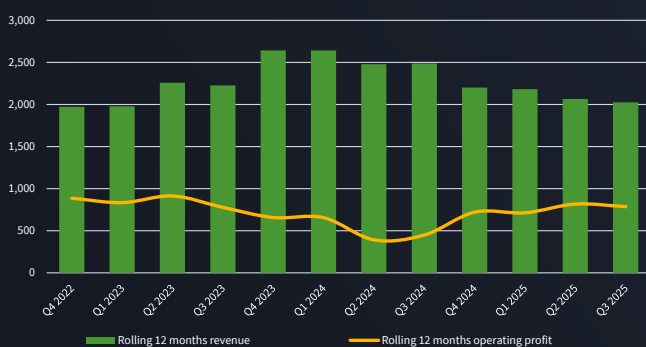
8

Games in pipeline

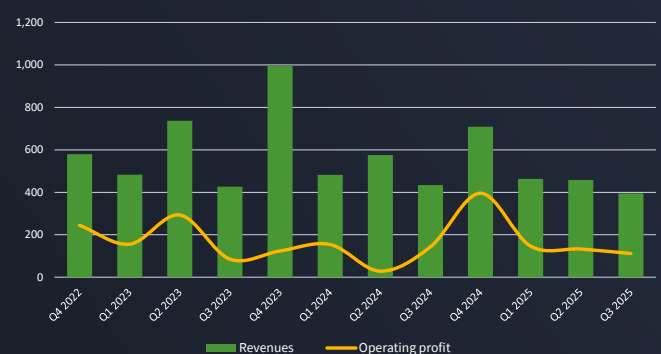
40%

R12 profit margin

Rolling 12-month revenues and operating profit



Quarterly revenues and operating profit



RELEASES IN THE PERIOD



STELLARIS: SHADOWS OF THE SHROUD

Release date: 22 September 2025

Platforms: PC

Price: USD 19.99

Description: The Psionic Plane is vast and full of perils. Shadows of the Shroud is the ultimate expansion for those who seek to master the unknown behind the veil, offering a complete overhaul of the Psionic Ascension Path. Moral actions, patron allegiances, and the ever-present risk of total annihilation will now shape your connection to the entities that live on the other side.

Publisher: Paradox Interactive

Developer: Paradox Development Studio, Abrakam



AGE OF WONDERS 4: ARCHON PROPHECY

Release date: 12 August 2025

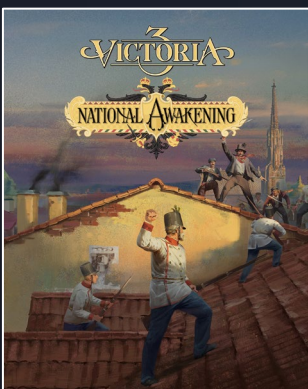
Platforms: PC, Xbox Series X|S, PlayStation 5

Price: USD 24.99

Description: Take command of the forces of light in the Age of Wonders 4: Archon Prophecy expansion. Join the celestial Archons as they strike back against Urrath's corrupt forces. Consult the oracles, glimpse hidden prophecies that shape the fates of the realms and become the master of your own destiny. Contains a new culture, story content, and society traits.

Publisher: Paradox Interactive

Developer: Triumph Studios



VICTORIA 3: NATIONAL AWAKENING

Release date: 23 September 2025

Platforms: PC

Price: USD 9.99

Description: A century of national struggles in Central Europe and the Balkans take center stage. The Ottoman Empire is losing its grip on its European territories while its Austrian rival is riven by internal political struggles - some ideological and some nationalist. Explore the tumult of the tinderbox of Europe in this immersion pack.

Publisher: Paradox Interactive

Developer: Paradox Development Studio



CRUSADER KINGS III: CORONATIONS

Release date: 9 September 2025

Platforms: PC

Price: USD 4.99

Description: Assemble your vassals to witness the consecration of a new ruler with the Coronations Event Pack. Take an oath and declare the vision of the ruler you aspire to be. Will you maintain your promise of protection and prosperity for all, or break your word and face the displeasure of your subjects? It is your time to step up as a ruler!

Publisher: Paradox Interactive

Developer: Paradox Development Studio



CITIES: SKYLINES – CREATOR PACK: SHOPS OF SHIBUYA

Release date: 24 September 2025

Platforms: PC, Xbox One, Xbox Series X|S, PlayStation 4, PlayStation 5

Price: USD 5.99

Description: Discover one of Japan's most iconic districts with “Shops of Shibuya” created by community creator ‘Stop it D’. This Content Creator Pack brings the broad selection of the area to your city, with sleek storefronts, bustling boulevards, and tucked-away side streets known only to locals and fashion-forward visitors. Featuring a mix of low and high-density commercial buildings, unique buildings, and parks, this pack captures the energy of a trendy fashion district.

Publisher: Paradox Interactive

Developer: Stop it D



CITIES: SKYLINES – CREATOR PACK: MAP PACK 4

Release date: 24 September 2025

Platforms: PC, Xbox One, Xbox Series X|S, PlayStation 4, PlayStation 5

Price: USD 5.99

Description: Expand your horizons with “Map Pack 4” from the community creator Uncle Ron. This Content Creator Pack introduces new maps, each inspired by iconic rivers, dramatic landscapes, and breathtaking coastlines. From tropical archipelagos to alpine fjords, these maps and 10 new intersections let you create your next city in a unique but realistic setting.

Publisher: Paradox Interactive

Developer: Uncle Ron



FINANCIAL OVERVIEW

REVENUE AND PROFIT THIRD QUARTER

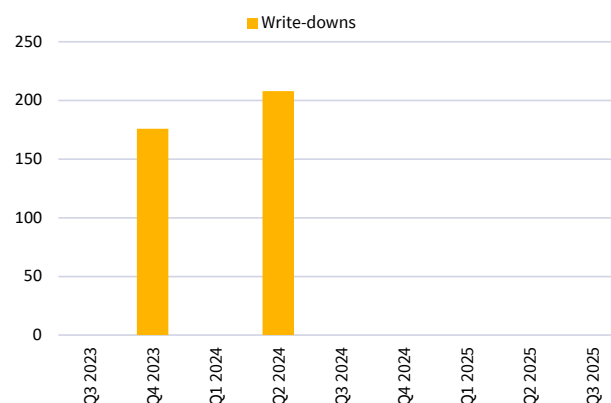
Revenues amounted to MSEK 395.0 (MSEK 434.0), a decrease of 9% compared to the same period last year. New downloadable content was released for games during the period: Shadows of the Shroud to Stellaris, Archon Prophecy to Age of Wonders 4, National Awakening to Victoria 3, Coronations to Crusader Kings III as well as Shops of Shibuya and Map Pack 4 to Cities: Skylines. Revenues for the quarter are primarily attributable to Age of Wonders 4, Cities: Skylines, Cities: Skylines II, Crusader Kings III, Hearts of Iron IV, Stellaris and Victoria 3. The change in revenue is strongly correlated with variation in the releases that occur. The decrease in revenue is partly explained by the fact that the reference period included revenue from the major \$30 expansion Roads to Power for Crusader Kings III. At the same time, the decline is offset by this quarter's releases of the Archon Prophecy expansion for Age of Wonders 4 and National Awakening for Victoria 3, games that had no release during the comparison period.

The Group's revenue is mainly in currencies other than SEK and is therefore exposed to exchange rate fluctuations. The quarter's revenue has been negatively affected by the exchange rate development of the strengthened krona compared to the same period last year.

Cost of goods sold amounted to MSEK 203.3 (MSEK 217.1), attributable to game development, development support, operation and maintenance of games, costs for licenses, trademarks and similar rights, as well as royalties and revenue-based contingent consideration to development studios and other rights holders.

Amortisation of released games amounts to MSEK 71.2 (MSEK 96.0). The games are generally amortised over 18 months, usually using a degressive depreciation method. The purpose of the amortisation is to provide a fair view of the company's operations and gross profit but may contribute to volatility in the cost of goods sold item. The decrease is driven by, among other things, reduced amortisation of Millennia, Star Trek: Infinite and Crusader Kings III.

Write-downs for the period within cost of goods sold amounts to MSEK 0.0 (MSEK 0.0).



Amortisation of licenses, trademarks and similar rights amounts to MSEK 9.1 (MSEK 13.8). Amortisation has decreased as a result of the amortisation of excess values from the acquisition of Playrion Games Studio now being fully amortised. At the same time, the decrease is offset by new amortisations related to the acquired publishing rights for Stranded: Alien Dawn, as well as amortisations of excess values from the acquisition of Haemimont Games.

In addition to depreciation, amortisation and write-downs within the item, a total of MSEK 115.7 (MSEK 100.1) was expensed regarding non-capitalised development costs, development support, operation and maintenance of games, royalties and revenue based earn-outs.

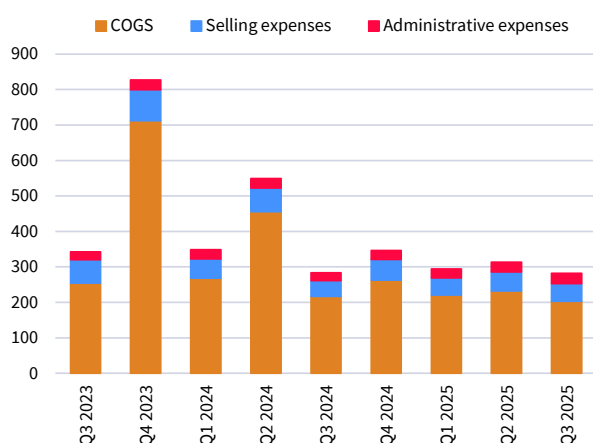
Non-capitalised development costs are in line with the previous year. Costs for development support, operations, and maintenance of games have increased compared to the reference period, mainly as a result of a minor reorganisation between the development studio and the publisher's operations and maintenance services.

Royalties and revenue-based contingent consideration have increased compared to the previous year, mainly driven by Age of Wonders 4, where the sellers of Triumph Studios receive a revenue-based contingent consideration until April 2026.



Selling expenses for the period amounted to MSEK 49.8 (MSEK 44.2). The increase is a result of higher costs ahead of the upcoming releases of Europa Universalis V and Vampire: The Masquerade – Bloodlines 2.

Administrative expenses for the period amounted to MSEK 29.2 (MSEK 22.1). The increase compared to the previous year mainly relates to items of a non-recurring nature. Administrative expenses are generally unchanged over time and are relatively unaffected by other operations.



Other operating income amounted to MSEK 2.0 (MSEK 1.7) and other operating expenses to MSEK -2.9 (MSEK -9.4). Other operating income and other operating expenses consist primarily of foreign exchange rate movements on the Group's cash and cash equivalents, operating receivables and operating liabilities during the quarter.

Operating profit amounted to MSEK 111.8 (MSEK 142.8).

Financial income amounted to MSEK 4.7 (MSEK 9.2) and consists primarily of interest income from bank accounts. Financial expenses amounted to MSEK 0.3 (MSEK 0.8) and consists primarily of estimated interest on lease liabilities.

Profit after financial items amounted to MSEK 116.3 (MSEK 151.2), and profit after tax amounted to MSEK 92.9 (MSEK 119.7).

FINANCIAL POSITION

Capitalised development expenses at the end of the period amounted to MSEK 1,738.2 (MSEK 1,387.3). The item relates to both games that have not yet been completed and games that have been released and are subsequently amortised. The single largest game

activation relates to Vampire: The Masquerade – Bloodlines 2, where development has been ongoing since 2016. Vampire: The Masquerade - Bloodlines 2 was released in October 2025. The announced titles Europa Universalis V and Prison Architect 2 also account for a significant portion of the item. Development is also ongoing for a number of unannounced games that are activated on an ongoing basis, as well as expansions to previously released games.



Licenses, trademarks and similar rights amounted to MSEK 114.7 (MSEK 65.8). The increase relates to the acquired publishing rights to Stranded: Alien Dawn, as well as surplus values from the acquisition of Haemimont Games. At the end of the period, the excess values from the acquisition of Playrion Games are fully amortised.

Goodwill amounted to MSEK 22.3 (MSEK 22.8), attributable to the acquisition of Iceflake Studios.

Right-of-use assets for rental premises amounted to MSEK 181.1 (MSEK 78.9). The increase refers to the renewed lease agreement on Södermalm, Stockholm.

Accounts receivable at the end of the period amounted to MSEK 185.1 (MSEK 202.7).

Cash and cash equivalents at the end of the period amounted to MSEK 1,020.4 (MSEK 1,190.4).

Long-term lease liabilities amount to MSEK 144.4 (MSEK 43.6), relating to rental commitments for office premises. The current lease agreement on Södermalm in Stockholm expires at the end of September 2026 and was renewed shortly before the end of the quarter. Deferred tax liabilities amount to MSEK 166.7 (MSEK 135.4) relating to tax on untaxed reserves and intangible assets from acquisitions.



Short-term lease liabilities amount to MSEK 30.8 (MSEK 30.6), relating to short-term rental commitments for office premises.

Accrued expenses and prepaid income at the end of the period amount to MSEK 303.9 (MSEK 290.7). Prepaid income is in line with the previous year, where the releases of downloadable content for Cities: Skylines II have led to a decrease in the item, while prepaid income for Europa Universalis V and Vampire: The Masquerade – Bloodlines 2 has increased. Accruals for royalties to game developers have increased compared to the previous year.

CASH FLOW THIRD QUARTER

Cash flow from operating activities for the period amounted to MSEK 195.2 (MSEK 153.7), primarily attributable to operating profit adjusted for depreciations, amortisations and write-downs. Cash flow from investing activities amounted to MSEK -182.4 (MSEK -115.3) and mainly relates to investments in game development. Cash flow from financing activities amounted to MSEK -9.8 (MSEK -9.6) relating to amortisation of lease liabilities for office premises.

FIRST NINE MONTHS IN SUMMARY

Revenues amounted to MSEK 1,317.2 (MSEK 1,491.8), a decrease of 12% compared to the same period last year. Cost of goods sold amounted to MSEK 656.3 (MSEK 941.0), attributable to game development, development support, operation and maintenance of games, as well as royalties and revenue-based contingent considerations to third parties. Write-downs for the period within cost of goods sold amounted to MSEK 0.0 (MSEK 208.0). Operating profit amounted to MSEK 391.4 (MSEK 326.1), an increase of 20%. Profit after financial items amounted to MSEK 409.1 (MSEK 353.0), and profit after tax amounted to MSEK 326.8 (MSEK 273.8). Cash flow from operating activities amounted to MSEK 723.4 (MSEK 681.7). Cash flow from investing activities amounted to MSEK -607.3 (MSEK -244.4). Cash flow from financing activities amounted to MSEK -557.3 (MSEK -345.5).

RELATED PARTY TRANSACTIONS

No transactions have taken place between the group and related parties that have affected the group's position and results.

PARENT COMPANY THIRD QUARTER

The parent company houses the publishing business. Within the publishing business, the parent company buys development services from both external and wholly owned development studios and pays royalties to these where applicable. The parent company also provides administrative services to the subsidiaries. All in all, this leads to the parent company's revenues to a large extent making up the group's total revenues.

The parent company's revenues in quarter amounted to MSEK 396.4 (MSEK 437.6). Operating profit amounted to MSEK 137.0 (MSEK 35.2). Profit after financial items amounted to MSEK 140.5 (MSEK -32.7). Profit after tax amounted to MSEK 109.5 (MSEK -42.6).

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting as well as RFR 1 and the annual accounts act. The parent company applies the Swedish Financial Reporting Board's recommendation RFR 2, accounting for legal entities. Accounting principles and calculation bases are in accordance with the principles applied in the company's most recent annual report. The carrying amount of the Group's long-term financial instruments valued at accrued acquisition value essentially corresponds to its fair value as the interest rate is in parity with current market interest rates. The carrying amount of the Group's short-term financial instruments valued at accrued acquisition value essentially corresponds to its fair value as the discounting effect is not significant. Accounting principles and calculation bases are in accordance with the principles applied in the company's most recent annual report.

RISKS AND UNCERTAINTIES

Paradox is, like most companies, exposed to certain risks in its operations. The risks and uncertainties are described in the Annual Report for 2024, page 32. Risks to be specifically mentioned include dependency on key employees, dependency on a few sales partners, delays of game projects, cancellations of unfinished game projects, low revenues from game releases, and foreign currency. These risks and uncertainties may have a direct or indirect impact on the group's financial position and results.



FINANCIAL CALENDAR

Year-end report 2025	2026-01-29
Annual Report 2025	2026-04-09
Interim report January - March 2026	2026-04-30
Annual General Meeting 2026	2026-05-12
Interim Report January - June 2026	2026-08-06
Interim Report January - September 2026	2026-10-29
Year-end report 2026	2027-02-04

CONTACT

Additional information about the company can be found on the corporate website www.paradoxinteractive.com. The company can be contacted by e-mail, ir@paradoxinteractive.com, or by post Paradox Interactive AB, Magnus Ladulåsgatan 4, 118 66, Stockholm, Sweden.

ASSURANCE BY THE BOARD OF DIRECTORS

The Board of Directors hereby provides an assurance that the interim report provides a true and fair view of the parent company's and the group's business, positions, and earnings, and describes the significant risks and uncertainties faced by the companies making up the group.

Stockholm 23 October 2025

The Board of Directors

This information is information that Paradox Interactive AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication 08:00 CEST 23 October 2025.



THE AUDITOR'S REVIEW OF INTERIM FINANCIAL INFORMATION

Introduction

We have conducted a limited review of the condensed interim financial information (interim report) for Paradox Interactive AB (publ) as of September 30, 2025, and the nine-month period ending on that date. The board of directors and the managing director are responsible for preparing and presenting this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our limited review.

Scope of Review

We have conducted our limited review in accordance with the International Standard on Review Engagements ISRE 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A limited review consists of making inquiries, primarily of persons responsible for financial and accounting matters, performing analytical procedures, and other review procedures. A limited review has a different focus and a significantly smaller scope compared to the focus and scope of an audit conducted in accordance with ISA and generally accepted auditing standards. The review procedures taken in a limited review do not enable us to obtain the assurance that we would become aware of all significant matters that might have been identified in an audit. Therefore, the conclusion expressed based on a limited review does not have the assurance that a conclusion expressed based on an audit has.

Conclusion

Based on our limited review, nothing has come to our attention that causes us to believe that the interim report is not, in all material respects, prepared for the group in accordance with IAS 34 and the Annual Accounts Act and for the parent company in accordance with the Annual Accounts Act.

Stockholm October 23, 2025

Öhrlings PricewaterhouseCoopers AB

Aleksander Lyckow

Authorized Public Accountant



KEY FIGURES FOR THE GROUP

	2025-07-01 2025-09-30	2024-07-01 2024-09-30	2025-01-01 2025-09-30	2024-01-01 2024-09-30	2024-01-01 2024-12-31
Revenues, KSEK	394,962	433,994	1,317,162	1,491,848	2,200,943
Operating profit, KSEK	111,785	142,838	391,398	326,105	721,364
Profit after financial items, KSEK	116,263	151,228	409,081	353,007	757,303
Profit after tax, KSEK	92,859	119,661	326,849	273,808	584,628
Operating margin	28%	33%	30%	22%	33%
Profit margin	29%	35%	31%	24%	34%
Equity/assets ratio	78%	80%	78%	80%	82%
Equity per share before dilution, SEK	25.59	24.52	25.59	24.52	27.55
Equity per share after dilution, SEK	25.59	24.52	25.59	24.52	27.55
Earnings per share before dilution, SEK	0.88	1.13	3.09	2.59	5.54
Earnings per share after dilution, SEK	0.88	1.13	3.09	2.59	5.53
Number of shares by the end of the period before dilution	105,623,025	105,623,025	105,623,025	105,623,025	105,623,025
Number of shares by the end of the period after dilution	105,623,025	105,623,025	105,623,025	105,623,025	105,623,025
Average number of shares before dilution	105,623,025	105,623,025	105,623,025	105,623,025	105,623,025
Average number of shares after dilution	105,623,025	105,623,025	105,753,575	105,634,020	105,656,190
Average number of employees	654	584	630	591	587

For definitions of key figures, see the annual report.



GROUP INCOME STATEMENT (KSEK)

	2025-07-01 2025-09-30	2024-07-01 2024-09-30	2025-01-01 2025-09-30	2024-01-01 2024-09-30	2024-01-01 2024-12-31
Revenues	394,962	433,994	1,317,162	1,491,848	2,200,943
Cost of goods sold	-203,297	-217,092	-656,329	-940,967	-1,203,649
Gross profit	191,665	216,902	660,833	550,881	997,294
Selling expenses	-49,791	-44,239	-151,589	-165,347	-223,881
Administrative expenses	-29,229	-22,121	-81,686	-74,645	-99,653
Other income	2,021	1,721	6,591	25,412	58,294
Other expenses	-2,881	-9,425	-42,750	-10,196	-10,690
Operating profit	111,785	142,838	391,398	326,105	721,364
Financial income	4,734	9,188	19,027	32,633	42,103
Financial expense	-256	-798	-1,344	-5,730	-6,165
Profit after financial items	116,263	151,228	409,081	353,007	757,303
Tax	-23,405	-31,566	-82,232	-79,199	-172,675
Profit for the period	92,859	119,661	326,849	273,808	584,628
Profit for the period is attributable to the shareholders of the parent company.					
Earnings per share before dilution, SEK	0.88	1.13	3.09	2.59	5.54
Earnings per share after dilution, SEK	0.88	1.13	3.09	2.59	5.53

OTHER COMPREHENSIVE INCOME (KSEK)

	2025-07-01 2025-09-30	2024-07-01 2024-09-30	2025-01-01 2025-09-30	2024-01-01 2024-09-30	2024-01-01 2024-12-31
Profit for the period	92,859	119,661	326,849	273,808	584,628
Other comprehensive income					
<i>Items that may be reclassified to profit or loss</i>					
Translation differences	-2,197	-2,996	-11,317	3,509	9,511
Other comprehensive income	-2,197	-2,996	-11,317	3,509	9,511
Total comprehensive income for the period	90,662	116,665	315,533	277,317	594,139

Profit for the period is attributable to the shareholders of the parent company.



GROUP BALANCE SHEET (KSEK)

	2025-09-30	2024-09-30	2024-12-31
ASSETS			
Non-current assets			
Capitalised development	1,738,240	1,387,301	1,454,313
Licenses, brands and similar rights	114,688	65,835	52,655
Goodwill	22,271	22,761	23,137
Property and equipment	7,189	8,486	8,318
Right-of-use assets	181,103	78,923	69,679
Other long term assets	18,686	18,715	18,736
Total non-current assets	2,082,178	1,582,020	1,626,838
Current assets			
Accounts receivable	185,107	202,667	280,056
Tax assets	71,544	104,891	62,136
Other receivables	28,608	56,729	10,466
Prepaid expenses and accrued revenue	79,858	102,422	83,498
Cash and cash equivalents	1,020,391	1,190,355	1,469,356
Total current assets	1,385,508	1,657,064	1,905,512
TOTAL ASSETS	3,467,685	3,239,084	3,532,350
EQUITY AND LIABILITIES			
Equity			
Share capital	528	528	528
Other capital contributed	29,748	29,748	29,748
Reserves	20,877	26,192	32,194
Retained earnings	2,651,411	2,533,513	2,847,170
Total equity	2,702,565	2,589,982	2,909,640
Long-term liabilities			
Lease liabilities	144,425	43,636	33,911
Deferred tax liabilities	166,698	135,422	163,460
Total long-term liabilities	311,123	179,058	197,372
Current liabilities			
Accounts payable	50,718	43,804	45,842
Current tax liabilities	8,589	40,112	852
Lease liabilities	30,764	30,625	30,875
Other liabilities	60,013	64,819	21,697
Accrued expenses and prepaid revenues	303,914	290,684	326,073
Total current liabilities	453,998	470,045	425,339
TOTAL EQUITY AND LIABILITIES	3,467,685	3,239,084	3,532,350



CHANGE IN GROUP EQUITY (KSEK)

	Share capital	Other contributed capital	Reserves	Retained earnings	Total equity
At the beginning of the period 2025-01-01	528	29,748	32,194	2,847,170	2,909,640
Profit for the period				326,849	326,849
Other comprehensive income					
Translation difference			-11,317		-11,317
Total other comprehensive income	-	-	-11,317	-	-11,317
Total comprehensive income	-	-	-11,317	326,849	315,533
Transactions with owners					
Share-based payments staff	-	-	-	5,507	5,507
Dividends	-	-	-	-528,115	-528,115
Total transactions with owners	-	-	-	-522,608	-522,608
AT THE END OF THE PERIOD 2025-09-30	528	29,748	20,877	2,651,411	2,702,565

	Share capital	Other contributed capital	Reserves	Retained earnings	Total equity
At the beginning of the period 2024-01-01	528	29,748	22,684	2,567,495	2,620,455
Profit for the period				273,808	273,808
Other comprehensive income					
Translation difference			3,509		3,509
Total other comprehensive income	-	-	3,509	-	3,509
Total comprehensive income	-	-	3,509	273,808	277,316
Transactions with owners					
Share-based payments staff	-	-	-	9,080	9,080
Dividends	-	-	-	-316,869	-316,869
Total transactions with owners	-	-	-	-307,790	-307,790
AT THE END OF THE PERIOD 2024-09-30	528	29,748	26,192	2,533,513	2,589,982



GROUP CASH FLOW STATEMENT (KSEK)

	2025-07-01 2025-09-30	2024-07-01 2024-09-30	2025-01-01 2025-09-30	2024-01-01 2024-09-30	2024-01-01 2024-12-31
Cash flow from operations					
Operating profit	111,785	142,838	391,398	326,105	721,364
Adjustment of depreciation, amortisation and write-downs	90,332	121,031	296,386	595,039	710,513
Other adjustments	343	1,919	5,507	9,165	12,002
Interest received	4,734	9,188	19,027	11,130	38,705
Interest paid	-256	-798	-1,344	-5,730	-6,165
Tax paid	-50,221	-58,242	-91,002	-185,159	-248,071
Cash flow before changes in working capital	156,717	215,936	619,972	750,550	1,228,348
Changes in working capital					
Change in current receivables	21,088	18,592	82,636	143,098	112,792
Change in current liabilities	17,401	-80,862	20,769	-211,925	-217,620
Cash flow from current operations	195,206	153,666	723,377	681,722	1,123,520
Investing activities					
Investments in capitalised development	-181,746	-114,982	-462,219	-444,211	-602,509
Investments in licenses, brands and similar rights	-	-	-46,540	-	-
Investments in equipment	-689	-311	-1,258	-606	-1,161
Investments in subsidiaries	-	-	-97,307	-	-
Sales of bonds	-	-	-	200,450	200,450
Cash flow from investing activities	-182,435	-115,293	-607,323	-244,367	-403,220
Financing activities					
Amortisation of lease liability	-9,803	-9,600	-29,193	-28,649	-38,300
Paid dividend	-	-	-528,115	-316,869	-316,869
Cash flow from financing activities	-9,803	-9,600	-557,308	-345,518	-355,169
Cash flow for the period	2,968	28,773	-441,254	91,838	365,130
Cash and cash equivalents at the beginning of the period	1,018,566	1,164,193	1,469,356	1,098,025	1,098,025
Exchange rate effect	-1,144	-2,611	-7,712	492	6,202
Cash and cash equivalents at the end of the period	1,020,391	1,190,355	1,020,391	1,190,355	1,469,356



PARENT COMPANY INCOME STATEMENT (KSEK)

	2025-07-01 2025-09-30	2024-07-01 2024-09-30	2025-01-01 2025-09-30	2024-01-01 2024-09-30	2024-01-01 2024-12-31
Revenues	396,402	437,558	1,316,632	1,501,834	2,214,766
Cost of goods sold	-182,210	-333,686	-520,486	-1,320,770	-1,499,633
Gross profit	214,192	103,872	796,145	181,064	715,133
Selling expenses	-47,221	-38,779	-142,716	-152,368	-208,704
Administrative expenses	-28,853	-21,750	-80,518	-73,099	-97,960
Other income	1,472	1,297	4,371	24,301	56,892
Other expenses	-2,637	-9,441	-42,053	-9,718	-9,718
Operating profit	136,953	35,199	535,229	-29,819	455,642
Profit from shares in subsidiaries	-	-75,731	-	-75,731	-58,750
Financial income	3,568	7,829	14,922	29,184	36,429
Financial expense	-0	-0	-1	-702	-704
Profit after financial items	140,521	-32,702	550,150	-77,068	432,618
Year-end appropriations	-	-	-	-	-10,000
Tax	-31,030	-9,885	-117,650	-6,975	-114,716
Profit for the year and total income for the year	109,491	-42,587	432,500	-84,044	307,902



PARENT COMPANY BALANCE SHEET (KSEK)

	2025-09-30	2024-09-30	2024-12-31
ASSETS			
Non-current assets			
Capitalised development	1,655,015	944,286	984,669
Licenses, brands and similar rights	56,590	26,219	23,340
Property and equipment	1,177	2,021	1,715
Shares in subsidiaries	319,512	204,011	203,908
Other long term assets	17,393	17,393	17,393
Total non-current assets	2,049,687	1,193,930	1,231,024
Current assets			
Accounts receivable	178,785	196,517	272,841
Receivables from group companies	7,846	30,748	198,836
Tax assets	-	101,158	35,600
Other receivables	24,059	51,369	5,102
Prepaid expenses and accrued revenues	82,062	106,236	89,747
Cash and cash equivalents	619,976	950,076	1,131,589
Total current assets	912,727	1,436,103	1,733,714
TOTAL ASSETS	2,962,413	2,630,033	2,964,738
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital	528	528	528
Capitalised development reserve	1,655,015	944,286	984,669
<i>Non-restricted equity</i>			
Share premium reserve	29,748	29,748	29,748
Retained earnings	-319,041	603,557	566,011
Profit for the period	432,500	-84,044	307,902
Total equity	1,798,751	1,494,077	1,888,859
Untaxed reserves	755,000	605,000	755,000
Current liabilities			
Accounts payable	35,188	31,722	35,954
Liabilities to group companies	81,617	256,841	22,681
Current tax liabilities	8,551	-	-
Other liabilities	33,806	4,160	4,282
Accrued expenses and prepaid revenues	249,502	238,233	257,962
Total current liabilities	408,662	530,956	320,879
TOTAL EQUITY AND LIABILITIES	2,962,413	2,630,033	2,964,738



NOTES (KSEK)

NOTE 1. SEGMENT REPORTING

Group Management has determined the operating segments based on the information processed by the CEO and which is the basis for making strategic decisions. The operations consist of one segment.

Group revenue from clients based on where the distributor is located is divided into the following geographical areas;

	2025-07-01 2025-09-30	2024-07-01 2024-09-30	2025-01-01 2025-09-30	2024-01-01 2024-09-30	2024-01-01 2024-12-31
USA	335,473	377,281	1,132,403	1,286,482	1,905,078
Sweden	7,501	14,291	27,940	48,247	65,395
Rest of Europe	41,824	34,593	128,273	130,873	192,576
Rest of the World	10,164	7,829	28,546	26,246	37,893
Total	394,962	433,994	1,317,162	1,491,848	2,200,943

During the quarter MSEK 340.8 (MSEK 370.4) of the group's revenue came from one and the same platform - Steam.

Group revenue divided into major product categories;

	2025-07-01 2025-09-30	2024-07-01 2024-09-30	2025-01-01 2025-09-30	2024-01-01 2024-09-30	2024-01-01 2024-12-31
PC	348,769	380,180	1,144,050	1,285,606	1,924,843
Console	32,264	38,111	119,682	151,732	204,225
Mobile	11,182	12,143	36,526	38,660	50,980
Other	2,747	3,560	16,904	15,849	20,895
Total	394,962	433,994	1,317,162	1,491,848	2,200,943

NOTE 2. DEPRECIATIONS, AMORTISATIONS AND WRITE-DOWNS BREAKDOWN PER FUNCTION

	2025-07-01 2025-09-30	2024-07-01 2024-09-30	2025-01-01 2025-09-30	2024-01-01 2024-09-30	2024-01-01 2024-12-31
Cost of goods sold	87,615	117,081	288,119	585,855	698,446
Selling expenses	1,031	1,031	3,092	2,839	3,869
Administrative expenses	1,687	2,919	5,175	6,346	8,198
Total	90,332	121,031	296,386	595,039	710,513

NOTE 3. EMPLOYEE STOCK OPTIONS PROGRAM 2025/2029

The annual general meeting on May 14, 2025, decided to introduce an employee stock option program aimed at employees in the group. A total of 525,000 options were subscribed with the right to subscribe for an equal number of shares in Paradox Interactive AB (publ). At the end of the period, the number of outstanding employee options amounted to 505,000.

Allotted employee options were issued free of charge at a market value of SEK 21.96 according to a valuation based on the Black & Scholes model. The exercise price for the options was set at SEK 225.81, and subscription of shares is expected to take place 30 days after the publication of the company's Interim Report for the second quarter of 2028, the third quarter of 2028, and the first quarter of 2029 respectively. The exercise price corresponded to 120% of the average share price during the period April 24 to April 30, 2025. Vesting of options is conditional on continued employment in the company. Personnel-related costs excluding social security contributions for the program amount to MSEK 0.9 (MSEK 0.0) during the year. If these options are fully subscribed, the parent company's equity will be increased by MSEK 114.0.



NOTE 4. ACQUISITION HAEMIMONT GAMES

On February 18, 2025, 100% of the shares in Haemimont Games AD, a company based in Sofia, Bulgaria, were acquired. Paradox paid a fixed purchase price of EUR 10.3 million. Contingent purchase considerations tied to the sellers' continued employment, game releases, and achieved sales targets may amount to a total of up to EUR 11.0 million. All contingent purchase considerations will be reported under the item cost of goods sold as they are earned.

The acquisition is a further step in Paradox's strategic focus on growing within the management game genre, by building strong internal capacity that complements the Group's existing studio organisation.

The cash flow effect of the acquisition at the Group level is SEK -98.0 million during the reporting period, of which SEK -0.7 million related to expensed acquisition costs is reported under administrative expenses.

Had Haemimont been acquired on January 1, 2025, the acquisition would have contributed to an additional revenue of SEK 0.9 million and a positive result of SEK 0.1 million. Haemimont contributed revenue of SEK 1.0 million and a result of SEK 3.0 million from the acquisition date through September 30, 2025.

The purchase price allocation is unchanged compared to the one presented in the interim report for the first quarter of 2025 and remains preliminary.

	2025-02-18
Cash consideration	115,604
<i>Reported amounts of identifiable net assets</i>	
Game rights	16,817
Capitalised development	44,846
Technology related to game engines	43,863
Cash and cash equivalents	18,298
Other assets	2,597
Deferred tax liabilities	- 10,553
Other liabilities	- 264
	115,604
Goodwill	-

NOTE 5. SUBSEQUENT EVENTS

The new game Vampire: The Masquerade – Bloodlines 2, developed by The Chinese Room, was released for PC and consoles.



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