

ANNUAL REPORT 2024/2025

MAG INTERACTIVE AB (PUBL)



MAG INTERACTIVE

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ABOUT MAG

MAG Interactive is a leading mobile game developer focused on casual social games. With passionate, creative teams and a data-driven business model, MAG delivers world-class gaming experiences to millions of players worldwide. MAG specializes in word games and trivia, with a portfolio of titles including QuizDuel, Crozzle, Wordzee, Word Mansion, Tile Mansion, Wordbubbles, Ruzzle, Word Domination and WordBrain, that have been downloaded over 350 million times. MAG has studios in Stockholm and Brighton and was listed in 2017 on the Nasdaq First North Premier Growth Market with the ticker MAGI.



350 M+
DOWNLOADS



185
MILLION HOURS
PLAYED DURING 2024/2025

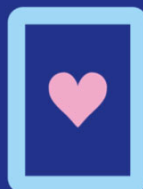
108
EMPLOYEES

20
NATIONALITIES
EMPLOYED

40 % WOMEN &
60 % NON-BINARY
60 % MEN

MAG'S GAMES
PLAYED IN
195
COUNTRIES

163 M
GAME CONTRIBUTION
2024/2025



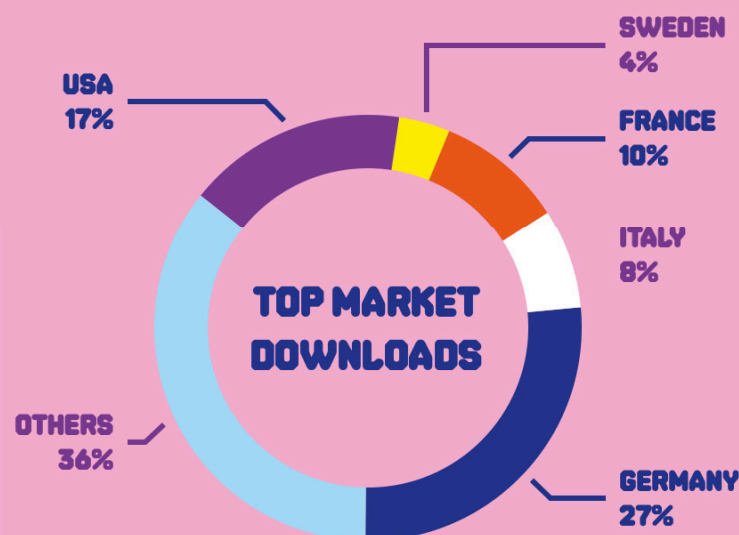
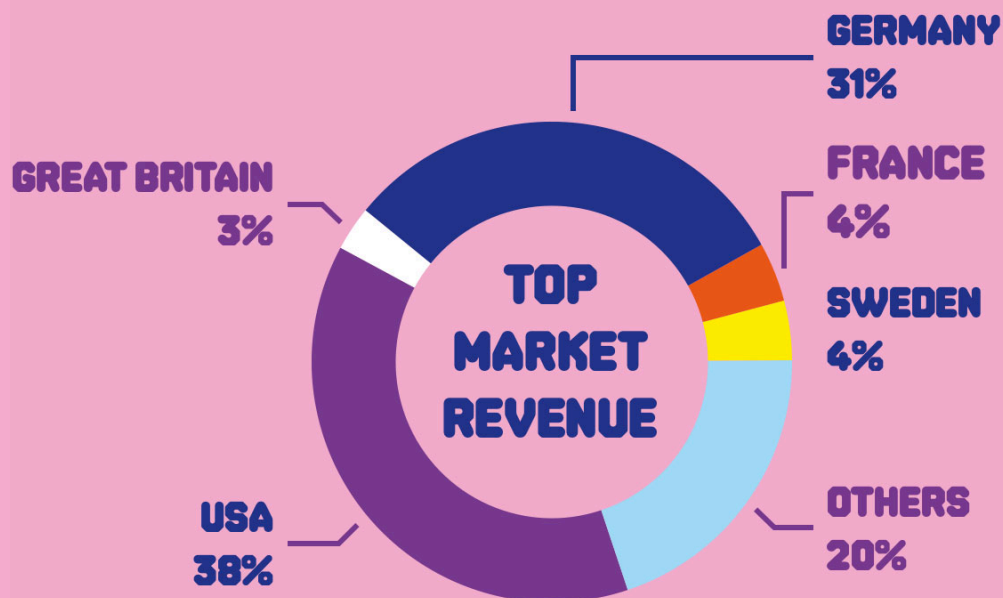
276M
NET SALES
2024/2025

MAG IN NUMBERS

DURING THE YEAR

4,7 M DOWNLOADS

9,5 M UNIQUE PLAYERS



A YEAR IN BRIEF

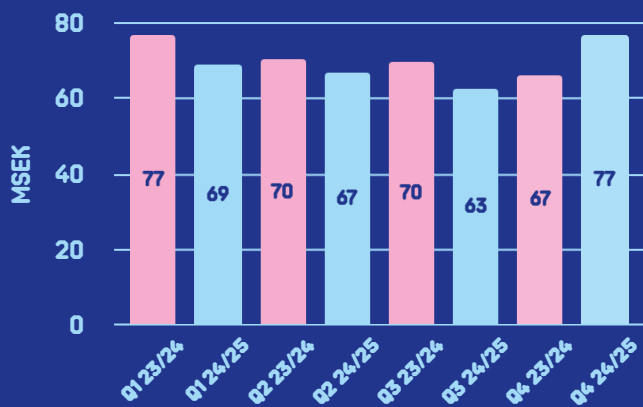
- MAG's new crossword game Crozzle launched in English-speaking markets during spring and summer, with more European markets to follow in 2025-2026.
- ARPDau for the year was 7.5 US \$ cent (6.5 US \$ cent), reflecting steady improvements across live games, with Crozzle contributing as a strong driver for revenue growth.
- QuizDuel achieved another record year, confirming the success of MAG's operational focus and ongoing investments.
- Continued investments into MAG's new platform, with legacy titles being ported and new games developed on the new infrastructure.
- Several new games were tested, with the goal of accelerating the pace of testing and launches through the new platform.
- Consolidated the core business through the divestment of Primetime.
- The company remains financially strong and prepared for the continued scaling of Crozzle and future releases.



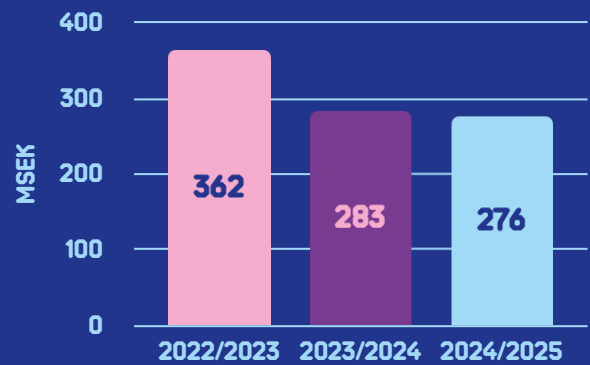
KEY NUMBERS

NET SALES

PER QUARTER 2023/24 - 2024/25

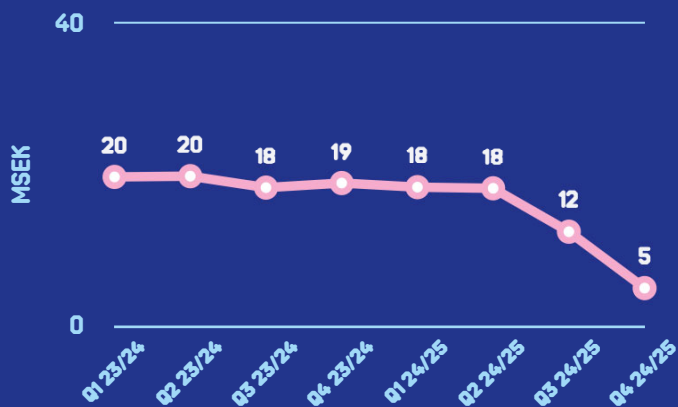


YEAR ON YEAR

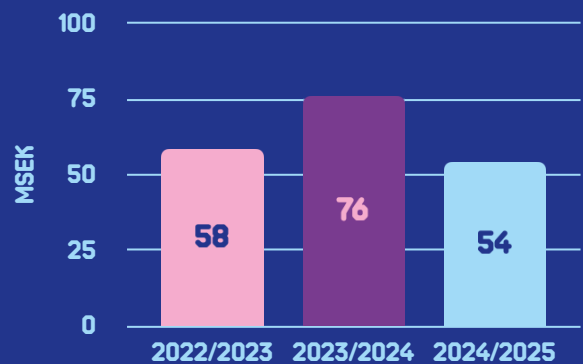


ADJUSTED EBITDA

PER QUARTER 2023/24 - 2024/25



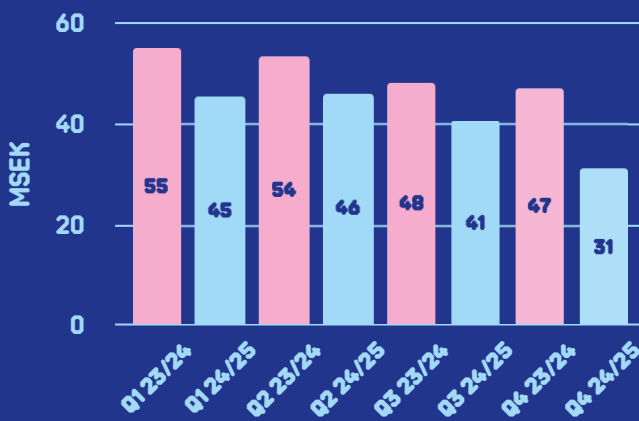
YEAR ON YEAR



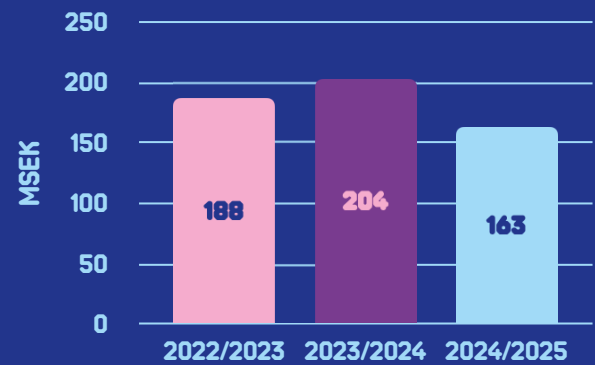
KEY NUMBERS

GAME CONTRIBUTION

PER QUARTER 2023/24 - 2024/25

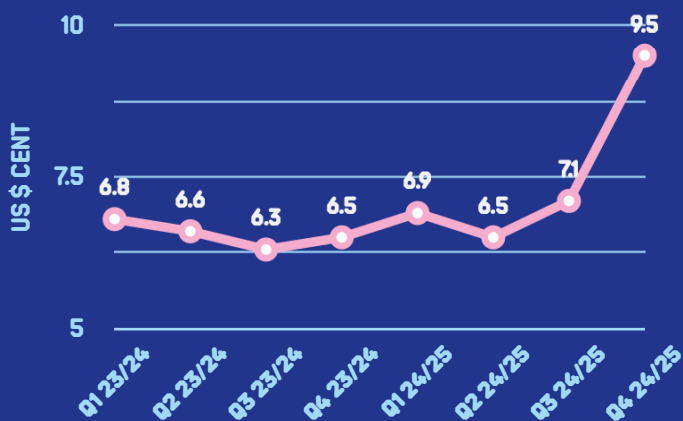


YEAR ON YEAR

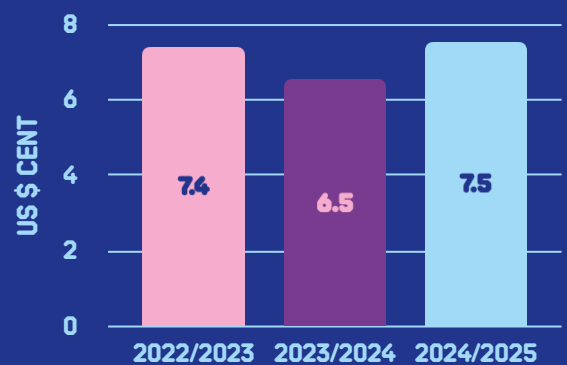


ARPPDAU

PER QUARTER 2023/24 - 2024/25



YEAR ON YEAR



WORD FROM THE CEO

DELIVERING ON OUR AMBITION

During the financial year 2024/25, we executed well on the ambitions we set out at the start of the year. We continued our transformation into a modular, platform-based game development organization, while at the same time successfully launching and scaling a new game.

The scale-up of our latest title, Crozzle, began in May 2025 and contributed to our strongest fourth-quarter revenue in two years, resulting in a year-over-year revenue growth of 19%.

We also set a goal to accelerate the pace of new games entering early testing to ensure a healthy pipeline of potential launches following Crozzle. We delivered on this objective with three new word games and two puzzle games tested during the year.

Lastly, we aimed to migrate our larger titles onto the new platform, following the successful porting of a smaller game the year before. This year, we took on one of our most feature-rich products, Wordzee. This was a major undertaking, but it has positioned us well for the future. New games can now access much of the functionality already developed, significantly increasing speed and quality. We look forward to unlocking this value further in the year ahead.



ADVANCING OUR PLATFORM STRATEGY

Our strategic shift to platform-based development means that core features — such as leaderboards, friend lists, events, shops, ads, and analytics — are built once and used across all our games through configuration and design changes. This approach allows us to focus our resources on quality while gaining efficiency across the portfolio.

By reducing the amount of unique code per game, we can increase automated test coverage and reduce error rates. Reusable modules also give our new games more than one path to success; they can thrive as standalone products or become part of our live operations as special events. This significantly increases our return on investment and reduces the risk of wasted development efforts.



Throughout the coming year, we will continue migrating more of our portfolio to the shared platform, ensuring that each title benefits from the collective innovation, content, and functionality being developed across the company.

BUILDING A STRONGER ORGANIZATION

A challenging environment across the games industry has led to downsizing and studio closures, putting many talented people back on the market. For companies with solid financial foundations, this presents an opportunity.

While we do not plan to grow the size of our organization substantially, the talent pool we see when hiring for selected roles is exceptional. These additions strengthen our already strong team and enable us to raise the overall level of quality and execution within MAG.

The combination of highly skilled people, a great product portfolio, and our modular strategy gives us the momentum to move faster and deliver better results than ever before.

**“OUR FOCUS REMAINS ON REACHING
OUR FINANCIAL TARGETS: SEK 500
MILLION IN ANNUAL REVENUE AND SEK
100 MILLION IN EBIT. IN THE COMING
YEAR, WE EXPECT TO TAKE A
SIGNIFICANT STEP TOWARD THESE
GOALS.”**

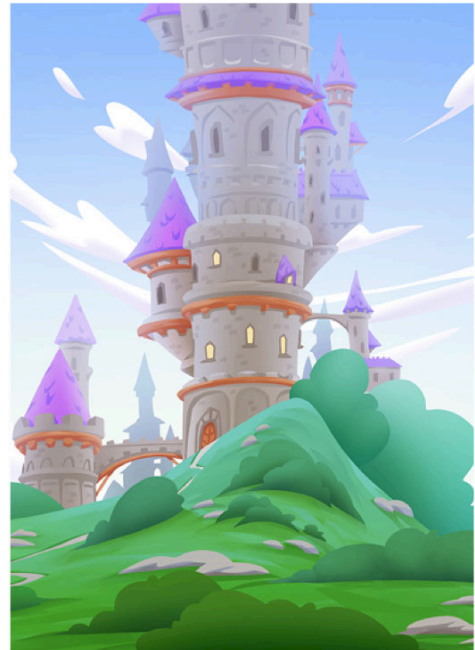
ON THE PATH TOWARD OUR FINANCIAL GOALS

We believe we are now entering a new growth phase. Our focus remains on reaching our financial targets: SEK 500 million in annual revenue and SEK 100 million in EBIT. In the coming year, we expect to take a significant step toward these goals.

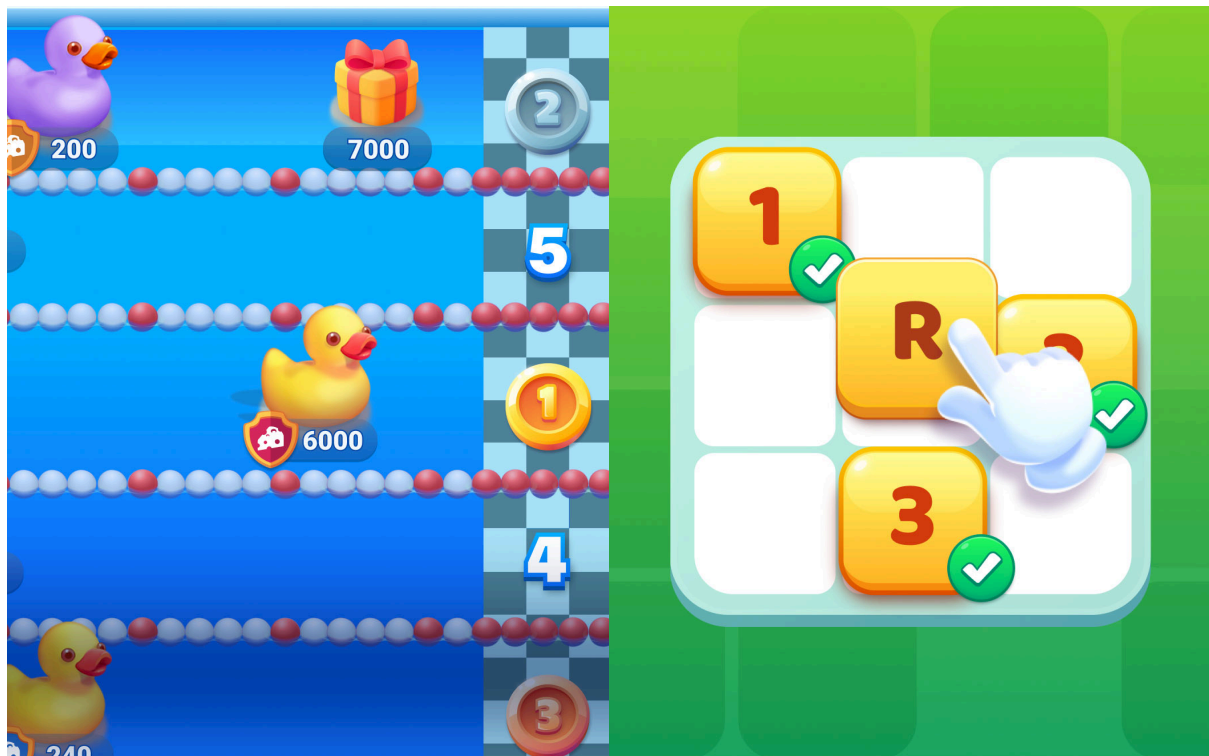
The mobile games industry remains highly competitive, and our success depends on delivering clear value to players, through a steady stream of new content, engaging live operations, and great gameplay experiences. Our platform strategy enables teams to collaborate and accelerate content production across all titles, driving both player engagement and efficiency.

Reaching SEK 500 million in annual revenue will come from both optimizing our live games and maintaining a steady launch rate of at least one new title per year. Our modular approach makes this possible without a significant increase in costs or organization size. Combined with productivity gains from AI-driven tools and processes, achieving a 20% EBIT margin is within reach faster than before.

Ultimately, our growth will be driven by the joy and engagement of our players. As we expand our creative output, playing our games will become even more rewarding, and that will power MAG's next growth journey.



MAG'S BUSINESS MODEL



CASUAL GAMES FOR A WIDE AUDIENCE

MAG develops accessible word, puzzle and trivia games for a worldwide audience, targeting players in the casual segment, the broadest audience for mobile games. To meet the company's goal of engaging its players long term, MAG continuously updates game content and features and improves performance to keep games fresh and relevant. New content supports products and encourages their respective game communities to stay active for years. This process of managing live games, called offering "games as a service", produces continuously active games that increase profitability over time.

FREE-TO-PLAY AS BUSINESS MODEL

MAG's games are "free-to-play", a business model that offers games that are free to play and download. Presently, free-to-play is the most common revenue model in the mobile market. Games generate revenue through two sources: advertisements and selling play-enhancing features and collectibles in the form of in-app purchases (IAP). The free-to-play model lowers the barrier for players to engage with MAG products; no payment is required, so all games are available to a wide audience.

A PORTFOLIO OF PROFITABLE EVERGREENS AND GROWTH GAMES

The strength of MAG's portfolio is in its range, which spans three main categories. The first category contains evergreen games. These games have a loyal user base, low or non-existent marketing costs and high profitability. The company's goal is that all games it releases grow to become evergreens.

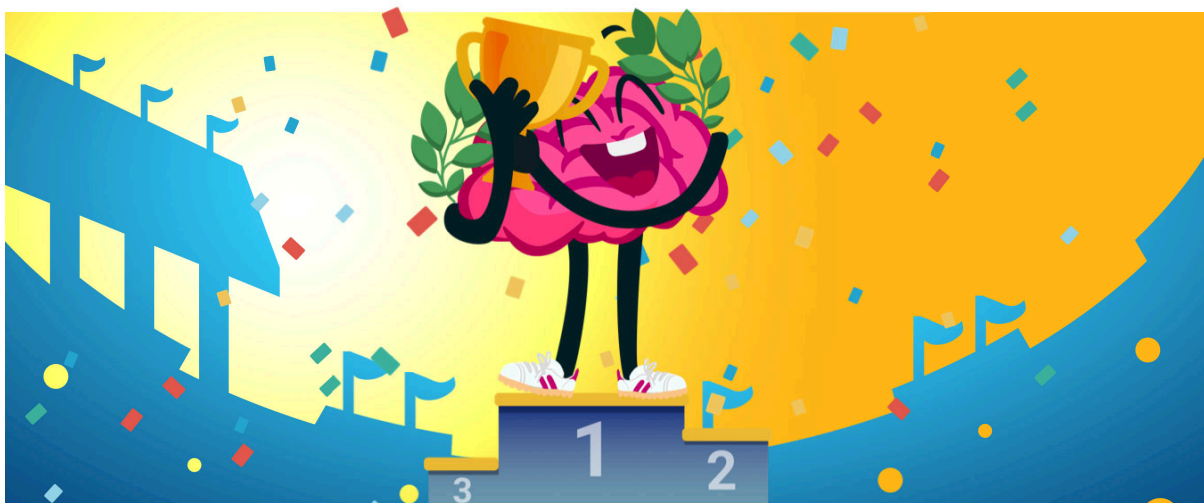
The next category is made up of growth games. Growth games are products expected to contribute to the company with increasing revenues. To that end these are games in which MAG actively invests user acquisition (UA).

The third category in the portfolio is new game development. MAG constantly invests in developing new games it believes have the potential to become hit, growth games. The company continuously has multiple games in various stages of development being tested on the market. By having several games in different development phases, the company spreads out its financial risks. Additionally, new games in the testing and development phase are not included in the balance sheet.

MAG sets high requirements for new games to be released. These standards maximize the potential of each new game to reach tens of millions of players during their lifetime.

A SUCCESSFUL BUSINESS MODEL

MAG's business model has proven to be successful. All games globally launched have reached over one million downloads, and the company has reached over 350 million players across its entire portfolio. MAG continues to develop and market new and existing free-to-play games to a casual audience with the goal of achieving an EBIT margin of at least 20% over time.



ACQUISITIONS

MAG'S STRATEGY FOR ACQUISITIONS

Acquisitions are not part of MAG's primary business, but they function as a value-creating complement to internal game development.

Over the years, MAG has made several acquisitions of both studios and individual IPs. It is important for MAG that the companies it acquires fit into its corporate culture and that the games it acquires can complement its existing game portfolio.

Several games in MAG's portfolio are directly or indirectly the result of acquisitions: WordBrain and QuizDuel were directly acquired, and Wordzee was developed by the company's studio in Brighton, which was acquired in 2015.



The acquisitions the company has made over the years have been financially successful overall, and its games have been largely well integrated into MAG's portfolio. The structure for acquisitions always aims to reflect how future value is expected to arise and, in this way, to balance potential and risk.

The acquisition process, which is thorough in identifying both people and products that fit the business, has the potential to create more value for MAG in the future. The company holds discussions on an ongoing basis with different game studios about acquisitions.

GROWTH GAMES

CROZZLE

MAG's new engaging crossword game Crozzle reinvents the classic crossword into a competitive multiplayer game. In Crozzle players challenge each other to earn the highest score by solving crossword puzzles on a shared board. Players place letter tiles to solve clues and complete words, using bonus squares for extra points. The game was released in April 2025 in several English-speaking markets after a successful soft launch in the US. A localized version of Crozzle has also been launched in Sweden with other large European markets to follow, including France and Germany. As user acquisition continues to scale up, it lays the groundwork for Crozzle to firmly become one of MAG's established growth games.

Crozzle's multiplayer, challenge-based format sustains high player engagement and retention, which helps Crozzle retain a high average revenue per daily user (ARPDau). Strategic features like boosters and letter tile swaps enhance the crossword experience while creating diverse opportunities for monetization. Given the game's expansion into European markets, continuous development of player events, fresh content and exclusive features, Crozzle is positioned to be a valuable growth product for the company.



GROWTH GAMES

WORDZEE

Wordzee is MAG's unique word game where players challenge each other to form words from letter tiles placed on a special game board. The player who fills the entire board takes home "Wordzee" and extra bonus points. The game was developed by MAG's studio in Brighton and is one of the company's main growth products. Wordzee was released globally in November 2019 and has shown a high average revenue per daily active user (ARPDau) ever since.

Wordzee encourages player engagement with fun daily challenges and many special events that all offer exclusive rewards. Unique and seasonal events are continuously added and consistently active, with alternating durations and themes that vary urgency of play and appeal to an increasingly broad range of players. Player engagement and sense of progression are strong focuses for Wordzee as they are key drivers in revenue growth and player loyalty.

Wordzee continues to evolve with new features and optimizations on monetization and remains a strong growth product for MAG.



GROWTH GAMES

QUIZDUEL

QuizDuel is a social trivia game where players challenge friends and other players worldwide in quizzes. The game was released in 2012 and has reached over 100 million downloads in total. QuizDuel is a strong brand in both Sweden and Germany, the game's largest market, where a quiz show with the same name is also broadcast on TV.

The game was launched in a new version in 2019 and, alongside classic quiz duels of six rounds with three knowledge questions, has introduced new game modes and events, including: *Solo*, *Question Streak*, *Arena* and *Quinder*. The game is MAG's largest product in terms of daily active users and also the largest mobile trivia game in Europe.

Like many other games in MAG's portfolio, QuizDuel has seen positive impact from events on its in-game economy, increased revenue and more paying players. *Question Streak Leagues*, where players compete on leaderboards for highest streaks, is among several of the game's successful permanent game modes and features that contributes significantly to player engagement and loyalty. Additionally, progression displays like exclusive avatar frames encourage persistent revenues through more stable long-term engagement.

Thanks to many improvements within the game, QuizDuel is still increasing its revenue after ten years. MAG sees continued growth potential in the product.



EVERGREENS

WORD DOMINATION

Word Domination is a tactical word game where players compete against each other in real-time in exciting word battles. The game was released globally in 2018 and has reached over 10 million downloads. In Word Domination, the opponents challenge each other over five rounds and collect points by spelling words on a common board. With “booster cards”, players can tactically deploy time-limited advantages.

The game enjoys a highly engaged player base, the majority of which are long-time fans that have been playing Word Domination for a year or more.



EVERGREENS

RUZZLE

Ruzzle is MAG's first word game success; it was launched globally in 2012 and has been downloaded over 60 million times. In Ruzzle, the player is challenged to find as many words as possible from a given set of letters within two minutes. The game is one of MAG's most important evergreens with a very loyal player base and generates long-term predictable revenue.

Ruzzle continues to be a pillar in MAG's portfolio, in terms of both player engagement and revenue, and is a benchmark for how MAG wants to build future evergreens.



EVERGREENS

WORDBRAIN

The word puzzle game WordBrain has been live for over ten years and has grown into a strong evergreen for MAG with a stable revenue stream. In WordBrain, the player searches for secret words based on specific letter combinations on specific boards. The game has been downloaded over 40 million times in total and reached number one in 118 countries in the word game category on Apple's App Store.

WordBrain has a stable and dedicated player base and is an important evergreen for the company. MAG continues to deliver new content to the game in the form of new puzzles and events.



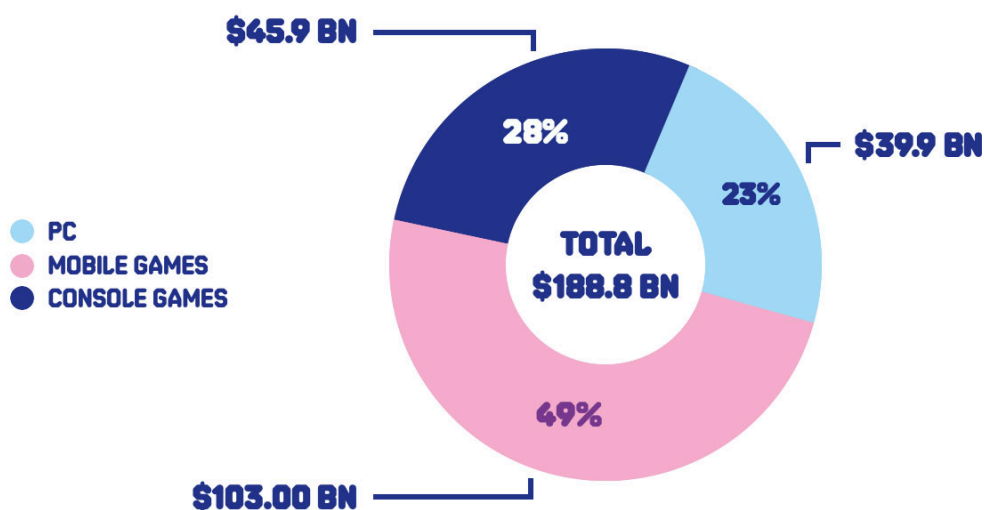
THE MARKET

MACRO MOBILE TRENDS

According to Newzoo's *Global Games Market Report 2025*, mobile gaming remains the largest segment of the global games market, projected to generate \$103.0 billion in revenues in 2025. This reflects a 2.9% year-on-year increase and accounts for 55% of total game revenues. While mobile continues to dominate, overall market growth is moderating as the segment matures.

Newzoo forecasts the market to reach \$188.8 billion in 2025, a 3.4% increase from the previous year. The global player base will expand to 3.6 billion, up 4.4% year-on-year, with 3.0 billion players on mobile platforms.

2025 GLOBAL GAMES REVENUE



Newzoo's Games Market Report 2025

Newzoo expects total game revenues to reach \$206.5 billion by 2028, indicating continued steady growth (Newzoo, 2025).

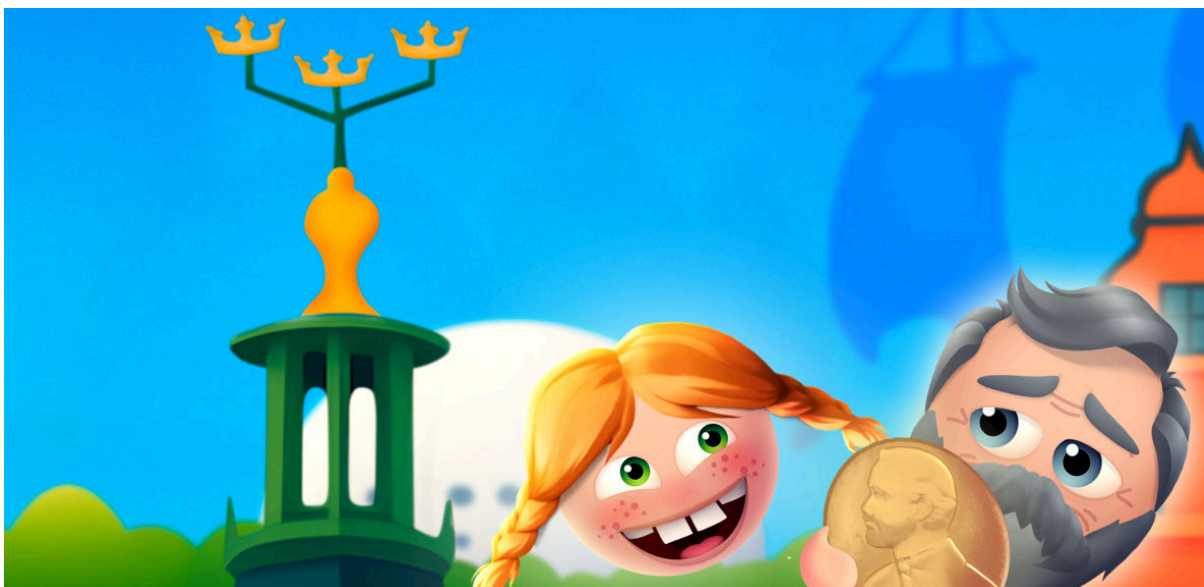
REGIONAL DYNAMICS

Growth in mature markets such as North America and Europe is expected to slow to around 2.3% this year, slightly down compared to 2024. According to Newzoo's report, two factors limit growth: an aging population and lower population growth. The main growth drivers are mobile-first regions, such as the Middle East and Africa, which are set to outgrow other regions with 6.8% year-on-year growth, with those gains spread across platforms.

Mobile gaming continues to expand, but growth patterns differ by region. Asia-Pacific mobile revenues are expected to grow by 1.5% year-on-year. Meanwhile, economic pressure, slower upgrade cycles, and increased mid-range Android competition are eroding iOS share in markets such as Brazil, Mexico, France, and the United States, where iOS growth has plateaued, Newzoo notes.

GENERATIVE AI IN GAME DEVELOPMENT

The role of generative AI in game development has evolved from experimentation to integration. According to *Unity's Gaming Report 2025*, 96% of game studios now use AI tools in their workflows. AI use is seen primarily in areas such as automated playtesting, in-game moderation, and code optimization, but less in creative experimentation.



The GDC State of the Game Industry 2025 Report echoes this trend, noting that more than half of surveyed developers work at companies actively using generative AI. At the same time, ethical concerns around intellectual property misuse, content quality, and job displacement have intensified in the industry (*GDC, 2025*).

DISCOVERABILITY CHALLENGES AND DISTRIBUTION

According to *Sensor Tower's State of Mobile Gaming 2025*, 2024 was a year of stability in the mobile market, as developers and marketers focused on audience retention and engagement to sustain growth. Live Operations (LiveOps) have become a key requirement for long-term success in that they ensure games remain competitive and profitable in an increasingly saturated market (*Sensor Tower, 2025*). Many studios are therefore focusing their efforts on LiveOps and ongoing content updates as a way to extend the lifespan of existing titles.

At the same time, Newzoo highlights growing discoverability challenges as app stores and web shops become increasingly crowded by new game releases. This has prompted developers to explore curated catalogs, alternative channels to reach players outside app stores, and direct-to-consumer (D2C) distribution models to strengthen visibility and control over monetization. While these shifts are changing how revenues are distributed, they have yet to drive overall market expansion (*Newzoo, 2025*).

MARKET OUTLOOK

Mobile gaming's growth remains steady in 2025, supported by a vast global player base and continued strength in mobile-first regions. However, the market is now characterized by slower revenue growth, heightened competition, and a stronger emphasis on retention of players.

For MAG, the focus continues to be on Western Europe and the United States, where player spending potential remains highest. Even with slower player growth, these markets include the highest spenders and are therefore central to MAG's business strategy.

With small, efficient teams and a strong data-driven focus, MAG is well positioned to adapt to ongoing market changes while continuing to deliver high-quality game experiences.

Sources:

[Newzoo Global Games Market Report 2025](#)

[Unity Gaming Report 2025](#)

[GDC State of the Game Industry Report 2025](#)

[Sensor Tower State of Mobile Gaming 2025](#)

SUSTAINABILITY

Sustainability for MAG means working long-term, both internally and externally, to create the best possible conditions for future-proofing the company and minimizing our climate impact. MAG compliments its focus on climate impact with continuous work to address diversity and inclusion matters both within the company and in the larger community.

DIVERSITY AND INCLUSION

MAG believes an inclusive, equal, and diverse culture is integral to the company's success. Therefore, we strive for our internal and external efforts to reflect this vision throughout the organization. The diversity and inclusion work at MAG involves:

- Management taking responsibility for and prioritizing diversity work
- Working to attract and retain women
- Increasing the number of women in senior and leadership roles
- Recruiting from various backgrounds
- Creating work methods and initiatives that promote a culture characterized by diversity and inclusion
- Making parental leave policy and benefits clear to encourage employees to take parental leave
- Sharing diversity goals internally

Having more women represented at the company is not the only focus of MAG's diversity work, but it is an important one. At the end of the financial year 2024/2025, 40% of MAG employees identified as women and/or non-binary. This is nearly 20% higher than the average number of women employed in Sweden's gaming industry, which is 23.5%, according to the Swedish Games Industry Game Developers Index latest numbers in the Index Report 2025, . Striving for and maintaining a balanced gender distribution will remain a key priority for MAG in the coming years, as the company is convinced that diversity and inclusion are essential to building a successful organization.

ACTIVITIES FOR DIVERSITY AND INCLUSION:

AWARENESS DAYS: a yearly event that specifically highlights diversity and inclusion matters for proactive and educational purposes; all employees participate in workshops on diversity and inclusion.

TEAM TALKS: MAG has been conducting continuous surveys since 2019 to examine how its employees feel in general; results are discussed within individual teams, with the HR

department, or in both settings. Since 2023, MAG has been conducting an expanded survey with a focus on diversity and discrimination to use and develop proactive measures as part of our diversity efforts.

REDUCING LANGUAGE BARRIERS: MAG has English as the official language in its offices but also offers three levels of Swedish lessons to all employees at the Stockholm office.

PARENTAL LEAVE: MAG encourages all employees to take time off and spend time with their child(ren) and to that end offers a generous parental leave package.

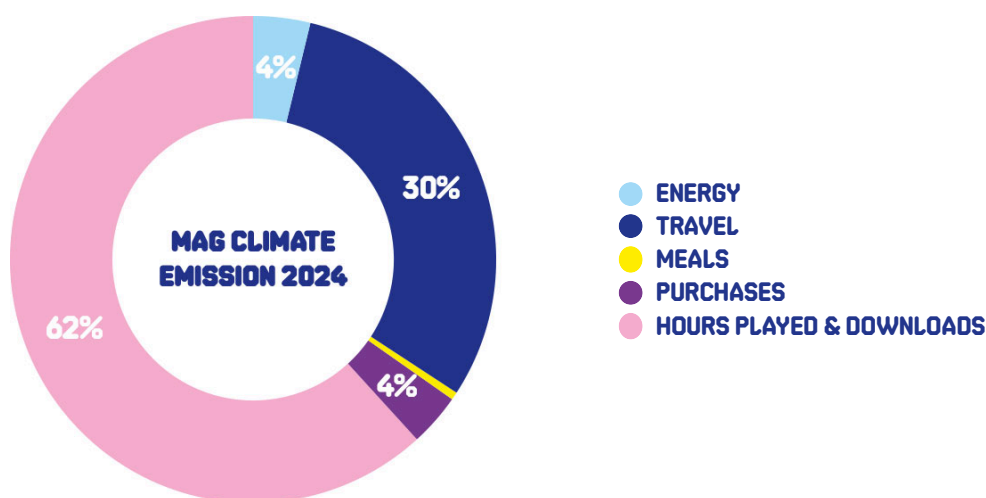
ONBOARDING: MAG adapts the introduction of all employees to their specific needs to give them the best possible start at MAG; the goal is for all employees to have the same conditions when they start.

DIVERSITY & INCLUSION GROUP: MAG has a dedicated group that works to address diversity and inclusion issues and meets regularly to follow up on the overall goals and upcoming initiatives to promote them. The group is open to all employees to participate.

MAG'S CLIMATE IMPACT 2024

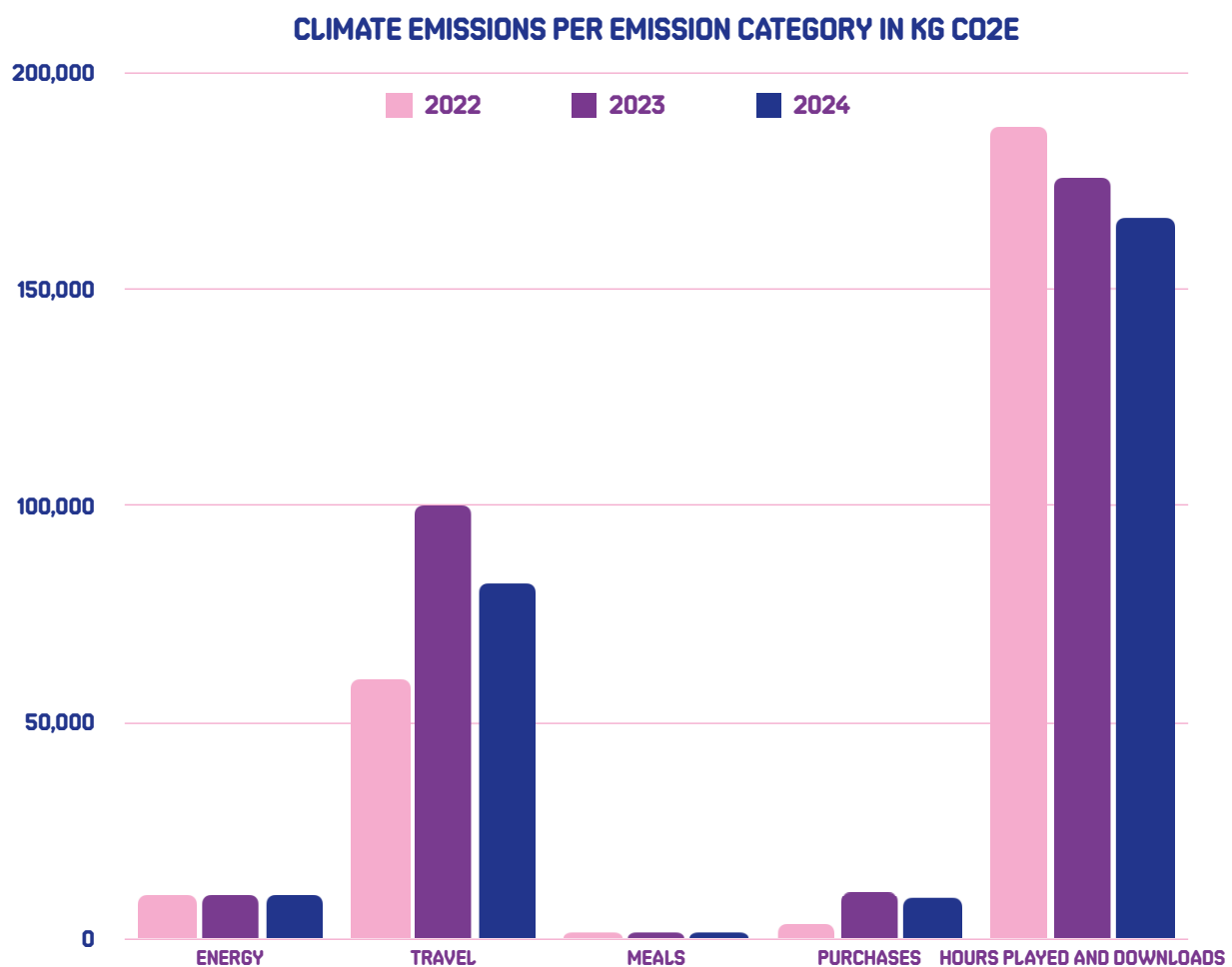
Since 2019, MAG has striven to reduce our climate impact and to compensate for all our carbon emissions. With the help of the company Go Climate, MAG creates a climate report that details how much CO₂ (carbon dioxide) MAG generates through, for example, server operation, flights, electricity use, and hardware purchases.

MAG offsets its carbon emissions with the help of Go Climate for flights, energy, meals, purchases, as well as gaming hours & downloads. To ensure that these climate contributions have the best impact, they are allocated to Go Climate's Gold Standard Initiatives, which are specific climate projects that support three of the UN's global sustainability goals.



MAG's primary sources of emissions have historically been: energy, flights, and purchases. The majority of its electricity use comes from renewable energy sources. The Stockholm office is powered by green electricity, and the servers in Google Cloud are also carbon neutral and use green electricity.

Since 2020, MAG has also offset its players' impact on climate. The calculations of these CO₂ emissions are based on the number of hours of gameplay and game downloads from the internet. MAG Interactive's emission sources for 2024 was 269.7 metric tons of carbon dioxide equivalents, which is lower than the 298.3 metric tons of carbon dioxide equivalents in 2023. To reduce the company's long-term climate impact, MAG now has a more restrictive travel policy.



DEFINITIONS

Term	Description
<i>Net sales</i>	Total game revenue, drawn from In-app purchases and advertising sales. MAG records the full value of items sold as In-app purchases and reports the platform share as Sales related costs. The Platform fee is normally 30%, but sometimes 15%, of the item price (Apple and Google).
<i>In-app purchases</i>	The value of purchases made in an app through Google Play or Apple App Store or other such store.
<i>Advertising sales</i>	Net sales from ads in the games.
<i>Activated costs for own account</i>	Development work activated to the balance sheet. The company activates personnel costs, including social fees and other related costs such as office space, for infrastructure to the games, games in soft launch and live games. Soft launch is the last development phase prior to global launch and the probability of a global launch is high. MAG has not had any write-downs of activated costs for own account since the company went public.
<i>Platform fee</i>	30% of the In-app purchases are costs to the platform, primarily Google Play and Apple App Store. Certain platforms offer a 15% discount for subscriptions, and currently also a discount of 15% for the first million USD of revenue for the year.
<i>User acquisition</i>	Marketing costs with direct connection to one of the games and with measurable effect and demands on ROI (return on investment). A common ROI requirement is to have the investment paid back as net revenues within six or nine months, and longer periods can be relevant in situations with strong retention and long term monetization.
<i>Game contribution</i>	Net sales minus platform fees (primarily to Google and Apple) minus user acquisition.

EBITDA	Profit/loss before financial items, taxes, depreciations and write-downs.
Equity/asset ratio	Equity as a percentage of balance sheet total.
DAU	Average number of Daily Active Users for the days during the period. Calculated as the sum of DAU for the individual games in such a way so that a player that plays more than one game in one day is counted once per game.
MAU	Average number of Monthly Active Users over the months during the period. Calculated as the sum of MAU for the individual games in such a way so that a player that plays more than one game in one month is counted once per game. An average over the months in the period is calculated.
MUP	Average Monthly Unique Payers during the period is the total number of unique users that makes an In-app purchase in a game. Counted in such a way that a user that makes purchases in more than one game during the month is counted once per game. An average over the months in the period is calculated.
ARPDau	Daily average Net sales per daily active user (DAU). If nothing else is stated this is measured in US cents.



CORPORATE GOVERNANCE REPORT 2024/2025

MAG Interactive is a Swedish public limited liability company. As a company listed on Nasdaq First North Premier Growth Market, the Company applies to Swedish laws (e.g. the Swedish Companies Act (2005:551) and the Swedish Annual Accounts Act (1995:1554)) and regulations, the Company's articles of association, internal rules and instructions, and the Nasdaq First North - Rulebook, as well as other Swedish and foreign laws and regulations, as applicable. The Company also applies the Swedish Corporate Governance Code (the "Code"). The Code defines a norm for good corporate governance on a higher level of ambition than the Swedish Companies Act and other regulations' minimum requirements. The Code is based on the principle "comply or explain". This means that the Company is not required to apply every rule of the Code at all occasions, but may choose alternative solutions deemed to better respond to particular circumstances, provided that the Company openly discloses all such deviations, describe the alternative solutions and states the reason for the deviation.

The Company does comply with the Code with the exception of two points. This relates to Rule 2.3 in the Code regarding the independence of the Board of Directors from the company's management and Rule 7.6 regarding the board's responsibility to ensure that the half-yearly or nine month report is reviewed in detail by the company's auditors.

REASONS FOR DEVIATION FROM THE CODE

A large share of the ownership of the company is within the founding team, who are also still part of the company management, and according to the company code the four largest shareholders shall be in the nomination committee. Two of the largest shareholders, who are also founders and, in one case, part of the company's management, are members of the Nomination Committee. Kaj Nygren was appointed member of the nomination committee representing NMO Invest, Playful days as well as the other active founders. Kaj is also a member of the company's management. Given the concentrated shareholding within the management team, which includes the Company's two largest shareholders, the Company considers that this arrangement supports effective corporate governance that promotes the long-term interests of all shareholders.

Given the risk controls and procedures already in place within the Company, it is deemed that there is no need for an general audit of the company's half-yearly or nine-month report. The company's risk controls and procedures are described in more detail in "Internal Control" starting on page 46.

THE ANNUAL GENERAL MEETING

According to the Swedish Companies Act, the general meeting is a company's highest decision-making body. The general meeting may resolve upon every issue for the company, which is not specifically reserved for another company body's exclusive competence. At the annual general meeting, which shall be held within six months from the end of the financial year, shareholders exercise their voting rights on issues, such as adoption of income statements and balance sheets, appropriation of the company's profits or losses, discharge of liability for the board of directors and the CEO for the financial year, the appointment of members of the board of directors and auditor, remuneration for the board of directors and the auditor and possible changes of the Company's articles of association.

At the annual general meeting on January 22, 2025 in Stockholm, the board of directors was authorised, on one or more occasions, during the period until the next annual general meeting, to decide on a new issue of shares, with or without deviation from the shareholders' preferential rights.

Besides the annual general meeting, extraordinary general meetings may be convened. In accordance with the Company's articles of association, all general meetings shall be convened through announcements in the Swedish Official Gazette (Sw. Post- och Inrikes Tidningar) and by posting the notice to the meeting on the Company's website. An announcement shall simultaneously be placed in Svenska Dagbladet with information that the meeting has been convened.

The annual general meeting 2025 will be held on Wednesday 21 January 2026 in Stockholm at the company headquarter at Drottninggatan 95A.

RIGHT TO ATTEND GENERAL MEETINGS

All shareholders who are directly registered in the share register kept by Euroclear Sweden AB ("Euroclear"), six bank days prior to the general meeting, and who has notified the Company of their intention to attend the general meeting at the latest by the date specified in the notice convening the meeting, shall be entitled to attend the general meeting and vote according to the number of shares they hold. Shareholders may attend general meetings in person or through a proxy, and may also be accompanied by not more than two assistants. One share on company gives right to one vote at the general meeting given that notice was given according the process described above.

The present ownership structure is presented on the following page.

OWNERSHIP STRUCTURE

MAG Interactive AB (publ) is the parent company of the Group, which consists of MAG Interactive AB (publ) and one wholly owned subsidiary in the United Kingdom, with the company name MAG Games Limited. In 2017 MAG Interactive was listed on NASDAQ First North Premier Growth Market with first day of trading on 8 December 2017. In conjunction with the listing the company all previous preference shares were converted to common shares. The total number of shares are 26,494,653.

As of September 30, 2025, the major owners are:

OWNERS	NUMBER OF SHARES	OWNERSHIP SHARE %
DANIEL HASSELBERG	3,518,666	13.3
KAJ NYGREN	3,100,439	11.7
AVANZA PENSION	2,776,745	10.5
NORDNET PENSIONSFÖRSÄKRING AB	2,170,532	8.2
SWEDBANK ROBUR	1,715,704	6.5
ANDERS LARSSON	1,444,560	5.5
FREDRIK STENH	1,353,256	5.1
MARTIN POULSEN INVEST AB	1,281,128	4.8
CARNEGIE FONDER AB	1,224,619	4.6
JOHAN PERSSON	1,073,715	4.1

SHAREHOLDER INITIATIVES

Shareholders who wish to have a matter discussed at the general meeting must submit a written request in that regard to the board of directors. Requests must normally be received by the board of directors at least seven weeks prior to the general meeting.

LONG TERM INCENTIVE PROGRAMS

The company has three share savings program, the programs are described below and in note 30.

SHARE SAVINGS PROGRAM 2023

The annual general meeting 2023 resolved to issue no more than 130,000 share rights whereof 65,000 retention shares and 65,000 performance shares to employees and management.

The program means that management and all employee will be offered participation free of charge to receive MAG shares, conditional upon that the employee makes an own initial investment in the company's share. For each investment share the participant may receive after a three year performance period free of charge receive one MAG share (investment share). Additional fulfillment of a performance criteria during the program receive maximum one additional share (performance share) free of charge. The share savings program was signed for by 46 people, the term is April 2023 - March 2026.

SHARE SAVINGS PROGRAM 2024

The annual general meeting 2024 resolved to issue no more than 135,000 share rights whereof 45,000 retention shares and 90,000 are two different types of performance shares to employees and management.

The program means that management and all employee will be offered participation free of charge to receive MAG shares, conditional upon that the employee makes an own initial investment in the company's share. For each investment share the participant may receive after a three year performance period free of charge receive one MAG share (investment share). Additional fulfillment of performance criteria during the program receive up to two additional shares (performance shares) free of charge. The share savings program was signed for by 44 people, the term is March 2024 - February 2027

SHARE SAVINGS PROGRAM 2025

The annual general meeting 2025 resolved to issue no more than 135,000 share rights whereof 45,000 retention shares and 90,000 are two different types of performance shares to employees and management who are not founders of or major shareholders in the company.

The program means that all participants will be offered participation free of charge to receive MAG shares, conditional upon that the employee makes an own initial investment in the company's share. For each investment share the participant may receive after a three year performance period free of charge the opportunity to receive up to three additional shares in MAG Interactive of which one share is conditional on continued employment ("retention shares"), and two shares are conditional on continued employment and that a performance target regarding the company's average annual sales growth during the program is achieved ("performance shares").

The share savings program was signed for by 28 people, the term is March 2025 - February 2028

NOMINATION COMMITTEE

The primary purpose and responsibility of the Nomination Committee is to, at the General meeting, present proposals for the election of the Chairman of the Board, Board members, and auditors of MAG Interactive AB, as well as proposals regarding fees and other remuneration for Board assignments for each of the Board members and the auditors.

At the General Meeting held on 15 November 2017, MAG Interactive resolved to adopt instructions for the Nomination Committee. According to these instructions, the Company's Nomination Committee shall consist of one representative of each of the four shareholders or shareholder groups with the largest number of votes, based on ownership as of the last banking day in April of the financial year prior to the Annual General Meeting, who wish to appoint a representative, along with the Chairman of the Board. In addition to this, the Nomination Committee shall perform the tasks incumbent upon it as set forth in the Swedish Corporate Governance Code.

The members of the nomination committee shall be announced not later than six months prior to the annual general meeting.

NOMINATION COMMITTEE FOR THE MAG INTERACTIVE AB [PUBL] ANNUAL GENERAL MEETING 2026:

- Caroline Sjösten - representing Swedbank Robur Fonder
- Kaj Nygren - representing NMO Invest AB and Playful Days AB
- Johan Persson - representing himself, Fredrik Stenh and Anders Larsson
- Adjunct: Jonas Eriksson, Chairman of the board at MAG Interactive AB

THE BOARD OF DIRECTORS

The board of directors is the highest decision-making body after the general meeting, and is also the highest executive body. The board of directors' responsibility is mainly regulated in the Swedish Companies Act. Pursuant to the Swedish Companies Act, the board of directors is responsible for the company's organisation and the administration of the company's affairs. Furthermore, the board of directors shall continuously assess the company's financial position, as well as ensure that the company's organisation is formed in a way that the accounting, asset management and the company's financial conditions are otherwise controlled in a secure manner.

The board of directors' responsibility is further regulated in the Company's articles of association, directions given by the general meeting and rules of procedure for the board of directors of the Company adopted by the board of directors.

The assignments of the board of directors include, inter alia, to set objectives and strategies, ensure that there are effective systems for follow-up and control of the Company's operations, and ensure that there is satisfactory control of the Company's compliance with legislation and other regulations applicable to the Company's operations. The board of directors decides on the Company's business direction, strategy, business plan, resources and capital structure, organisation, acquisitions, major investments, divestments, annual and interim reports and other general issues of a strategic nature. In addition, the board of directors addresses issues and makes decisions regarding other matters considered to be outside the scope of the CEO's authority.

The board of directors shall also define appropriate guidelines to govern the Company's conduct in society, with the aim of ensuring the Company's long-term value creation capability, as well as ensure that the Company's disclosure of information is characterized by transparency and is accurate, reliable and relevant. In addition, the assignments of the board of directors include appointing, evaluating and if necessary removing the CEO.

Members of the board of directors are appointed annually by the annual general meeting for the period until the end of the next annual general meeting. According to the Company's articles of association, the members of the board of directors to be elected by the general meeting shall consist of a minimum of five members and a maximum of ten members, with no deputy board members. At the date of the Prospectus, the Company's board of directors consists of six members elected by the general meeting. The board members are presented in detail in the section "Board of directors, executive management and auditors". MAG Interactive's board of directors follows a written procedure, which has been adopted by the board of directors and is reviewed annually. Among other things, the procedure for the board of directors regulates the board of directors' role and responsibility, the board of directors' way of working and how the work is divided within the board of directors. The board of directors also adopts instructions for the CEO of the Company, including instructions for financial reporting.

BOARD MEETINGS DURING THE YEAR

The board of directors held a total of seven (7) meetings during the financial year, where two (2) of the meetings were by correspondence. See the presentation of the Board of Directors and each member's attendance at Board meetings in the section "The Board of Directors, Executive Management and Auditors."

RENUMERATION TO MEMBERS OF THE BOARD OF DIRECTORS

Fees and other remuneration for members of the board of directors, including the chairman of the board, are resolved upon by the general meeting. The annual general meeting held on January 17, 2024 resolved that the total amount of fees to the board members, until the next annual general meeting, will be SEK 1,330,000. SEK 450,000 to the chairman and SEK 220,000 to each of the other members. The CEO of MAG will not be remunerated for the board work.

EVALUATION OF THE BOARD

As part of the board year calendar an evaluation of the board work is conducted. It is scheduled to be presented at the ordinary meeting in August/September each year. The evaluation is led by the chairman and consists of a survey completed by each one of the members of the board. The survey that covers areas such as effectiveness of the preparatory work, communication with the CEO, communication with and by the management team, the effectiveness of the financial reporting.

DIVERSITY IN THE BOARD

The Nomination Committee has applied Rule 4.1 of the Swedish Corporate Governance Code as its diversity policy within the framework of its work. The Nomination Committee has taken into account the recommendations outlined in the Swedish Corporate Governance Code regarding an appropriate composition, diversity, and breadth in terms of the proposed Board members' competencies, experience, background, and the aspiration for a more even gender distribution. The Nomination Committee actively works to ensure that the composition of the proposed Board meets the requirements set by MAG Interactive's business and long-term strategic development with respect to the Board members' skills, experience, and diversity.

COMMITTEES

REMUNERATION COMMITTEE

The board of directors has internally established a remuneration committee. The remuneration committee consists of four members: Jonas Eriksson is Chairman of the remuneration committee. All of the members are independent of the Company and its management in accordance with all assessed circumstances as set out in the Swedish Corporate Governance Code.

The CEO of the company, also member of the board, is not part of the remuneration committee. The remuneration committee's main tasks are to prepare the board of directors' decisions on issues concerning, among other things, terms of employment and remuneration to the executive management. Furthermore, the remuneration committee shall monitor and evaluate, both ongoing and finalized, programs for variable remuneration to the executive management and also follow and evaluate the application of the current principles for remuneration to MAG Interactive's executive management. The remuneration committee shall also support and advise the board on matters related to the appointment of the CEO and other members of the executive management, as well as matters related to performance evaluation and succession planning for members of the executive management. The remuneration committee has no authority to make decisions. See section 'The Board of Directors, Executive Management and Auditors' for the meetings of the Remuneration Committee, as these coincide with the meetings of the Board of Directors.

AUDIT COMMITTEE

The board of directors of the Company has established an audit committee consisting of the chairman of the board, Jonas Eriksson and board member Åsa Linder. The audit committee and its instruction were established at the regular board meeting in January 17, 2024.

The audit committee's remit is to prepare the board of directors' work to assure the quality of the company's financial reporting. The committee is also tasked with delivering its evaluation of the audit process to the nominating committee in connection with drafting the nominating committee's proposals to the AGM regarding the appointment of auditors and the amount of audit fees. The audit committee has no authority to make decisions. The audit committee met six (6) times during the fiscal year 2024/2025, the period September 2024 to August 2025. All of the members were present at all meetings.

BOARD OF DIRECTORS, EXECUTIVE MANAGEMENT AND AUDITORS



THE BOARD OF DIRECTOR'S OF MAG INTERACTIVE (from the upper left row)

JONAS ERIKSSON, DANIEL HASSELBERG, ÅSA LINDER, BRITT BOESKOV, TAINA MALÉN, ASBJØRN SØNDERGAARD

BOARD OF DIRECTORS

According to MAG Interactive's articles of association, the board of directors shall consist of five to ten members appointed by the general meeting, without deputy members. MAG Interactive's board of directors currently consists of six members appointed by the annual general meeting (AGM) 2025 until the AGM to be held in 2026 for the financial year 2024/2025. The Company's financial year is between 1 September - 31 August.

Share holdings are valid per 30 September 2025.

JONAS ERIKSSON, CHAIRMAN OF THE BOARD

Jonas Eriksson, born in 1967, is a member and Chairman of the board of directors of MAG Interactive since 2021.

Other assignments: Jonas Eriksson is also Chairman of the board of United Robots AB and Media Research AB as well as a board member of LRF Media Aktiebolag.

Previous assignments: Jonas Eriksson has been, but is no longer, CEO and Editor-in Chief of News agency TT, CEO of Canal Plus (now C More), CEO of Bonnier Tidskrifter,

CEO of LNK TV Litauen, chairman of Retrivers, chairman of SF Bio, chairman of Bonnier Home Entertainment,

member of the board of directors of TV4 and MTV Media Finland.

Education: Holds a Bachelor's degree of Science in Business and Economics from Mittuniversitet in Sundsvall.

Shares: Jonas Eriksson owns 155,921 shares in the company.

Jonas Eriksson is independent to large shareholders and to the company and the executive management.

Jonas Eriksson has attended the compulsory stock market training for the Board of Directors and Senior Management.



DANIEL HASSELBERG, CEO AND BOARD MEMBER

Daniel Hasselberg, born in 1973, is a board member since 2014 and CEO of MAG Interactive since 2013. Daniel Hasselberg was also Chairman between the years 2010 and 2013.

Other assignments: Daniel Hasselberg is also a member of the board of directors of MAG Games Limited, MAG United AB, NMO Invest AB and a substitute in the board of Sventertainment AB.

Previous assignments: Deputy member of the board of directors of Gaming on the Tail AB and member of the board of directors of Sonetel.

Education: Holds a M.Sc. in Engineering Physics from Uppsala University.

Shares: Daniel Hasselberg owns 3,518,666 shares in the company.

Daniel Hasselberg is neither independent to the large shareholders or to the company and the executive management team.

Daniel Hasselberg has attended the compulsory stock market training for the Board of Directors and Senior Management.

BRITT BOESKOV, BOARD MEMBER

Britt Boeskov, born in 1978, is a member of the board of directors of MAG Interactive since 2023.

Other assignments: Britt Boeskov is an independent advisor and professional board member. Britt Boeskov holds non-executive directorships at Racecourse Media Group, UK; Gaming1 Group, Belgium and Mindway.ai, Denmark, and is a board member of Better Collective (BETCO). Previous assignments: She previously spent 17 years at Kindred Group (KIND) in various executive roles, including COO, CPO and CXO.

Education: Boeskov holds a Master's degree from Copenhagen Business School in Intercultural Communication and Management.

Shares: Britt Boeskov owns 22,000 shares in MAG Interactive.

Britt Boeskov is independent to large shareholders and to the company and the executive management.

Britt Boeskov has attended the compulsory stock market training for the Board of Directors and Senior Management.



ÅSA LINDER, BOARD MEMBER

Åsa Linder, born in 1972, is a member of the board of directors of MAG Interactive since 2023.



Other assignments: Since May 2025, Åsa Linder has been working as Head of Group Accounting, Treasury and Tax at Max Matthiessen but holds no other current board assignments. Previous assignments: Åsa Linder has worked as an auditor at PwC, CFO at Bonnier AB, and CFO at Svensk Filmindustri. For 10 years, she held various assignments as an independent interim consultant within finance and accounting. In her role as an independent consultant, Åsa has worked with clients such as Sweco, Max Matthiessen, MTG, AniCura, Tele2, and OKQ8. Åsa Linder also has board experience from SF Norge, Motion Blur, and Bonnier Solutions.

Education: Åsa Linder holds an international degree in economics from Uppsala University and has studied at Université de Lausanne, École des Hautes Études Commerciales.

Shares: Åsa Linder owns 20,000 shares in MAG Interactive.

Åsa Linder is independent to large shareholders and to the company and the executive management.

Åsa Linder has attended the compulsory stock market training for the Board of Directors and Senior Management

TAINA MALÉN, BOARD MEMBER

Taina Malén, born in 1967, is a member of the board of directors of MAG Interactive since 2018.

Other assignments: Taina Malén serves as an advisor and mentor on matters related to marketing, branding, IP expansion, and international exploitation, and works with companies in the gaming and tech industries in the Nordics.

Previous assignments: Taina Malén worked as COO, CMO, and Head of Business Development at Star Stable Entertainment for 10 years. She is also co-founder of Esportal and former operational board member. Taina Malén has previously held several positions in music, film, and television, including Nordic Marketing Director at CANAL+ and Deputy CEO at MSL PR. Taina Malén has also previously served on the boards of WIMP (now TIDAL), 100 Songs, and Telegram Records.

Education: Business Economy at the Stockholm School of Economics.

Shares: Taina Malén does not own any shares or other financial instruments in the company.

Taina Malén is independent to large shareholders and to the company and the executive management.

Taina Malén has attended the compulsory stock market training for the Board of Directors and Senior Management.



ASBJØRN SØNDERGAARD, BOARD MEMBER

Asbjørn Søndergaard, born in 1980, is a member of the board of directors of MAG Interactive since 2020.

Other assignments: Asbjørn Søndergaard is the CEO and chairman of the board of directors of Tactile Games ApS.

Previous assignments: Asbjørn Søndergaard has no previous or completed assignments.

Education: Holds a degree in business development, media technology and games.

Shares: Asbjørn Søndergaard owns 55,000 shares in MAG Interactive, privately and through other companies.

Asbjørn Søndergaard is independent to large shareholders and to the company and the executive management.

Asbjørn Søndergaard has attended the compulsory stock market training for the Board of Directors and Senior Management.

COMPOSITION OF THE BOARD

BOARD MEMBERS	ELECTED YEAR	SHARES	INDEPENDENCE ¹	BOARD MEETINGS ²
JONAS ERIKSSON	2021	155,921	YES	7/7
DANIEL HASSELBERG	2014	3,518,666	NO	7/7
BRITT BOESKOV	2023	22,000	YES	7/7
ÅSA LINDER	2023	20,000	YES	6/7
TAINA MALÉN	2018	0	YES	6/7
ASBJØRN SØNDERGAARD	2020	55,000	YES	5/7

1. The independence refers to independence in relation to both major shareholders and to the company and its management, assessed based on the circumstances set out in the Swedish Corporate Governance Code, rule 4.5.
2. Two of the board meetings were held per capsulam where all members were present.

CEO AND EXECUTIVE MANAGEMENT

The CEO's responsibilities are regulated at various levels. By legislation the CEO's responsibilities are mainly regulated in the Swedish Companies Act. According to the Swedish Companies Act, the CEO shall attend to the day-to-day management according to the guidelines and instructions set out by the board. In addition, the CEO shall take all measures necessary in order to maintain the Company's accounting according to applicable laws and regulations and to have an adequate asset management. The CEO shall comply with the Code and Nasdaq First North - Rulebook, as well as other Swedish and international laws and regulations, as applicable.

The CEO must also adhere to the Company's articles of association, directions given by the general meeting, the instructions for the CEO, including instructions for financial reporting, and other internal directions and guidelines established by the board of directors. The division of work between the board of directors and the CEO is described in the instructions for the CEO, including instructions for financial reporting. The CEO reports to the board of directors and is responsible for the operational management of the Company and to execute the resolutions passed by the board of directors. The CEO shall control and monitor that the matters to be dealt with by the board of directors according to applicable legislation, the articles of association or internal instructions are presented to the board of directors, and shall continuously keep the chairman of the board of directors informed about the performance of the Company's operations, its earnings and financial position, as well as any other events, circumstances or conditions that cannot be assumed to be irrelevant to the board of directors or to the shareholders.

The CEO shall ensure that the Company has issued policies and/or instructions in all main areas of the Company's operations and that the policies and instructions are communicated and applied within the organisation.

The CEO shall also ensure that the Company has a current authorization manual that is properly observed and that the Company's accounting is performed in a way that is compliant with applicable legislation.

The CEO and the other members of the executive management are presented in greater detail in the section "Board of directors, executive management and auditors".

RENUMERATION FOR THE ECO AND EXECUTIVE MANAGEMENT

Salaries and other employment conditions are to be sufficient for MAG Interactive's ability to recruit and maintain highly competent members of the executive management. Remunerations within the Company shall be based on the employee's position, responsibilities and performance. Remuneration for the executive management constitutes a fixed salary, long term incentives and other benefits such as pensions and insurances. Such other benefits can be offered in accordance with the levels and practice which is applied in the country where the member of the executive management is employed and shall not constitute a material part of the total remuneration.

In addition to fixed salary, the members of the executive management team are entitled to variable salary. The variable salary is determined by the board of directors and must be linked to predetermined and measurable criteria and designed with the aim of promoting the Company's value creation and business strategy both in the short term and the long term. Targets for variable salary shall be linked partly to the outcome of specific financial targets for the Company and partly to individual targets attributable to each executive's role and function at the Company. The size of the variable salary shall not exceed SEK 750,000 per executive and financial year.

Furthermore, the annual general meeting may decide to offer long term incentive programmes such as share and share price related incentive programmes. These incentive programmes shall be intended to contribute to long term valuable growth and provide a common interest for value creation for shareholders and employees.

Neither the CEO, nor any of the members of the executive management team, are entitled to any severance pays in the event of termination of the employment.



EXECUTIVE MANAGEMENT IN MAG INTERACTIVE

(from the left)

MARIE LUNDGREN, MAGNUS WIKLANDER, MAGNUS HOLMSTRÖM, DANIEL HASSELBERG AND KAJ NYGREN.

DANIEL HASSELBERG, CEO

Daniel Hasselberg is the Chief Executive Officer of MAG Interactive since 2013 and member of the board of directors since 2014. For more information, read “The Board of Director’s of MAG Interactive” above.

MAGNUS WIKLANDER, CFO

Magnus Wiklander, born in 1973, is the Chief Financial Officer of MAG Interactive since 2017.

Other assignments: Magnus Wiklander is also a board member of Liphax AB and a member of the board of directors of Sventertainment AB.

Previous assignments: In the past five years, Magnus Wiklander has been, but is no longer, a member of the board of directors of M Wiklander AB, as well as Chief Financial Officer of Widespace AB.

Education: Holds a M.Sc. in Engineering Physics from Chalmers Institute of Technology, as well as a M.Sc. in Advanced Communication from Imperial College.

Shares: Magnus Wiklander owns 66,556 shares in the company.



KAJ NYGREN, CTO

Kaj Nygren, born in 1970, is the Chief Technology Officer of MAG Interactive since 2010.

Other assignments: Kaj Nygren is also a member of the board of directors of MAG Games Limited and Playful Days AB.

Previous assignments: In the past five years, Kaj Nygren has been, but is no longer, a member of the board of directors of MAG Interactive.

Education: Holds a M.Sc. in Computer Science from the Royal Institute of Technology (KTH).

Shares: Kaj Nygren owns 3,100,439 shares in the company.



MARIE LUNDGREN, HEAD OF PEOPLE & CULTURE

Marie Lundgren, born in 1986, is the Head of People and Culture of MAG Interactive since 2022.

Other assignments: Marie Lundgren has no ongoing or completed assignments.

Education: Marie Lundgren holds a Bachelor's Degree in Human Resources from Stockholm University.

Shares: Marie Lundgren owns 1,500 shares in the company through the long term share savings program 2023/26.



MAGNUS HOLMSTRÖM, HEAD OF PRODUCTION

Magnus Holmström, born in 1977, is the Head of Production of MAG Interactive since 2019.

Other assignments: Magnus Holmström has no ongoing or completed assignments.

Education: Magnus Holmström has studied the Masters program of Media Technology at Mid Sweden University.

Shares: Magnus Holmström owns no shares in the company.



AUDITORS

Öhrlings PricewaterhouseCoopers AB, with the address Torsgatan 21, 113 97 Stockholm, is the auditor of the Company since the annual general meeting held on 11 December 2013. The authorised public accountant Henrik Boman, who is a member of FAR (professional institute for authorised public accountants) is the auditor-in-charge.

AUDIT

The Company's statutory auditor is appointed by the annual general meeting. The auditor shall audit the Company's annual report and accounts, the consolidated accounts and the significant subsidiaries, as well as the management by the board of directors and the CEO. Following each financial year, the auditor shall submit an audit report to the annual general meeting.

According to the Company's articles of association, the Company shall have one to two auditors, with or without any deputy auditor(s), or a registered auditing company. MAG Interactive's auditor is Öhrlings PricewaterhouseCoopers AB, with Henrik Boman as auditor-in-charge. The Company's auditor is presented in more detail in the section "Board of directors, executive management and auditors – Auditors".

The total fee for the Company's auditor in the financial year 2024/2025 amounted to SEK 553,500. In addition, the Company paid SEK 10,000 to Öhrlings PricewaterhouseCoopers AB for services rendered in the financial year 2024/2025.

INTERNAL CONTROL

The board of directors' and the CEO's responsibilities for internal control is governed by the Swedish Companies Act and the Code.

According to the Swedish Companies Act, the board of directors is responsible for the company's organisation and management of the company's affairs and shall ensure that the company's organisation is structured in such a way that accounting, asset management and the company's financial conditions are controlled in a satisfactory manner.

The CEO shall, according to the Swedish Companies Act, manage the day-to-day business according to the guidelines and instructions issued by the board of directors. Furthermore, the CEO shall take necessary measures to ensure that the Company's bookkeeping is done in accordance with the law and that the asset management is handled in a satisfactory manner.

According to the Code, it is the responsibility of the board of directors to ensure that there are effective systems for follow-up and control of the company's operations.

Internal control is by practice defined as a process affected by the board of directors, the CEO, other members of the executive management and other employees and which is intended to provide a reasonable assurance that a company's goals are met, with respect to: appropriate and efficient operations, reliable reporting and compliance with applicable laws and regulations. The process for the Company's internal control is based on the control environment which provides the discipline and structure for the other four components of the process: risk assessment, control activities, information and communication, and monitoring.

Internal control over financial reporting is intended to provide reasonable assurances regarding the reliability of the external financial reporting in the form of quarterly and annual reports and financial statements as well as that the external financial reporting is prepared in accordance with applicable legislation and accounting standards and other requirements for listed companies. Ultimately, the responsibility for the internal control rests with the board of directors, which continuously evaluates the Company's risk management and internal control.

INTERNAL CONTROL FOR THE COMPANY

RISK ASSESSMENT

As a part of the assignment and of the yearly calendar, the board and executive team work to evaluate risk including all areas, including but not limited to financial risks and key business risks. Risks have been regularly reported to the board. The board and the audit committee have regularly discussed a the audit committee is integrated in the risk evaluation work. As a part of the yearly routine the risk map is updated by the executive management team and the updated risk policy is adopted by the board as part of the Board calendar.

CONTROL ACTIVITIES

Control activities are implemented at all levels, both in group functions and in local companies as well in the relation between the two in order to mitigate risks. The internal control starts with the division of work between the board and the CEO and management team as described in the CEO work instruction. The responsibilities are further divided within the management team and documented to the board.

The group and local routines for control are implemented in policies and work instructions for the financial and accounting team as well as other functions and relates to such areas as four eye verifications, approval policies and routines.

INFORMATION AND COMMUNICATION

All policies and instruction are available to all relevant employees in the company and are introduced to employees both as part of the onboarding process and training periods as well as on a regular basis when evaluating work and routines on the teams. This enables feedback from the organization to management and the Board of Directors. Procedures are regularly reviewed and updated continuously as needed. Information about the Company is provided to shareholders and other stakeholders through press releases, the annual report, and interim reports.

MONITORING

The board and management team regularly evaluates the control policies that are adopted for the respective areas. Each month, the CEO provides the Board of Directors with reports on the Company's financial performance, balance sheet, and significant events. The Audit Committee conducts financial evaluations of the Company's quarterly reports and annual report, while the Company's external auditors carry out statutory audits of the financial operations as well as reviews of the Company's routines and processes. Given the risk controls and procedures already in place within the Company, it is deemed that there is no need to establish a separate internal audit function.

AUDITOR'S REPORT ON THE CORPORATE GOVERNANCE STATEMENT

To the general meeting of the shareholders in MAG Interactive AB (publ) corporate identity number 556804-3524

ENGAGEMENT AND RESPONSIBILITY

It is the board of directors who is responsible for the corporate governance statement for the year 2024/2025 on pages 28–47 and that it has been prepared in accordance with the Annual Accounts Act.

THE SCOPE OF THE AUDIT

Our examination has been conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

OPINIONS

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm the date indicated by our electronic signature
Öhrlings PricewaterhouseCoopers AB

Henrik Boman

Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

FINANCIAL REPORTS

BOARD OF DIRECTORS REPORT

The Board of directors and the CEO of MAG Interactive AB (publ), 556804-3524, hereby present the annual report for the financial year 2024/2025 (ending August 31, 2025).

OPERATIONS

MAG Interactive is a leading mobile game developer focused on casual social games. With passionate, creative teams and a data-driven business model, MAG delivers world-class gaming experiences to millions of players worldwide. MAG specializes in word games and trivia, with a portfolio of titles including QuizDuel, Crozzle, Wordzee, Ruzzle, WordBrain, Word Domination, Wordbubbles and Primetime that have been downloaded over 350 million times. Revenue is mainly derived from in-app purchases and advertisements.

THE GROUP

The MAG Interactive AB (publ) group consists of, in addition to the parent company, MAG Interactive AB (publ) (incorporated in Sweden with registration number 556804-3524 and with its site in Stockholm), MAG Games Ltd (incorporated in United Kingdom and with its site in Brighton), MAG United AB (incorporated in Sweden with registration number 559182-8230 and with its site in Stockholm), Sventertainment AB (incorporated in Sweden with registration number 559155-8464 and with its site in Stockholm).

All games in the portfolio are published by MAG Interactive AB.

The group has 108 employees as of the end of the financial year, of which MAG Interactive AB (publ) has 85 employees and MAG Games Ltd has 23 employees. MAG United AB and Sventertainment AB don't have any employees..

GROUP PERFORMANCE 2024/2025

OPERATING INCOME

The Group's net sales for the period totalled 275,816 KSEK (283,432 KSEK), a decrease of 3%. The group's net sales was primarily attributable to the games Quizduel, Wordzee, Ruzzle, Crozzle, WordBrain, Word Domination, Wordbubbles and Primetime. Own work capitalized totalled 46,666 KSEK (46,168 KSEK). Other operating income 3,675 KSEK (1,596 KSEK) consist mainly of exchange rate gains and rental income from subletting of office space.

OPERATING EXPENSES, EBITDA AND OPERATING PROFIT/LOSS

Operating expenses totalled 337,044 KSEK (335,817 KSEK). Of these, 136,622 KSEK (107,525 KSEK) were sales related costs, of which cost for user acquisition were 72,220 KSEK (40,632 KSEK). During the year, user acquisition costs are mainly attributable to the games Crozzle, Wordzee and Quizduel.

Personnel expenses totalled 108,110 KSEK (136,160 KSEK), a decrease of 21%. Last year the personell expenses include a reversal of research deductions for more information see note 9. The average number of employees during the period was 98 (107) a decrease of 9%. EBITDA for the period was 49,786 KSEK (55,237 KSEK). Adjusted EBITDA for the period was 53,870 KSEK (80,520 KSEK), see note 11.

Depreciation and impairments of tangible and intangible assets totalled 60,672 KSEK (59,859 KSEK), of which 40,079 KSEK (34,868 KSEK) was depreciation of capitalized development expenses. During the financial year, the Intellectual Property Rights in the Group for Sventertainment's game Primetime were written down by 667 KSEK (2,000 KSEK). This was the result of the divestment and for the comparison year impairment testing.

The Group's operating profit/loss was -10,886 KSEK (-4,621 KSEK) and profit/loss before tax -11,403 KSEK (-3,701 KSEK). The financial net totalled -517 KSEK (920 KSEK) and referred to interest from cash & cash equivalent, exchange rate differences from cash and cash equivalents, interest expense and interest on financial leasing. Profit/loss after tax totalled -9,414 KSEK (-3,216 KSEK). The profit/loss after tax per share was -0.36 SEK/share (-0.12 SEK/share) and the profit after tax per share fully diluted was -0.36 SEK/share (-0.12 SEK/share). The average number of shares during the period was 26,494,653 (26,494,653) and the average number of shares fully diluted was 26,499,178 (26,494,707).

THE GROUP'S FINANCIAL POSITION AT THE END OF THE YEAR

Intangible non-current assets at the end of the period totalled 211,769 KSEK (213,992 KSEK), of which 125,634 KSEK (126,184 KSEK) relates to goodwill and 86,135 KSEK (87,808 KSEK) to other intangible assets. The latter consists primarily of capitalized development expenses on own account and acquired intellectual property. Trade and other receivables at the end of the period totalled 33,398 KSEK (28,993 KSEK). Cash and cash equivalents at the end of the period totalled 87,450 KSEK (121,835 KSEK). Total assets at the end of the year were 361,034 KSEK (402,054 KSEK).

Equity at the end of the period totalled 298,184 KSEK (334,972 KSEK), corresponding to 11.3 SEK/share (12.6 SEK/share). The equity/assets ratio at the same time was 82.6% (83.3%). The group has interest bearing debt of 8,999 KSEK (19,935 KSEK) referring to financial lease.

PARENT COMPANY PERFORMANCE 2024/2025

OPERATING INCOME

The parent company's net sales for the period were 273,410 KSEK (276,120 KSEK), a decrease of 1 % compared with the same period the previous year. Other operating income 3,467 KSEK (1,181 KSEK) consist mainly of exchange rate gains and rental income from subletting of office space.

OPERATING EXPENSES AND OPERATING PROFIT/LOSS

Operating expenses totalled 300,663 KSEK (295,653 KSEK). Of these costs 135,498 KSEK (103,802 KSEK) were sales related costs, of which costs of user acquisition were 72,220 KSEK (40,632 KSEK).

Personnel costs totalled 87,810 TSEK (111,916 KSEK). Last year the personell expenses include a reversal of research deductions for more information see Note 9 - Personell costs. Depreciation and impairments of tangible and intangible assets totalled 16,919 KSEK (17,274 KSEK). The parent company's operating profit (EBIT) for the period was -23,787 KSEK (-18,352 KSEK).

The financial net was 10,136 KSEK (-41,995 KSEK), of which the largest financial income consisted of dividends from subsidiaries (Sventertainment AB and MAG Games Ltd) totaling 22,006 KSEK, as well as interest income. The financial expenses consisted of a write-down of shares in subsidiaries amounting to 11,900 KSEK, of which 5,698 KSEK related to Sventertainment AB due to the divestment and 6,202 KSEK to MAG Games Ltd as a result of impairment testing.

A group contribution of 20,030 KSEK was provided to the subsidiary Sventertainment AB, and the result after tax amounted to -26,903 KSEK (-59,250 KSEK).

FINANCIAL POSITION AT THE END OF THE YEAR

The parent company's intangible fixed assets amounted to 24,960 KSEK (40,718 KSEK) at the end of the period.

The parent company's financial fixed assets amounted to 25,393 KSEK (28,083 KSEK) at the end of the period and mainly consist of participation in group companies, which totaled 16,113 KSEK (24,252 KSEK) at the end of the period. Participation in group companies consists of shares in the following subsidiaries; MAG Games Ltd of 16,000 KSEK, MAG United of 50 KSEK, and Sventertainment AB of 63 KSEK.

Current receivables amounted to 41,331 KSEK (35,396 KSEK) at the end of the period and mainly consisted of trade receivables totaling 33,398 KSEK (27,593 KSEK). Cash and cash equivalents amounted to 77,896 KSEK (108,644 KSEK) at year-end. Total assets at year-end were 169,971 KSEK (214,307 KSEK).

Equity amounted to 129,619 KSEK (182,649 KSEK) at the end of the period, and liabilities to 40,352 KSEK (31,658 KSEK), of which the largest item was accounts payable totaling 17,369 KSEK (8,985 KSEK).

KEY INDICATORS

DISTRIBUTION OF REVENUES BY BUSINESS MODEL

The Group's net sales are distributed primarily between in-app purchases (purchases made inside games via for example the Apple App Store or Google Play) and in-app advertising. The Group's net sales from in-app purchases for the period were 143,620 KSEK (139,566 KSEK), an increase of 3% compared to the previous year. The Group's net sales from in-app advertising were 131,847 KSEK (142,721 KSEK), a decrease of 8% compared with the same period the previous year.

GAME CONTRIBUTION

Games that are marketed by MAG Interactive have different cost levels in their distribution cost (Sales-related costs) and marketing cost (user acquisition), not least relating to which phase the games are in. The Group therefore reports the total contribution from games activities according to the following model: Net income minus platform fees (primarily originating from fees to Apple App Store and Google Play) and user acquisition. User acquisition includes digital advertising and other advertising associated directly with the company's products, as well as services and charges directly attributable to user acquisition. General marketing of the company and brand is not included in the cost of user acquisition. The Group's game contribution was 163,118 KSEK (203,606 KSEK), a decrease of 20% compared to previous year.

OTHER KEY INDICATORS

The company monitors its operations according to a number of key performance indicators that reflect how the games industry in general measures its business activities. These indicators are defined as;

DAU and MAU, the number of unique daily and monthly users respectively that use one of the company's products, presented as an average over the period, adjusted for the number of days in the months in the period. Each individual game's unique users are summed up to present the company's total unique users.

MUP is the number of unique users who made a purchase in one of the company's products.

A purchase is defined as a purchase in accordance with the above definition of in-app purchases and to a value greater than zero.

ARPDau is calculated as the company's daily average of net sales during the period divided by DAU. The Swedish national bank (Riksbanken) average exchange rate per month is used for translation into USD.

DAU for the financial year was 1.0 million (1.1 million), a decrease of 11% compared with the previous year. MAU for the financial year was 2.5 million (2.9 million), a decrease of 14% compared to the previous year. MUP for the period was 43 thousand (41 thousand), an increase of 4% compared with the previous year. ARPDau for the financial year was 7.5 dollar cent (6.5 dollar cent), an increase of 14% compared with the previous year.

CORPORATE GOVERNANCE

For details about MAG Interactive AB (publ) corporate governance please refer to the section Corporate governance in this report.

SIGNIFICANT EVENTS DURING THE YEAR

- On January 1, 2025, the Primetime segment of the Group's operations was divested. The effect of the sale is reported in Note 32.
- At the Annual General Meeting held on January 22, 2025, a dividend of SEK 1 per share, totaling 26,494,653 SEK, was approved. The dividend was paid on January 29. The decision was based on the company's strong financial position and stable cash flow.

SIGNIFICANT EVENTS AFTER THE END OF THE YEAR

- No significant events have occurred since the close of the financial year.

MATERIAL RISKS AND UNCERTAINTIES

COMPETITION FROM OTHER FORMS OF ENTERTAINMENT

The Company operates in a global digital entertainment market and competes with other mobile game developers, as well as with alternative leisure activities such as social media, streaming services, online games, and offline activities. These alternatives compete for users' attention and discretionary spending. A failure to retain user interest may have a material adverse effect on the Company's operations, financial position, and results.

DISTRIBUTION VIA DIGITAL APPLICATION STORES

The Company primarily distributes its games through Google Play and the App Store. Distribution terms, including revenue sharing, may be unilaterally changed by the distributors. Any restrictions in access, technical disruptions, or policy changes may adversely affect availability and revenues.

DEPENDENCE ON KEY PERSONNEL

The Company's development relies on the availability and retention of key personnel in management, technology, and game design. Loss of such talent, especially to competitors, may cause delays in development projects and negatively affect the implementation of strategies.

RISKS RELATED TO BUSINESS ACQUISITIONS

Acquisitions are used strategically to strengthen the Company's market position and development capacity. Such transactions entail risks of hidden liabilities, integration difficulties of systems and staff, and diversion of management attention. Failed integration or incorrect assumptions may negatively impact results.

INTELLECTUAL PROPERTY AND INFRINGEMENT RISKS

The Company's intellectual assets, including trademarks and game content, are central to its operations. There is a risk that these rights may not be effectively protected against infringement or copying. There is also a risk that the Company may unintentionally infringe on third-party rights, potentially resulting in costly legal disputes and requirements to alter the product portfolio.

DIVIDEND CAPACITY

Future dividends depend on financial performance, cash flow, investment needs, and applicable legal constraints. There is no guarantee that a dividend will be proposed or resolved in any given year, nor that previous levels of distribution will be maintained.

DEVELOPMENT RISKS

Several of the Company's games are in early development stages and will only be globally launched if they pass multiple internal evaluation stages. Therefore, there is inherent uncertainty regarding future revenues from these projects.

IT AND CYBERSECURITY

The Company relies on stable IT operations and secure data handling. Security incidents, such as breaches or disruptions in cloud services and payment systems, may lead to operational interruptions, loss of trust, and regulatory consequences, especially under data protection laws such as GDPR.

REGULATORY CHANGES

Changes in legislation in areas such as data protection, taxation, consumer rights, or gaming regulations may affect the Company's operations, particularly in the context of international expansion. Increased regulatory demands may result in compliance costs and reporting burdens.

MACROECONOMIC FACTORS

Global economic conditions such as currency fluctuations, inflation, or economic downturns may influence demand for digital entertainment and impact the Company's cost base, especially across multiple markets.

DEPENDENCE ON THIRD-PARTY TECHNOLOGY AND EXTERNAL PLATFORMS

The Company depends on external technical solutions, including analytics tools, advertising networks, and cloud infrastructure. Disruptions or discontinuation of such services may negatively affect the Company's operational capabilities.

PROPOSED DISTRIBUTION OF EARNINGS

(SEK)

The Annual General Meeting has at its disposal:

Premium fund	314,567,301
Retained earnings	-158,733,591
Profit/loss for the year	-26,903,001
Total	128,930,710

The Board of Directors and the Chief Executive Officer proposes appropriation of retained losses as follows:

To be distributed to shareholders as a dividend	0
Carried forward	128,930,710

DIVIDEND

The Board of Directors proposes to the Annual General Meeting on January 21, 2026, that no dividend is to be distributed for the financial year 2024/2025

THE GROUPS' FIVE-YEAR OVERVIEW

(KSEK)

	8/31/2025	8/31/2024	8/31/2023	8/31/2022	8/31/2021
Net sales	275,816	283,432	362,182	327,774	286,584
Profit/loss before tax	-11,403	-3,701	881	17,381	6,264
Balance sheet total	361,034	402,054	435,037	460,776	476,568
Equity/asset ratio %	82.59%	83.32%	77.98%	72.92%	67.86%

ANNUAL GENERAL MEETING

The annual general meeting for MAG Interactive AB (publ) will be held on Wednesday January 21, 2026 in Stockholm. For more details see the section Annual general meeting in Corporate governance.

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in KSEK

		Financial year	
	Note	2024/2025	2023/2024
Net sales	5	275,816	283,432
Own work capitalized	15	46,666	46,168
Other operating income	6	3,675	1,596
Total income		326,157	331,196
Operating expenses			
Sales-related costs	7	-136,622	-107,525
Other external expenses	8, 32	-31,639	-32,273
Personnel costs	9	-108,110	-136,160
Depreciation and impairment of tangible and intangible non-current assets	10	-60,672	-59,859
Total operating expenses		-337,044	-335,817
Operating profit/loss	11	-10,886	-4,621
Financial items			
Financial income		2,949	4,433
Financial expenses		-3,466	-3,513
Net financial items	12	-517	920
Profit/loss before tax		-11,403	-3,701
Tax expenses	13	1,989	485
Profit/loss for the year		-9,414	-3,216
Other comprehensive income		2024/2025	2023/2024
Items that can be transferred to profit/loss for the year			
Exchange rate differences		-1,252	-530
Total other comprehensive income for the year, after tax		-1,252	-530
Total comprehensive income for the year		-10,666	-3,746
The profit/loss and total comprehensive income for the year are attributable in full to the parent company's shareholders.			
		2024/2025	2023/2024
Earnings per share calculated on basis of profit/loss attributable to the parent company's shareholders (expressed as SEK per share).	14	-0.36	-0.12
Earnings per share fully diluted calculated on basis of profit/loss attributable to the parent company's shareholders (expressed as SEK per share).	14	-0.36	-0.12

CONSOLIDATED BALANCE SHEET

Amounts in KSEK

	Note	8/31/2025	8/31/2024
ASSETS			
Non-current assets			
Intangible assets			
Goodwill		125,634	126,184
Other intangible assets		86,135	87,808
Total intangible assets	<u>15</u>	211,769	213,992
Tangible assets			
Right-of-use assets	<u>16</u>	8,248	18,282
Equipment, tools, fixtures and fittings	<u>17</u>	703	1,777
Total tangible assets		8,952	20,059
Financial non-current assets	<u>18</u>		
Other long-term receivables	<u>19</u>	4,084	4,102
Deferred tax asset	<u>20</u>	5,643	3,721
Total financial non-current assets		9,727	7,823
Total non-current assets		230,447	241,874
Current assets			
Current receivables	<u>18</u>		
Trade and other receivables	<u>21</u>	33,398	28,993
Tax assets	<u>22</u>	19	464
Other current receivables	<u>23</u>	1,940	2,058
Prepaid expenses and accrued income	<u>24</u>	7,781	6,829
Total short-term receivables		43,137	38,344
Cash and cash equivalents	<u>18, 25</u>	87,450	121,835
Total current assets		130,587	160,179
TOTAL ASSETS		361,034	402,054

CONSOLIDATED BALANCE SHEET

Amounts in KSEK

	Note	8/31/2025	8/31/2024
EQUITY AND LIABILITIES			
Equity that can be attributed to the parent company's shareholders			
Share capital	<u>26</u>	688	688
Other external capital		283,178	284,544
Reserves		-405	847
Retained earnings incl. profit/loss for the year		14,722	48,893
Total equity		298,184	334,972
LIABILITIES			
Long-term liabilities			
Deferred tax liabilities	<u>27</u>	17,744	18,088
Long-term lease liabilities	<u>3, 16</u>	3,665	8,243
Total long-term liabilities		21,409	26,331
Current liabilities			
	<u>18</u>		
Trade and other payables		18,209	9,628
Current tax liability		437	1,461
Short-term lease liabilities	<u>3, 16</u>	5,334	11,693
Other current liabilities	<u>28</u>	3,693	4,473
Accrued expenses and prepaid income	<u>29</u>	13,769	13,497
Total current liabilities		41,442	40,751
Total liabilities		62,850	67,082
TOTAL EQUITY AND LIABILITIES		361,034	402,054

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in KSEK

	Share capital	Other external capital	Reserves	Retained earnings and profit/loss for the year	Total equity
Opening balance as of 9/1/2023	688	285,047	1,378	52,109	339,222
Profit/loss for the year				-3,216	-3,216
Exchange rate differences			-530		-530
Total comprehensive income			-530	-3,216	-3,746
LTIP <u>30</u>		-503			-503
Closing balance 8/31/2024	688	284,544	849	48,892	334,972

Opening balance as of 9/1/2024		688	284,544	849	48,892	334,972
Profit/loss for the year					-9,414	-9,414
Exchange rate differences				-1,252		-1,252
Total comprehensive income				-1,252	-9,414	-10,666
LTIP* <u>30</u>	0	-1,366		1,738		372
Dividend				-26,495		-26,495
Closing balance 8/31/2025	688	283,178	-403	14,722		298,184

* A reallocation between Other Contributed Capital and Retained Earnings related to the ongoing share savings programs was made during Q3 24–25 to better reflect the nature of the programs

CONSOLIDATED CASH FLOW STATEMENT

Amounts in KSEK

	Note	8/31/2025	8/31/2024
Cash flow from operating activities			
Operating profit/loss		-10,886	-4,621
Adjustment for items not included in cash flow	31	63,045	63,698
Interest received		2,949	4,433
Interest paid		-5	-872
Interest leasing	16	-546	-734
Tax paid		-2,705	-1,669
Cash flow from operating activities before change in working capital		51,851	60,235
Change in current operating receivables		-4,350	9,623
Change in current operating liabilities		7,035	-1,069
Total change in working capital		2,685	8,554
Cash flow from operating activities		54,536	68,789
Cash flow from investing activities			
Investment in and acquisition of tangible non-current assets	17	-328	-328
Capitalized work	15	-46,666	-46,168
Payment for acquisition of subsidiary, net of cash acquired		0	-9,852
Divestment net cash impact	32	0	-
Cash flow from financing activities		-46,994	-56,348
Free cashflow		7,542	12,441
Cash flow from financing activities	33		
Option scheme	30	0	-18
Amortized leasing liabilities	16	-11,718	-10,859
Dividend			
Cash flow from financing activities		-38,213	-10,877
Change in Cash and cash equivalents			
Cash flow for the year		-30,671	1,564
Exchange rate difference in cash and cash equipments		-3,714	-2,157
Opening cash and cash equivalents		121,835	122,429
Closing cash and cash equivalents	25	87,450	121,835

PARENT COMPANY'S INCOME STATEMENT

Amounts in KSEK

		Financial year	
	Note	2024/2025	2023/2024
Operating income			
Net sales	<u>5</u>	273,410	276,120
Other operating income	6	3,467	1,181
Total operating income		276,877	277,301
Operating expenses			
Sales-related costs	<u>7</u>	-135,498	-103,802
Other external expenses	<u>8</u>	-60,436	-62,661
Personnel costs	<u>9</u>	-87,810	-111,916
Depreciation and impairments of tangible and intangible non-current assets	<u>10</u>	-16,919	-17,274
Total operating expenses		-300,663	-295,653
Operating profit/loss		-23,787	-18,352
Financial items			
Result from investments in subsidiaries	<u>34, 37</u>	10,106	-43,700
Financial income		2,949	4,432
Financial expenses		-2,918	-2,727
Net financial items	<u>12</u>	10,136	-41,995
Profit/loss after financial items		-13,651	-60,347
Appropriations			
Group contribution	<u>35</u>	-20,030	0
Total appropriations		-20,030	
Profit/loss before tax		-33,681	-60,347
Tax	<u>13</u>	6,778	1,097
Profit/loss for the year		-26,903	-59,250

The parent company has no items as other comprehensive income. Therefore the total comprehensive income corresponds with the profit/loss for the year.

PARENT COMPANY'S BALANCE SHEET

Amounts in KSEK

	Note	8/31/2025	8/31/2024
ASSETS			
Non-current assets			
Intangible assets			
Goodwill		3,166	12,665
Other intangible assets		21,793	28,053
Total intangible assets	<u>15</u>	24,960	40,718
Tangible assets			
Equipment, tools, fixtures and fittings	<u>17</u>	391	1,466
Total tangible assets		391	1,466
Financial non-current assets	<u>18</u>		
Participation in Group companies	<u>34</u>	16,113	24,252
Deferred tax assets	<u>20</u>	5,488	0
Long-term receivables from Group companies	<u>36</u>	27	65
Other long-term receivables	<u>19</u>	3,766	3,766
Total financial non-current assets		25,393	28,083
Total non-current assets		50,744	70,267
Current assets			
Current receivables	<u>18</u>		
Trade and other receivables		33,398	27,593
Trade and other receivables Group	<u>36</u>	0	77
Tax assets	<u>22</u>	19	23
Other current receivables	<u>23</u>	972	1,284
Other current receivables Group	<u>36</u>	106	190
Prepaid expenses and accrued income	<u>24</u>	6,837	6,229
Total current receivables		41,331	35,396
Cash and cash equivalents	<u>18, 25</u>	77,896	108,644
Total current assets		119,227	144,040
TOTAL ASSETS		169,971	214,307

PARENT COMPANY'S BALANCE SHEET

Amounts in KSEK

	Note	8/31/2025	8/31/2024
EQUITY			
Restricted equity			
Share capital	<u>26</u>	688	688
Non-restricted equity			
Premium fund		314,567	315,933
Retained earnings		-158,734	-74,722
Profit/loss for the year		-26,903	-59,250
Total non-restricted equity		128,931	181,961
TOTAL EQUITY		129,619	182,649
LIABILITIES			
Long-term liabilities			
Deferred tax liabilities	<u>27</u>	4,489	5,779
Total long-term liabilities		4,489	5,779
Current liabilities			
	<u>18</u>		
Trade and other payables		17,369	8,985
Trade and other payables Group companies	<u>36</u>	2,967	2,935
Other liabilities	<u>28</u>	3,119	3,165
Accrued expenses and prepaid income	<u>29</u>	12,407	10,794
Total current liabilities		35,863	25,879
TOTAL LIABILITIES		40,352	31,658
TOTAL EQUITY AND LIABILITIES		169,971	214,307

CHANGE IN EQUITY IN THE PARENT COMPANY

Amounts in KSEK	Note	Share capital	Premium fund	Retained earnings and profit/loss for the year	Total equity
Opening balance as of 9/1/2023		688	316,436	-68,914	248,211
Profit/loss of the year				-59,250	-59,250
LTIP	<u>30</u>		-503		-503
Effect of merger				-5,808	-5,808
Closing balance 8/31/2024		688	315,933	-128,164	188,458
Opening balance as of 9/1/2024		688	315,933	-128,164	188,458
Profit/loss of the year				-26,903	-26,903
LTIP*	<u>30</u>		-1,366		367
Dividend				-26,495	-26,495
Closing balance 8/31/2025		688	314,567	-185,637	129,619

* A reallocation between Other Contributed Capital and Retained Earnings related to the ongoing share savings programs was made during Q3 24–25 to better reflect the nature of the programs

PARENT COMPANY'S CASH FLOW STATEMENT

Amounts in KSEK

	Note	8/31/2025	8/31/2024
Cash flow from operating activities			
Operating profit/loss		-23,787	-18,352
Adjustment for items not included in cash flow	31	17,286	22,079
Interest received	12	2,949	4,432
Interest paid	12	-4	-872
Tax paid		-1,886	-715
Cash flow from operating activities before change in working capital		-3,466	6,573
Change in current operating receivables		-4,049	2,077
Change in current operating liabilities		9,984	-1,826
Total change in working capital		5,935	251
Cash flow from operating activities		2,468	6,824
Cash flow from investing activities			
Investments in tangible non-current assets	17	-86	-244
Change in long-term receivables		38	106
Change in financial investments		-3,760	-4,000
Pay out of earn-out		0	-9,852
Cash flow from investing activities		-3,808	-13,990
Free cashflow		-1,340	-7,166
Cash flow from financing activities			
Option scheme	30	0	-18
Dividend		-26,495	0
Effect of merger	0	0	32,408
Cash flow from financing activities		-26,495	32,390
Decrease/increase in cash and cash equivalents			
Cash flow for the year		-27,835	25,224
Exchange rate difference in cash and cash equivalents		-2,914	-1,855
Opening balance cash and cash equivalents		108,644	85,275
Closing balance cash and cash equivalents	25	77,896	108,644

NOTES

NOTE 1 - GENERAL INFORMATION

The consolidated accounts cover the parent company MAG Interactive AB (publ) (parent company), corp. ID no. 556804-3524 and its subsidiary (the Group). The parent company is a public limited liability company with its registered office in Stockholm. The address of the head office is Drottninggatan 95A, SE-113 60 Stockholm, Sweden. The parent company is listed on NASDAQ Stockholm First North Premier Growth Market since December 8, 2017. MAG Interactive AB (publ) is a company that operates in the field of games for mobile platforms.

If nothing else is stated amounts are in thousands of Swedish krona (KSEK). Information in parentheses refers to the comparative year.

NOTE 2 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The most significant accounting policies applied in producing these consolidated accounts are described below. Unless otherwise specified, these policies have been applied consistently for all years presented.

2.1 BASIS ON WHICH THE STATEMENTS HAVE BEEN PREPARED

These annual accounts contain MAG Interactive AB (publ)'s published consolidated accounts, and the accounting policies chosen to prepare these are the IFRS Accounting standards (International Financial Reporting Standards). The consolidated accounts have been prepared in accordance with the Swedish Annual Accounts Act, RFR 1 Complementary Accounting Rules for Groups as well as IFRS and interpretations issued by the IFRS Interpretations Committee (IFRS IC) as adopted by the EU. They have been prepared in accordance with the acquisition value method.

The preparation of financial statements in accordance with IFRS requires the use of a number of important estimates for accounting purposes. Further, management is also required to make certain judgements when applying the Group's accounting policies. The areas that involve a high degree of assessment, that are complex and areas in which assumptions and estimates are of significant importance to the consolidated accounts are described in note 4.

New and amended accounting policies applied by the Group

No new standards have been issued by the IASB that are applied by the Group for the first time for financial years beginning on 1 September 2024.

A number of amendments to and interpretations of standards become effective for financial years beginning on 1 September 2024. None of these are expected to have a material impact on the Group's consolidated financial statements.

New standards and interpretations not yet applied by the Group

Several new standards and/or interpretations have been issued by the IASB that become effective for financial years beginning after 1 January 2025 but have not been applied in the preparation of these financial statements. These new standards and interpretations are not expected to have a material impact on the Group's financial statements for the current or future periods, nor on future transactions.

When IFRS 18 Presentation and Disclosure in Financial Statements becomes effective in 2027, this will affect the presentation of the Group's financial statements. The Group does not expect the impact to be significant.

2.2 CONSOLIDATED ACCOUNTS

Subsidiaries are all entities over which the parent company, MAG Interactive AB, has control. The acquisition method is used when recording the Group's business combinations. The purchase price of an acquisition of a subsidiary consists of the fair value of assets and liabilities transferred that the Group incurs to the former owners of the acquired company. The purchase price also includes the fair value of all liabilities that are the consequence of a contingent consideration agreement. Identifiable acquired assets and debts taken over in a business combination are initially valued at their fair value on the acquisition date.

Acquisition-related costs are expensed as incurred and reported in the income statement under Other Operating Income or Other External Costs.

Any contingent consideration to be transferred by the Group is recorded at the fair value on the acquisition date. Subsequent changes in the fair value of a contingent consideration classified as a liability are recognised in accordance with IFRS 9 in the income statement and reported under the line Other Operating Income.

Goodwill is valued initially as the amount by which the total purchase price and any fair value of a holding without a controlling influence on the date of acquisition exceeds the fair value of identifiable acquired net assets. If the purchase price is lower than the fair value of the acquired company's net assets, the difference is recorded directly in the income statement.

The accounting policies for subsidiaries have been changed as necessary in order to guarantee the consistent application of the Group's policies.

TRANSLATION OF FOREIGN CURRENCY

(a) Functional currency and reporting currency

Items included in the financial statements for the various entities in the Group are valued in the currency used in the financial environment of which each company is primarily operational (functional currency). The consolidated accounts use Swedish kronor (SEK), which is the Group's reporting currency.

(b) Transactions and balance sheet items

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction date or on the date when the items are revalued. Exchange rate gains and losses that arise when paying for such transactions and when translating monetary assets and liabilities in foreign currency at the exchange rate on the balance sheet date are recorded in the income statement.

Exchange rate gains and losses attributable to cash and cash equivalents are recorded in the income statement as financial income or expenses. All other exchange rate gains or losses are recorded in the item "Other operating income/Other operating expenses" in the income statement.

(c) Group companies

The profit/loss and financial position of all Group companies with a functional currency that is different from the reporting currency are translated into the Group's reporting currency and all exchange rate differences that arise are recognised in other comprehensive income.

Goodwill and adjustments to fair value that arise from the acquisition of a foreign business are treated as assets and liabilities in that business and are translated at the exchange rate on the balance sheet date. Exchange rate differences are recorded in other comprehensive income.

INTANGIBLE ASSETS

(a) Goodwill

In order to test the impairment requirement, goodwill acquired in a business combination is allocated to cash generating units or groups of cash generating units that are expected to benefit from synergies in the acquisition.. In the Group, a cash-generating unit corresponds to a game, a game portfolio, or a game studio.

The impairment of goodwill is tested annually or more often if events or changes in conditions indicate a possible reduction in value. The carrying amount of the cash generating unit to which goodwill has been assigned is compared with the recoverable amount, which is the higher of the value in use and the fair value minus sales-related costs. Any impairment is recorded immediately as an expense and is not cancelled.

(b) Acquired intellectual rights to mobile games

Intellectual rights to games for mobile platforms that have been acquired separately are recorded at the cost of acquisition. Intellectual rights to games for platforms that have been acquired through a business combination are recorded at fair value on the acquisition date. Intellectual rights have a definable useful life and are recorded at the cost of acquisition minus accumulated depreciation. Depreciation is performed on a straight-line basis in order to allocate the cost of intellectual rights over their estimated useful life of 3–10 years.

(c) Capitalized expenditure for development works in respect of games for platforms

Costs of maintenance of games for platforms are recorded as expenses as they arise. Development expenses that are directly attributable to the development and testing of identifiable and unique games, and infrastructure for games, for platforms that are controlled by the Group are recorded as intangible assets when the following criteria are met:

- it is technically possible to produce the game for platforms so that it can be used,
- MAG Interactive's intention is to produce the game for platforms and to use or sell it,
- the conditions exist to use or sell the game on platforms,
- it can be shown how the game for platforms generates probable future financial benefits,
- adequate technical, financial and other resources to complete development and to use or sell the game on platforms are available, and
- the expenses attributable to the game for platforms during its development can be calculated in a reliable way.

Directly attributable expenses that are capitalized as a part of a game for platforms include expenses for employees and a reasonable proportion of indirect expenses. Other development expenses that do not meet these criteria are recorded as expenses when they arise. Development expenses that have previously been recorded as an expense are not recorded as an asset in the subsequent period. Development expenses for games for platforms that are recorded as an asset are depreciated during their estimated useful life, which does not exceed three years.

IMPAIRMENT OF INTANGIBLE ASSETS

Intangible assets that have an indeterminate useful life or intangible assets that are not ready for use are not depreciated, but are tested annually in respect of a possible impairment requirement. Assets that are depreciated are assessed with regard to any value reduction whenever events or changes in conditions indicate that the carrying amount may perhaps not be recoverable. An impairment is performed to the amount by which the asset's carrying amount exceeds its recoverable value.

The recoverable value is the higher of an asset's fair value minus sales-related costs and the value in use. When assessing an impairment requirement, assets are grouped at the lowest levels where there are essentially identifiable cash flows (cash-generating units) typically unique games, a unique game portfolio or a standalone game studio.

TANGIBLE ASSETS

All tangible non-current assets are recorded at the cost of acquisition deductions for depreciation. The cost of acquisition includes expenses that can be attributed directly to the acquisition of the asset.

Depreciation of assets in order to allocate their cost of acquisition down to the calculated residual value over the estimated useful life is performed on a straight-line basis as follows:

Equipment - 5 years

Equipment - 3 years (MAG Games Ltd)

The residual values and useful life of assets are reviewed at the end of each reporting period and adjusted as required. An asset's carrying amount is written down immediately to its recoverable value if the asset's carrying amount exceeds its estimated recoverable value.

FINANCIAL INSTRUMENTS

(a) Financial Assets - Classification and valuation

The Group classifies and measures initially its financial assets at amortized cost (debt financial instruments). The classification of investments in debt financial instruments is dependent on the Group's business model of managing financial assets and the contractual terms for the assets cash flows.

Financial assets measured at amortized cost

Assets held for the purpose of collecting contractual cash flows, where these cash flows only consists of capital amounts and interest, are valued at amortized cost. The recorded amount of these assets are adjusted for expected reported credit losses. Interest income from these financial assets is recorded with the effective interest rate method and is included in the financial income. The Group's financial assets that are measured at amortized cost consist of other non-current receivables, accounts receivable, other current receivables, accrued income and cash and cash equivalents.

The Group's account receivables refer to revenue from in-app purchases in mobile games and sponsorship and advertising revenue from ad displays as well as sponsorship collaborations in mobile games. The counterparties for these receivables are mobile gaming platforms for in-app purchases, and ad networks or other partners for sponsorship and advertising revenue.

(b) Financial Liabilities - Classification valuation

Financial liabilities measured at amortized cost

The Group's financial liabilities are measured at amortized cost after initial recognition using the effective interest method (discounted present value). The financial liabilities include other long-term liabilities, trade payables, other short-term liabilities, and accrued expenses. Trade payables are classified as current liabilities if they fall due within one year; otherwise, they are classified as long-term liabilities.

Financial Liabilities Measured at Fair Value

Contingent considerations are recognized at fair value at the acquisition date. Subsequent changes in the fair value of a contingent consideration classified as a liability are recognized in accordance with IFRS 9 in the income statement and reported under the line Other Operating Income or Other External Costs.

Derecognition of financial liabilities

Financial liabilities are derecognized when the obligations specified in the contract have adjusted, been discharged or expires. The difference between the recognized value for a financial liability, fully or partially, that has been extinguished or transferred to another party and the reimbursement that has been paid including the transferred assets that is not cash or assumed liabilities, are recognised in the profit or loss.

When the terms of a financial liability are renegotiated, and not derecognised from the balance sheet, the gain or loss is recognised in the profit or loss. The gain or loss occurs from the difference between the original contractual cash flows and the modified cash flows discounted with the original effective interest rate.

(c) Impairment of financial assets - Assets that are recognised at amortized cost

The Group assesses the future expected credit losses that are connected to assets recognised to amortized cost. The Group reports a credit reserve for these expected credit losses at each reporting date. As for accounts receivables, the Group applies the simplified approach to credit loss provisioning, meaning the reserve will correspond to the expected loss over the entire life of the trade receivable. To identify whether there is a need for impairment of financial assets, an assessment is made of the future expected credit losses based on both historical and forward-looking variables. These variables are based on the grouping of financial assets according to allocated credit risk characteristics and days past due.

SHARE CAPITAL

Ordinary shares are classified as equity. Transaction costs that are directly attributable to the issuance of new ordinary shares or options are recognised, net after tax, in equity as a deduction from the proceeds. As of the end of the financial year 2024/2025, only ordinary shares exist in MAG Interactive AB (publ).

DIVIDENDS

Dividends to the parent company's shareholders are recognized as a liability in the consolidated financial statements in the period in which the dividend is approved by the parent company's shareholders.

CURRENT AND DEFERRED INCOME TAX

The tax expense for the period includes current tax and deferred tax. Tax is recorded in the income statement, except when the tax relates to items recorded in other comprehensive income or directly in equity. In such cases, the tax is also recorded in other comprehensive income or equity.

The current tax expense is calculated on the basis of the tax rules adopted on the balance sheet date or adopted in practice in the country where the parent company and its subsidiaries operate and generate taxable income.

Deferred tax is recorded for all temporary differences that arise between the tax value of assets and liabilities and their carrying amounts in the consolidated accounts. A deferred tax liability is not recorded if it arises as a consequence of the initial recording of goodwill. Deferred income tax is calculated by applying the tax rates (and laws) that have been adopted or announced as of the balance sheet date and that are expected to apply when the relevant deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recorded to the extent that it is likely that future tax surpluses will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are settled when there is a legal right to settle for the relevant tax receivables and tax liabilities, and when the deferred tax receivables and tax liabilities are attributable to taxed charged by one single tax authority and relate to either the same tax subject or different tax subjects where there is an intention to settle the balances by means of net payments.

LEASES

The material leasing contracts within the Group consists of office rental agreements and car leases.

Leases are recognized as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Liabilities arising from a lease are initially measured on a present value basis.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is the case for leases in the Group, the lessee's incremental borrowing rate is used, which is the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security, and conditions.

To determine the incremental borrowing rate, the Group:

- uses a build-up approach that starts with a risk-free interest rate adjusted for credit risk
- makes adjustments specific to the lease, e.g. term, country, currency and security.

The Group is exposed to potential future increases in variable lease payments based on an index or rate, which are not included in the lease liability until they take effect. When adjustments to lease payments based on an index or rate take effect, the lease liability is reassessed and adjusted against the right-of-use asset.

Right-of-use assets are valued at acquisition cost and include the amount at which the lease liability was originally measured.

Right-of-use assets are generally depreciated on a straight-line basis over the shorter of the asset's useful life and the lease term. If the Group is reasonably certain of exercising a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Payments for short-term contracts and low-value leases are expensed on a straight-line basis in the income statement. Short-term contracts refer to agreements with a lease term of 12 months or less. Examples of the Group's low-value contracts include printers and mobile phones.

REVENUE RECOGNITION

The Group's income comes from in-app purchases on platforms, advertising and sponsorship income attributable to these games and a smaller revenue stream from royalties.

Sales in games take place in various mobile device platforms and revenue is recognized when these are delivered to the customer, which is when control passes to the customer. For in-game sales, the gross payment flow from the end user always goes to the mobile platform, which deducts its fee. This fee is typically 30% of the price paid by the end user before the money reaches the Group. Some mobile platforms offer a 15% discount for subscriptions. Currently, a 15% discount is also given on the first million USD on one of the platforms. The assessment is that the Group should recognise the full revenue gross and the platform's share of the revenue should be recognised as an outgoing expense item, resulting in the same net effect as net-recognised revenue. This assessment is based on the Group acting as the principal and having control over these transactions.

We assess control by analysing whether we have the right to determine pricing, are responsible for delivering the promised good or service, and bear credit risk. If these criteria are met, MAG are deemed to have control, and revenue is therefore recognised gross.

The Group also receives revenue from advertisements displayed in the company's games. This revenue is recognized as the advertisements are displayed and the company receives compensation for these. This also applies to sponsorship and advertising revenue.

The Group also has some royalty revenue associated with the granting of rights to use the company's games in other contexts. MAG Interactive then receives a proportion of income from this, which is recorded as it arises.

No substantial element of financing is deemed present as the sales are made with a credit term of 30–60 days. Furthermore, all contracts with customers have an original expected period of at most one year. As permitted under IFRS 15, the transaction price allocated to these unsatisfied obligations is not disclosed.

EMPLOYEE BENEFITS

(a) Pension Obligations

The Group companies have defined contribution pension plans. Contributions are recognised as personnel costs when they fall due for payment. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in future payments will benefit the Group.

(b) Short-term Employee Benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as other current liabilities in the balance sheet.

(c) Share-based Payments

The Group has several share-based compensation plans where the Group receives services from employees in exchange for the Group's equity instruments. Information about these plans can be found in note 30 long term incentives programs.

(d) Share Match Programs

The service that entitles employees to the allocation of options through the Group's share match programs is recognised continuously as a personnel cost with a corresponding increase in equity. The total cost is recognised over the vesting period. At the end of each reporting period, the Group re-evaluates its estimates of the number of shares expected to vest based on service conditions. Any deviation from the original estimates that the re-evaluation gives rise to is recognised in the income statement, with corresponding adjustments made in equity. The social security contributions arising from the allocation of stock options are considered an integral part of the allocation. At the end of each reporting period, the Group re-evaluates its estimates of the value of the options and re-assesses the social security contributions.

2.3 SUMMARY OF THE PARENT COMPANY'S SIGNIFICANT ACCOUNTING POLICIES

MAG Interactive AB (publ)'s (the parent company's) set of accounts is prepared in accordance with RFR 2 Accounting for Legal Entities and the Swedish Annual Accounts Act. In cases where the parent company applies other accounting policies than the Group's accounting policies in the consolidated accounts, this is specified below.

Financial risks

The parent company is exposed to a number of different financial risks in its activities: market risk (currency risk, interest rate risk), credit risk and liquidity risk. The parent company's general risk management policy focuses on the unpredictability of the financial markets and attempts to minimize potential unfavourable effects on the Group's financial results. For more information about financial risks, please refer to note 3.

Estimates and judgements

The preparation of financial statements in accordance with RFR 2 requires the use of a number of important estimates for accounting purposes. Management is also required to make certain judgements when applying the parent company's accounting policies. The areas that involve a high degree of judgement, that are complex or areas in which assumptions and estimates are of significant importance for the annual report are described in note 4.

Formats

The income statement and balance sheet follow the format of the Swedish Annual Accounts Act. The statement of changes in equity follows the Group's format, but must contain the components specified in the Swedish Annual Accounts Act. It also means there is a difference in designations compared with the consolidated accounts, primarily in respect of financial income and expenses and equity.

Participation in subsidiaries

Participations in subsidiaries are recorded at the cost of acquisition after a deduction for any impairments. The cost of acquisition includes acquisition-related expenses. When there is an indication that participations in subsidiaries have decreased in value, a calculation of the recoverable value or value in use is performed. If this is lower than the carrying amount, an impairment is performed. Impairments are recorded in the item "Profit/loss from participations in Group companies".

Capitalized development expenses

Development expenses that are directly attributable to the development and testing of identifiable and unique games, and infrastructure for games, for platforms that are controlled by the Group are recorded as intangible assets in the Group when the criteria for capitalization in IAS 38 are met. No development expenses are capitalized in the parent company.

Acquired intellectual property rights to games on mobile platforms

Acquired intellectual property rights that have been obtained by the parent company through a merger are treated in the same way in the parent company as in the Group, meaning they are recognised at acquisition cost. These intellectual property rights to games on mobile platforms that were acquired through a business combination are recognised at fair value on the acquisition date. Intellectual property rights have a determinable useful life and are recognised at acquisition cost minus accumulated depreciation. Depreciation is calculated on a straight-line basis to allocate the cost of the intellectual property rights over their estimated useful life of 3-10 years.

Depreciation of Goodwill

Merger goodwill for Appropé AB was arisen during the financial year of 2023/2024 and is amortized on a straight-line basis over five years from the acquisition date (January 2021). The amortization of merger goodwill is reported in the income statement under the item Depreciation and impairment of tangible and intangible non-current assets

Financial instruments

IFRS 9 is not applied in the parent company and financial instruments are valued at the cost of acquisition.

However the parent company must apply the impairment rules in IFRS 9 and assess whether there is any indication of impairment in any of the financial fixed assets. An impairment is performed if the declined value of the asset is assessed as permanent. Impairment for interest-bearing financial assets recorded at amortized cost is calculated as the difference between the asset's recorded amount and the present value of the management's estimate of future cash flows discounted with the asset's original effective interest rate. Impairment for other financial fixed assets is determined as the difference between the recorded amount and the highest of the fair value deducted for acquisition cost and the present value future cashflow based on the management's estimation.

Leasing

The parent has chosen not to apply IFRS 16 Leasing. Instead the parent applies RFR2 IFRS Leasing p 2-12. This means that the right of use asset and leasing liability are recorded as an expense on a straight line basis over the leasing period and not in the balance sheet.

NOTE 3 - FINANCIAL RISK MANAGEMENT

3.1 FINANCIAL RISK FACTORS

The Group is exposed to a number of different financial risks in its activities: market risk (currency risk), credit risk, liquidity risk and interest risk. The Group's general risk management policy focuses on the unpredictability of the financial markets and attempts to minimize potential unfavourable effects on the Group's financial results. The Group does not use derivative instruments to hedge its risk exposure.

Risk management is performed by Group Finance in accordance with policies adopted by the Board. The Board draws up written policies for general risk management and for specific areas such as currency risk, interest risk, credit risk, the use of derivative instruments and financial instruments that are not derivatives, as well as the investing of excess liquidity.

(a) Currency risk

Currency risk (transaction risk)

The Group operates on an international level and is exposed to currency risks arising from various currency exposures, in particular in respect of the US dollar (USD). Currency risks also arise when future business transactions are expressed in a currency that is not the entity's functional currency. The Group's product purchases takes place mainly in USD, then in order of SEK, EUR and GBP. In order to manage the currency risk of outflows in USD, the Group has USD bank accounts but also SEK, EUR and GBP accounts. The Group's revenues are mainly in USD and SEK, and a small part of the revenues are received in EUR. The Group does not currently hedge any foreign currencies.

Exposure

The Group's primary exposure to foreign currency risk at the end of the reporting period, expressed in thousands of SEK was as follows:

As at August 31	2024/2025			2023/2024		
	SEK/USD	SEK/EUR	SEK/GBP	SEK/USD	SEK/EUR	SEK/GBP
Trade receivables	28,392	39	0	22,401	613	0
Trade payables	-12,069	-284	-839	-4,041	-216	-264
Total	16,323	-245	-839	18,360	397	-264

Sensitivity

The Group is primarily exposed to changes in USD/SEK, EUR/SEK and GBP/SEK exchange rates. The Group's risk exposure in foreign currencies:

For the year ending August 31	Impact on profit/loss before tax	Impact on profit/loss before tax
	2024/2025	2023/2024
USD/SEK exchange rate—increase/ decrease 10 %	+/- 1,632	+/- 1 836
EUR/SEK exchange rate—increase/ decrease 10 %	+/- 24	+/- 40
GBP/SEK exchange rate—increase/ decrease 10 %	+/- 84	+/- 26

The Group has a holding in a foreign business in the United Kingdom, the net assets of which are exposed to currency risks. The Group's policy is not to hedge the translation exposure related to net foreign assets to reduce translation risk in the consolidated financial statements.

(b) Credit risk

Credit risk is managed on a Group basis. Credit risk arises through cash and cash equivalents, bank balances and credit exposure with customers, including receivables.

Only banks and financial institutions that have a minimum rating of "A" from independent agencies are accepted. The Group's customers consist primarily of private individuals to whom sales are made through payment with major credit cards to reduce credit risk. There are no significant concentrations of credit risk, whether through exposure to individual customers, specific industry sectors and/or regions.

The Group's accounts receivable and debt instruments recognized at amortized cost are within the field of application of the model for expected credit losses: The Group applies the simplified approach to measuring expected credit losses, which entails using the expected credit losses over the entire period of the receivable as the starting point. The expected credit losses are based on the customers' payment profiles together with the credit losses for the same period. They are then adjusted to reflect current and forward-looking information on macroeconomic factors affecting the customers' ability to settle the receivables. The Group has historically had low customer losses, and believes that this also reflects the situation going forward since the Group's customers are well-established companies with high credit ratings.

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, the identified impairment loss was immaterial.

(c) Liquidity risk and interest

Cash flow forecasts are drawn up by the Group's operational companies and are aggregated by Group Finance. Group Finance monitors rolling forecasts of the Group's liquidity reserve closely in order to make sure that the Group has sufficient cash funds to meet the need of operating activities. The table below analyses the Group's non-derivative financial liabilities broken down according to the time remaining on the balance sheet date until the contractual due date. The amounts quoted in the table are the contractual, non-discounted cash flows.

As of August 31, 2024	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Trade and other payables	9,488	140	0	0	0	9,628
Leasing liabilities	2,435	8,966	5,212	3,322	0	19,935
Other current liabilities	4,698	879	357	-	-	5,934
Accrued expenses and prepaid income	9,595	3,563	0	339	0	13,497

As of August 31, 2025	Less than 3 months	Between 3 months and 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years	Total
Trade and other payables	18,209	0	0	0	0	18,209
Leasing liabilities	3,029	2,305	1,936	1,729	0	8,999
Other current liabilities	3,693	437	-	-	-	4,130
Accrued expenses and prepaid income	10,191	3,448	90	41	0	13,770

3.2 MANAGING CAPITAL

The Group's objective with regard to the capital structure is to secure the Group's ability to continue its activities so that it can continue to generate a return for shareholders and value for other stakeholders, and to maintain an optimal capital structure in order to keep down the costs of capital.

To maintain or adjust the capital structure, the Group can change or abstain the dividend paid to shareholders, repay capital to shareholders, issue new shares or sell assets in order to reduce liabilities.

NOTE 4 - IMPORTANT ESTIMATES AND JUDGEMENTS FOR ACCOUNTING PURPOSES

Estimates and judgements are reviewed periodically and are based on historical experience and other factors, including expectations of future events considered reasonable under the prevailing circumstances.

4.1 IMPORTANT ESTIMATES AND JUDGEMENTS FOR ACCOUNTING PURPOSES

The Group makes estimates and assumptions about the future. The estimates for accounting purposes that result from these will, by definition, seldom correspond with the actual outcome. The estimates and assumptions that involve a risk of significant adjustments to carrying values of assets and liabilities during the next financial year are set out in general terms below.

Impairment testing of Goodwill

Every year the Group investigates whether there is an impairment requirement for goodwill, in accordance with the accounting policy described in note 2 - Summary of significant accounting policies (Intangible assets). The recoverable values of cash-generating units have been defined by means of calculating the value in use. Certain estimates must be made for these calculations, these are described in note 15. The carrying amount of goodwill totals 125,634 KSEK as of August 31, 2025 (126,184 KSEK as of 31 August 2024).

Valuation of tax loss carry forwards

Deferred tax assets are only recorded for tax loss carry forwards for which it is likely that they can be utilized against future taxable surpluses and against taxable temporary differences. Every year the Group investigates whether it is appropriate to capitalize new deferred tax receivables in respect of the year's or previous years' tax loss carry forwards.

Retained expenses for development expenses

The Group has retained expenses for development expenses in respect of mobile games that are recorded as intangible assets. After the initial recording, the impairment requirement is tested as soon as there are indications that the asset has reduced in value. The Group performs estimates of the useful life in connection with the initial recording. The useful life is tested every year and adjusted as required. The Group's retained expenses for development expenses are depreciated over three years. As of August 31 2025, retained expenses for development expenses totaled 64,342 KSEK (57,755 KSEK as of August 31, 2024).

NOTE 5 - DISTRIBUTION OF NET SALES

The Group reports the operations into one segment according to IFRS' definition. To give a better understanding of the business the main sources of Net sales are split in two revenue streams; In-app purchases and Advertising sales. Other net sales consists mainly of royalty income.

	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
In-app purchases	143,620	139,566	143,620	139,566
Advertising sales	131,847	142,721	129,441	135,410
Other	349	1,144	349	1,144
Total	275,816	283,432	273,410	276,120

The Group's distribution by country	2024/2025	2023/2024
Sweden	275,816	283,432
Total	275,816	283,432

The Group's income distributed by registered office and company

All games in the portfolio are published by MAG Interactive AB, registered in Sweden.

Information about larger customers

In this context customers refers to the mobile platforms or ad networks that are the counterpart of the group. During the financial year, the Group had several customers whose revenues exceeded 10% of the Group's total net sales. Revenue from these customers amounted to a total of SEK 204 million, corresponding to 68% of the Group's total net sales. The revenues relate to the segments sales in games and advertising revenue. For competitive reasons, no information is provided about the

NOTE 6 - OTHER OPERATING INCOME

	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
Intercompany revenue	-	-	169	735
Exchange rate gains	1,016	393	881	209
Write down earn-out	0	966	-	-
Income from subletting of office space	2,200	181	2,200	181
Other income	459	57	217	57
Total other operating income	3,675	1,596	3,467	1,181

* Foreign exchange differences are presented on a net basis for the full year, which may result in deviations from the aggregated amounts disclosed in interim financial reports.

NOTE 7 - SALES-RELATED COSTS

	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
Platform fee	40,478	39,194	40,478	39,194
User acquisition	72,220	40,632	72,220	40,632
Other sales charges	23,923	27,699	22,800	23,976
Total sales-related costs	136,622	107,525	135,498	103,802

NOTE 8 - REMUNERATION PAID TO AUDITORS

	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
PwC				
The audit assignment	600	630	554	559
Other services	10	38	10	38
Sum PwC	610	668	564	597
Other auditors				
The audit assignment	367	337	0	0
Other services	112	880	0	880
Sum other auditors	479	1,217	0	880
Total	1,089	1,885	564	1,477

NOTE 9 - PERSONNEL COSTS

	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
Costs of employee benefits				
Salaries and remuneration	65,807	71,237	49,613	49,880
Social security contributions ¹	18,026	41,119	15,720	37,259
Pension costs	5,723	6,268	4,407	4,778
ESOP & Share match program ²	367	670	284	446
Total	89,922	119,294	70,024	92,363

¹ The item includes a reversal of the research deduction for the previous year. The Group had previously, since mid-2020, made ongoing research deductions from the actual employer contributions. When an application concerning a retroactive research deduction was rejected by the Swedish Tax Agency during 2022/2023, a process was initiated which, during the comparative year 2023/2024, was concluded when the Group ultimately received a final rejection from the highest authority, the Administrative Court of Appeal. All deductions made have been reversed and repaid. For further information, see the Group's Annual Report for 2023/2024, Note 9.

² A reversal of the total cost of a completed stock option program was incorrectly reported during the previous year. For more information, see note 11 EBITDA and adjusted EBITDA

	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
Chief Executive Officer				
Salaries and remunerations	1,990	1,984	1,990	1,984
Variable remuneration	133	107	133	107
Social security contributions	667	657	667	657
Pension costs	474	456	474	456
Total	3,264	3,204	3,264	3,204
Other Senior Executives				
Salaries and remunerations ³	5,411	7,288	5,411	7,288
Variable remuneration	643	428	643	428
Social security contributions	2,041	1,957	2,041	1,957
Pension costs	1,225	1,219	1,225	1,219
Warrants & Share match program ²	104	192	104	192
Total	9,424	11,084	9,424	11,084
Sum salaries and remuneration	102,610	133,582	82,712	106,651

³ For the comparative year, remuneration for the Chief Executive Officer was erroneously included in the table for Other Senior Executives, in addition to being disclosed in the table for the Chief Executive Officer.

Fee to Board members	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
Chairman of the Board, Jonas Eriksson	450	450	450	450
Board member, Taina Malén	220	220	220	220
Board member, Asbjørn Søndergaard	220	220	220	220
Board member, Britt Boeskov	220	220	220	220
Board member, Åsa Linder	220	220	220	220
Board member, Daniel Hasselberg	-	-	-	-
Total	1,330	1,330	1,330	1,330

Average no of employees

	Group				Parent			
	2024/2025		2023/2024		2024/2025		2023/2024	
	Average number of employees	Of which male	Average number of employees	Of which male	Average number of employees	Of which male	Average number of employees	Of which male
Sweden	77	45	86	52	75	43	77	44
UK	21	16	21	15	0	0	0	0
Total	98	61	107	66	75	43	77	44

Gender distribution in the Group (incl. subsidiaries) for Board members and other senior executives

	2024/2025		2023/2024	
	Number on balance sheet date	Of which male	Number on balance sheet date	Of which male
Board members	6	3	6	3
CEO and other senior executives	5	4	5	4

There is a mutual period of notice of six months in force between the company and the CEO.

NOTE 10 - DEPRECIATION AND IMPAIRMENT OF TANGIBLE AND INTANGIBLE NON-CURRENT ASSETS

	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
Goodwill	0	0	9,499	9,499
Intangible assets	48,339	47,128	6,260	6,260
Right-of-use assets	10,939	10,564	-	-
Equipment, tools, fixtures and fittings	1,395	2,166	1,161	1,515
Total Depreciation and impairment of tangible and intangible non-current assets	60,672	59,859	16,919	17,274

NOTE 11 - EBITDA AND ADJUSTED EBITDA

	Note	Group	
		8/31/2025	8/31/2024
Operating profit/loss		-10,886	-4,621
Depreciation and impairments of tangible and intangible non-current assets	10	60,672	59,859
EBITDA		49,786	55,237
Items from divested operations	32	2,084	5,853
Loss from divestment	32	2,000	-
Write-down of earn-out Appropo		-	-966
Net RnD Claims	9	-	21,566
Reversal of employee stock option program ¹		-	-1,170
Total adjustment on EBITDA		4,084	25,283
Adjusted EBITDA		53,870	80,520

¹ A reversal of the total cost of a completed stock option program was incorrectly reported during Q3 23/24. This has no impact on equity or the company's financial position as of the balance sheet date, however it affected the reported result for the period Q3 23/24.

NOTE 12 - FINANCIAL ITEMS

	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
Dividend shares in subsidiaries	-	-	22,006	0
Write down shares in subsidiaries	-	-	-11,900	-43,700
Profit/loss from shares in subsidiaries	-	-	10,106	-43,700
Interest income	2,949	4,433	2,949	4,432
Exchange rate gains on cash and cash equivalents*	0	0	0	0
Financial income	2,949	4,433	2,949	4,432
Interest expenses	-6	-872	-3	-871
Exchange rate loss on cash and cash equivalents*	-2,914	-1,907	-2,914	-1,855
Interest leasing	-546	-734	-	-
Other financial expenses	0	0	0	0
Financial expenses	-3,466	-3,513	-2,917	-2,727
Net financial items	-517	920	10,136	-41,995

* Foreign exchange differences are presented on a net basis for the full year, which may result in deviations from the aggregated amounts disclosed in interim financial reports.

NOTE 13 - TAX

	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
Current tax:				
Current tax on profit/loss for the year	-278	-549	0	-193
Deferred tax:				
Deferred tax	2,266	1,034	6,778	1,290
Total tax in Group's PnL	1,988	485	6,778	1,097

Income tax on the profit before taxation differs from the theoretical amount that would have arisen from the use of the Swedish tax rate:

	2024/2025	2023/2024	2024/2025	2023/2024
Profit/loss before tax	-11,403	-3,701	-33,681	-60,347
Tax calculated according to the tax rate in Sweden (20,6%)	2,349	762	6,938	12,430
Effect of foreign tax rate	-26	-120	-	-
Tax effects of:				
Non-deductible income	0	202	4,535	3
Non-deductible expenses	-2,415	-2,803	-5,985	-12,627
Deferred tax on intangible assets	2,235	2,381	1,290	1,290
Deferred tax asset on leasing liabilities	-1,854	1,868	-	-
Deferred tax liabilities on right- of-use assets	1,699	-1,805	-	-
Recorded tax	1,989	485	6,778	1,097

NOTE 14 - EARNINGS PER SHARE

Earnings per share are calculated by dividing the profit/loss attributable to the parent company's shareholders by the number of shares as of August 31, 2025 (26,494,653). See note 26 for the number of shares.

	2024/2025	2023/2024
Earnings per share calculated on basis of profit/loss attributable to the parent company's shareholders (expressed as SEK per share).	-0.36	-0.12
Earnings per share fully diluted calculated on basis of profit/loss attributable to the parent company's shareholders (expressed as SEK per share).	-0.36	-0.12

NOTE 15 - INTANGIBLE ASSETS

Intellectual property rights to games on platforms

	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
Opening balance, purchase value	82,600	82,600	62,600	37,600
Merger of subsidiary	0	0	0	25,000
Divestment	-17,333	-	0	-
Closing balance, purchase value	65,267	82,600	62,600	62,600
Opening balance, depreciation	-50,547	-40,287	-34,547	-21,620
Merger of subsidiary	-	-	0	-6,667
Depreciation	-7,593	-10,260	-6,260	-6,260
Divestment	17,333	-	-	-
Closing balance, depreciation	-40,807	-50,547	-40,807	-34,547
Opening balance, write-downs	-2,000	0	0	0
Write downs	-667	-2,000	0	0
Closing balance write-downs	-2,667	-2,000	0	0
Closing balance	21,793	30,053	21,793	28,053

Capitalized expenditure for development works on mobile platforms

	Group	
	2024/2025	2023/2024
Opening balance	249,412	203,244
Capitalized development costs	46,666	46,168
Closing balance	296,078	249,412
Opening balance, depreciation	-191,657	-156,789
Depreciation	-40,079	-34,868
Closing balance, depreciation	-231,736	-191,657
Closing balance	64,342	57,755

Goodwill	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
Opening balance	161,967	162,248	115,731	68,237
Merger of subsidiary	-	-	0	47,494
Exchange rate differences	-550	-281	0	0
Closing balance	161,416	161,967	115,731	115,731
Opening balance, depreciation	0	0	-103,065	-68,236
Merger of subsidiary	-	-	0	-25,330
Depreciation	0	0	-9,499	-9,499
Closing balance, depreciation	0	0	-112,564	-103,065
Opening balance, write-down	-35,782	-35,782	0	0
Write-down	0	0	0	0
Closing balance, write-down	-35,782	-35,782	0	0
Closing balance	125,634	126,185	3,166	12,665

Impairment testing of goodwill for the Group

The value of goodwill is tested annually against the estimated recoverable value, which is either the value in use or the fair value less sales-related costs. Goodwill has been tested against the value in use as of 8/31/2025 and as of 8/31/2024. The value in use is based on estimated assessments of future cash flows before tax, which are based on reasonable and verifiable assumptions that represent the best estimates of the economic conditions that are expected to prevail.

The goodwill in the group consists of goodwill from the acquisitions of MAG Games Ltd, FEO Media AB (Quizduel) and Approe AB.

All previous acquisitions are now fully integrated into MAG Interactive AB (publ), and all of the Group's games are considered the smallest cash-generating unit for which the valuation of goodwill can be performed. The assessment of future cash flows is based on the budget for the upcoming year and projections for the subsequent four years. Cash flows after the forecast period (5 years) are calculated with an assumed growth rate of 2 percent per annum.

Key assumptions in this assessment include the discount rate, sales growth, and EBITDA margins. The pre-tax discount rate is 12.7 percent for August 31, 2025 (August 31, 2024: 12.1 percent).

The sensitivity analyses performed indicate that neither a reduction in the forecast-period sales volume growth rate by 1 percentage point, nor a reduction in the long-term growth rate by 1 percentage points, would result in any impairment of intangible assets.

Similarly, an increase in the discount rate by 1 percentage point would not give rise to any impairment, either for intangible assets or for investments in subsidiaries. Furthermore, no significant uncertainties have been identified in the impairment tests for investments in subsidiaries, as MAG Games operates under a cost-plus agreement that ensures stable and predictable cash flows.

Impairment of Intellectual property rights to games on platforms

During the financial year, the remaining carrying value of the intangible assets related to the game Primetime, amounting to 667 KSEK after amortisation, was fully written down as a result of the divestment of the business (Note 32).

NOTE 16 - RIGHT-OF-USE ASSETS AND LEASES

Effect on IFRS 16 in the income statement	Offices		Lease cars		Total	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024
Depreciation	-10,494	-10,325	-444	-239	-10,939	-10,564
Interest	-503	-726	-43	-8	-546	-734
Total	-10,998	-11,051	-487	-247	-11,484	-11,298

Costs for short-term lease agreements and leasing agreements for which the underlying asset has smaller value are recorded as external operating costs in the income statement. The totalled amount for short-term leasing agreements for the financial year is 571 KSEK (630 KSEK). A sublet of a right-of-use-asset for parts of the office space is 2,250 KSEK for the year (163 KSEK) and is found in the income statement under Other operating income. The total cash flow for leasing agreements was 11,718 KSEK (10,859 KSEK).

The maturity analysis for leasing debts is presented in note 3.

The leasing agreements run for a period of 3 years with options to extend or terminate the agreement. The terms are for maximising the flexibility in handling the agreements. Options to extend or terminate agreements are included in the asset and liability if it is reasonably certain that they will be exercised. At the balance sheet date, two lease agreements had been terminated for renegotiation and are therefore not recognized as part of the right-of-use asset or lease liability beyond the expiry of the current contracts.

Obligations in respect of operational leasing

The parent company rents office space and cars according to non-retractable operational leasing agreements. The leasing periods are 3 years and most of the leasing agreements can be extended at the end of the lease period in exchange for a fee that corresponds with a competitive fee.

Future minimum lease charges for non-retractable operational lease agreements are as following:

	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
Within 0-1 year	-	-	3,932	10,262
Within 1-5 years	-	-	713	3,647
After more than 5 years	-	-	0	0
Total	0	0	4,645	13,909

Right of use asset	Offices		Lease cars		Total	
	2024/2025	2023/2024	2024/2025	2023/2024	2024/2025	2023/2024
Opening balance	65,908	64,720	1,588	1,590	67,496	66,310
New contracts	0	0	1,424	288	1,424	288
Extension of existing lease contract	0	0	0	247	0	247
Revaluation of existing lease contract	-277	1,473	0	0	-277	1,473
Ended lease contract	0	0	-1,300	-537	-1,300	-537
Currency effect	-615	-285	0	0	-615	-285
Closing balance	65,016	65,908	1,712	1,588	66,728	67,495
Opening balance, depreciation	-47,957	-37,713	-1,256	-1,554	-49,213	-39,267
Depreciation	-10,494	-10,325	-444	-239	-10,938	-10,564
Ended lease contract	0	0	1,300	537	1,300	537
Currency effect	373	81	0	0	373	81
Closing balance, depreciation	-58,078	-47,957	-400	-1,256	-58,478	-49,213
Closing balance	6,938	17,951	1,311	331	8,248	18,282

NOTE 17 - EQUIPMENT, TOOLS, FIXTURES AND FITTINGS

	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
Opening cost of acquisition	13,022	12,861	11,369	11,126
Purchases	328	359	86	244
Sales/disposals	-493	-171	0	0
Exchange rate differences	-61	-28	-	-
Closing accumulated cost of acquisition	12,796	13,022	11,454	11,369
Opening depreciation	-11,245	-9,246	-9,903	-8,388
Depreciation for the year	-1,385	-2,177	-1,161	-1,515
Sales/disposals	493	171	-	-
Exchange rate differences	45	7	-	-
Closing accumulated depreciation	-12,093	-11,245	-11,064	-9,903
Closing carrying amount	703	1,777	391	1,466

NOTE 18 - FINANCIAL INSTRUMENTS BY CATEGORY

Financial assets measured at amortized cost	Group		Parent	
	8/31/2025	8/31/2024	8/31/2025	8/31/2024
Other long-term receivables	4,084	4,102	3,766	3,766
Receivables from Group companies	-	-	133	332
Trade and other receivables	33,398	28,993	33,398	27,593
Other current receivables	42	139	42	137
Cash and cash equivalents	87,450	121,835	77,896	108,644
Total	124,974	155,069	115,235	140,472
Financial liabilities measured at amortized cost	8/31/2025	8/31/2024	8/31/2025	8/31/2024
	8/31/2025	8/31/2024	8/31/2025	8/31/2024
Liabilities from Group companies	-	-	2,967	2,935
Trade and other payables	18,209	9,628	17,369	8,985
Other current liabilities	40	398	40	29
Total	18,249	10,026	20,376	11,949

The Group has a contingent earn-out receivable related to the asset transfer of the Primetime business. The receivable is dependent on the buyer's future transfers and results for up to five years after the Closing Date. As of the balance sheet date, the fair value of this contingent earn-out receivable is 0.

The Group also has financial liabilities in form of leasing liabilities, which are reported and valued in accordance to IFRS 16. See note 16 Right-of-use-assets and leasing

The changes in Financial liabilities measured at real value for the previous year consists of the payment (9,852 KSEK) and the adjustment (966 KSEK) of the earn-out from the acquisition of Apprope AB. This is calculated by a prognosis of the EBIT for the company. See table below.

Financial liabilities measured at real value	Group		Parent	
	2024/2025	2023/2024	2024/2025	2023/2024
Opening value earn-out	0	10,818	0	10,818
Pay-out	-	-9,852	-	-9,852
Write-down	-	-966	-	-966
Closing value earn-out	0	0	0	0

NOTE 19 - OTHER LONG-TERM RECEIVABLES

Other long-term receivables relate to deposits for office premises.

	Group		Parent	
	8/31/2025	8/31/2024	8/31/2025	8/31/2024
Opening value	4,102	4,111	3,766	3,766
Currency effect	-18	-9	-	-
Closing value	4,084	4,102	3,766	3,766

NOTE 20 - DEFERRED TAX ASSET

The Group has recorded deferred tax assets in respect of the tax loss carryforwards in the Sventertainment group. The tax loss carryforwards have been capitalized as the Group considers it likely that it will be possible to set off the remaining deficit against future taxable profits. The group also records deferred tax on leases and right-of-use-assets, these are presented net. There are no non-capitalized deficits in the Group.

	Group		Parent	
	Leasing- liabilities/ Right-of-use assets	Tax loss carry forward	Total Group	Tax loss carry forward
Opening balance as of 9/1/2023	5,974	2,550	8,524	0
Recorded in the income statement	-1,868	830	-1,038	0
Closing balance 8/31/2024	4,106	3,380	7,487	0
Amounts offset against deferred tax liabilities acc. to offsetting rules	-3,766	0	-3,766	0
Net deferred tax assets	340	3,380	3,721	0
Opening balance as of 9/1/2024	4,106	3,380	7,487	0
Recorded in the income statement	-2,253	2,108	-145	5,488
Closing balance 8/31/2025	1,853	5,488	7,342	5,488
Amounts offset against deferred tax liabilities acc. to offsetting rules	-1,699	0	-1,699	0
Net deferred tax assets	155	5,488	5,643	5,488

NOTE 21 - TRADE AND OTHER RECEIVABLES IN THE GROUP

	8/31/2025	8/31/2024
Trade and other receivables in the group	33,398	28,993
Total	33,398	28,993

Amounts recorded for each currency for the Group's trade and other receivables are as follows:

	8/31/2025	8/31/2024
SEK	5,250	6,325
EUR	39	587
USD	28,108	22,081
Total	33,398	28,993

The maximum exposure to credit risk as of the balance sheet date is the carrying amount of trade and other receivables stated above. The fair value of trade and other receivables corresponds to their carrying amount, as there is no significant discount effect.

No trade or other receivables have been pledged as collateral for any debt.

As of August 31, 2025, trade and other receivables totalling 2,079 KSEK were overdue, without it being considered that an impairment requirement existed for the Group. The receivables due relate to customers who have not previously experienced any payment difficulties, and payment was received shortly after the balance sheet date.

An age analysis of these trade and other receivables is shown below:

	8/31/2025	8/31/2024
1-30 days	2,079	1,536
31 - 60 days	0	47
More than 61 days	0	35
Total trade and other receivables due	2,079	1,618

The Group has no mortgage as security.

NOTE 22 - TAX ASSETS

	Group		Parent	
	8/31/2025	8/31/2024	8/31/2025	8/31/2024
Other Tax Assets	19	464	19	23
Total	19	464	19	23

NOTE 23 - OTHER CURRENT RECEIVABLES

	Group		Parent	
	8/31/2025	8/31/2024	8/31/2025	8/31/2024
Current receivables, employees	42	137	42	137
Tax receivables	45	319	14	319
VAT receivables	1,852	1,601	916	828
Other items	0	1	0	0
Total	1,940	2,058	972	1,284

NOTE 24 - PREPAID EXPENSES AND ACCRUED INCOME

	Group		Parent	
	8/31/2025	8/31/2024	8/31/2025	8/31/2024
Prepaid rental expenses	4,724	4,236	4,119	4,060
Accrued income	348	0	348	0
Other prepaid expenses	2,709	2,594	2,370	2,169
Total	7,781	6,829	6,837	6,229

NOTE 25 - CASH AND CASH EQUIVALENTS

	Group		Parent	
	8/31/2025	8/31/2024	8/31/2025	8/31/2024
Bank balances	87,450	121,835	77,896	108,644
Total	87,450	121,835	77,896	108,644

NOTE 26 - EQUITY

	Number of ordinary shares	Share capital
As of August 31, 2024	26,494,653	688,173
As of August 31, 2025	26,494,653	688,173

Share capital as of August 31, 2025 consists of 26,494,653 shares, consisting of ordinary shares with a quota value of SEK 0.026. The shares have a voting value of 1 vote/share. All shares issued by the parent company are fully paid. As of the closing date of August 31, 2025, the company has three share savings programs. See note 30 Long-term incentive programs

NOTE 27 - DEFERRED TAX

The change in deferred tax liabilities during the year is described below:

	Group			Parent	
	Acquired intellectual rights to mobile games	Capitalized expenditure for development mobile games	Right-of-use assets/ Leases	Total	Acquired intellectual rights to mobile games
Opening balance as of 9/1/2023	8,715	9,570	5,571	23,857	3,292
Recorded in the income statement	-2,526	2,328	-1,805	-2,003	-2,425
Attributable to merger					4,912
Closing balance 8/31/2024	6,189	11,898	3,766	21,854	5,779
Amounts offset against deferred tax assets acc. to offsetting rules	0	0	-3,766	-3,766	-
Net deferred tax liabilities	6,189	11,898	0	18,088	5,779
Opening balance as of 9/1/2024	6,189	11,898	3,766	21,854	5,779
Recorded in the income statement	-1,702	1,357	-2,067	-2,412	-1,290
Closing balance 8/31/2025	4,488	13,255	1,699	19,442	4,489
Amounts offset against deferred tax assets acc. to offsetting rules	0	0	-1,699	-1,699	-
Net deferred tax liabilities	4,488	13,255	0	17,744	4,489

The parent company's deferred tax liability is attributable to the merger of FEO Media AB June 23 2020 and the merger of Apprope AB April 18 2024.

The group's recorded deferred tax on leases and right-of-use-assets are presented net.

NOTE 28 - OTHER CURRENT LIABILITIES

	Group		Parent	
	8/31/2025	8/31/2024	8/31/2025	8/31/2024
Personnel related liabilities	172	226	40	29
VAT	0	181	0	0
Taxes and social security contributions	3,273	3,575	3,079	3,135
Other	248	491	0	0
Total	3,693	4,473	3,119	3,165

NOTE 29 - ACCRUED EXPENSES AND PREPAID INCOME

	Group		Parent	
	8/31/2025	8/31/2024	8/31/2025	8/31/2024
Accrued expenses	5,220	4,449	3,858	2,074
Accrued salaries, employers contribution, holiday pay and bonuses	8,549	9,048	8,549	8,719
Total	13,769	13,497	12,407	10,794

NOTE 30 - LONG-TERM INCENTIVE PROGRAMS

ABOUT THE LONG-TERM INCENTIVE PROGRAM 2022/2025

LTIP 2022/2025 consisted of two long-term incentive programs; one employee stock option program and one warrants for the management. These ended during the financial year, and as the stock price was below the exercise price no shares were subscribed.

For the ongoing programs, see the table below and the following pages.

SHAREHOLDER PROGRAM

Share Savings program

Due dates	Number signed	Exercise price (weighted sum)	Active as per Aug 31, 2025	Exercise price (weighted sum)	Vested as per Aug 31, 2025
March 1 2026	130,000	-	110,444	-	0
March 1 2027	135,000	-	129,450	-	0
March 1 2028	135,000	-	135,000		0
Total	400,000		374,894		0
Share of total numbers of shares	1.51%		1.41%		0.00%

ABOUT THE LONG-TERM INCENTIVE PROGRAM 2023/2026

LTIP 2023/2026 consists of a Share Savings program for employee and management.

Share Savings program 2023/2026 (ESMP 2023/2026)

Share Savings program 2023/2026 consist of no more than 130,000 share rights whereof 65,000 retention shares and 65,000 performance shares. The program means that management and all employee will be offered participation free of charge to receive MAG shares, conditional upon that the employee makes an own initial investment in the company's shares. For each investment share, the participant may receive after a three year performance period free of charge receive one MAG share (investment share). Additional fulfillment of a performance criteria during the program receive maximum one additional share (performance share) free of charge, after the performance period. A criteria for the participant to have the opportunity to receive the retention- and/or performance share is that the participant is employed during the entire performance period and has kept their shares.

Allotment of performance shares, shall be received if the average revenue during the period from 1 March 2025, up to 28 February 2026 compared to the average revenue 1 March 2022 up to 28 February 2023 has grown. Performance fulfillment is calculated to a maximum of one (1) share at 20% average annual revenue growth with pro -rated allotment in case of performance fulfillment between 5% and 20% average annual revenue growth (CAGR). The number of performance shares to be allotted will be rounded upwards to the nearest whole number of shares.

MAG Interactive's share savings program for management and employees was approved by the shareholders at the Annual General Meeting held on January 18, 2023. The reasons for the long-term incentive program is that it should contribute to the possibilities to retain and attract qualified personnel and to increase motivation for the employees by being involved in and working for a positive value increase of the shares during the period covered by the ESMP 2023/2026. If the share saving program are exercised in full the share capital will increase by 3,377 SEK.

MAG United AB has been granted permission to transfer shares to the participants in the ESMP 2023/2026 program in connection with exercise of the share saving program in accordance with a number of terms.

Program	Number of shares	Exercise price	Exercise time	Price
ESMP, retention shares	65,000	0	Q2 report 2026	SEK 0
ESMP, performance shares	65,000	0	Q2 report 2026	SEK 0
Total	130,000	0	Q2 report 2026	SEK 0

Cost for share related program

The total costs for administration are estimated to amount of approximately 200 KSEK.

ABOUT THE LONG-TERM INCENTIVE PROGRAM 2024/2027

LTIP 2024/2027 consists of a Share Savings program for employee and management.

Share Savings program 2024/2027 (ESMP 2024/2027)

Share Savings program 2024/2027 consist of no more than 135,000 share rights whereof 45,000 retention shares and 90,000 performance shares. The program means that management and all employee will be offered participation free of charge to receive MAG shares, conditional upon that the employee makes an own initial investment in the company's shares. For each investment share, the participant may receive after a three year performance period free of charge receive one MAG share (investment share). Additional fulfilment of a performance criteria during the program receive maximum two additional shares (performance shares) free of charge, after the performance period. A criteria for the participant to have the opportunity to receive the retention- and/or performance share is that the participant is employed during the entire performance period and has kept their shares.

Allotment of performance shares (A), shall be received if the average revenue during the period from 1 March 2026, up to 28 February 2027 compared to the average revenue 1 March 2023 up to 28 February 2024 has grown. Performance fulfilment of performance share A is calculated to a maximum of one (1) share at 15% average annual revenue growth with prorated allotment in case of performance fulfilment between 5% and 15% average annual revenue growth (CAGR). The number of performance shares to be allotted will be rounded upwards to the nearest whole number of shares.

Allotment of performance share (B) shall be received if the average revenue reaches 500 MSEK by the end of the performance period, with a linear allocation starting from the achievement of the target for performance share A up to a total revenue of 500 MSEK. The number of performance shares to be allotted will be rounded upwards to the nearest whole number of shares.

MAG Interactive's share savings program for management and employees was approved by the shareholders at the Annual General Meeting held on January 17, 2024. The reasons for the long-term incentive program is that it should contribute to the possibilities to retain and attract qualified personnel and to increase motivation for the employees by being involved in and working for a positive value increase of the shares during the period covered by the ESMP 2024/2027. If the share saving program are exercised in full the share capital will increase by 3,506 SEK.

MAG United AB has been granted permission to transfer shares to the participants in the ESMP 2024/2027 program in connection with exercise of the share saving program in accordance with a number of terms.

Program	Number of shares	Exercise price	Exercise time	Price
ESMP, retention shares	45,000	0	Q2 report 2027	SEK 0
ESMP, performance shares A	45,000	0	Q2 report 2027	SEK 0
ESMP, performance shares B	45,000	0	Q2 report 2027	SEK 0
Total	135,000	0	Q2 report 2027	SEK 0

Cost for share related program

The total costs for administration are estimated to amount of approximately 200 KSEK.

ABOUT THE LONG-TERM INCENTIVE PROGRAM 2025/2028

LTIP 2025/2028 consists of a Share Savings program for employee and management.

Share Savings program 2025/2028 (ESMP 2025/2028)

Share Savings program 2025/2028 consist of no more than 135,000 share rights whereof 45,000 retention shares and 90,000 performance shares. The program means that management, who are not founders nor big shareholders in the company, and all employee will be offered participation free of charge to receive MAG shares, conditional upon that the employee makes an own initial investment in the company's shares. For each investment share, the participant has the opportunity to receive, free of charge, up to three additional shares in MAG Interactive after the performance period. One of these shares is conditional upon continued employment ("retention share"), and two shares are conditional upon both continued employment and the achievement of a performance target relating to the Company's average annual revenue growth during the program ("performance shares") (retention shares and performance shares together referred to as "share rights").

Allotment of performance shares is, provided continued employment, subject to the fulfilment of the performance condition set out below concerning the company's average annual revenue growth during the performance period. Fulfilment of the performance condition shall be calculated based on a comparison between the average revenue in the company's quarterly reports during the period from and including 1 March 2027, up to and including 29 February 2028 and the average revenue in the company's quarterly reports during the period from and including 1 March 2024, up to and including 28 February 2025. Performance shares will only be allotted if the revenue has grown during the performance period. Performance fulfilment is calculated to a maximum of two (2) shares at 15% average annual revenue growth with pro-rated allotment in case of performance fulfilment between 5% and 15% average annual revenue growth. The number of performance shares to be allotted will be rounded upwards to the nearest whole number of shares.

MAG Interactive's share savings program directed at management and employees was approved by the shareholders at the Annual General Meeting held on January 22, 2025. The reasons for the proposal are to contribute to the possibilities to retain and attract qualified personnel and to increase motivation of the employees of the company by being involved in and working for a positive revenue growth during the period covered by the Share Savings Program 2025/2028. If the share savings program is fully utilized, the share capital will increase by 3,506.49 SEK.

MAG United AB has been authorized to transfer shares to participants in the ESMP 2025/2028 in connection with the utilization of the share savings program, subject to a number of conditions.

Program	Number of shares	Exercise price	Exercise time	Price
ESMP, retention shares	45,000	0	Q2 report 2028	SEK 0
ESMP, performance shares	90,000	0	Q2 report 2028	SEK 0
Total	135,000	0	Q2 report 2028	SEK 0

Cost for share related program

The total costs for administration are estimated to amount of approximately 200 KSEK.

NOTE 31 - ADJUSTMENT FOR ITEMS NOT INCLUDED IN THE CASH FLOW

	Group		Parent	
	8/31/2025	8/31/2024	8/31/2025	8/31/2024
Depreciation of tangible assets	1,395	2,166	1,161	1,515
Depreciation and write-off of intangible assets	48,339	47,128	15,759	15,759
Depreciation of right of use assets	10,939	10,564	-	-
Write-down of earn-out	0	-966	-	-
LTIP	372	-485	367	-485
Reversal of RnD deduction reserve	0	5,290	0	5,290
Result of divestment	2,000	-	-	-
Total	63,045	63,698	17,286	22,079

NOTE 32 - DIVESTMENT OF PRIMETIME

The operations related to the game Primetime was divested during the year, effective from January 1st 2025.

Below are the items included in the sale and the result from the group thereof:

Primetime	1/1/2025
Receivable from MAG Interactive AB	2,217,735
Accounts receivable	378,025
Other current assets	250
Prepaid expenses and accrued income	582,628
Total assets	3,178,638
Accounts payable	-495,464
Accrued expenses	-338,195
Current liabilities	-344,980
Total liabilities	-1,178,638
Value of sold assets	2,000,000
Cash received	1
Recorded loss	-1,999,999

A conditional earn-out linked to the buyer's future transfers and results for up to five years after the Closing Date was included in the transaction. The buyer has the right, at any time within five years from the Closing Date, to buy out this obligation by paying an amount corresponding to the maximum amount under the terms of the agreement. After five (5) to ten (10) years from the Closing Date, a lower level of earn-out applies. As of the balance sheet date, this amount is estimated at 0, as the Group's assessment is that the conditions will not be met.

NOTE 33 - CHANGES IN LIABILITIES FROM FINANCING ACTIVITIES

	Leases
Opening balance as of 9/1/2023	29,001
Cash flows	-10,859
Items not part of cash flow:	
New lease agreements	288
Extension of existing lease agreements	247
Revaluation of leasing agreements	1,473
Termination of leasing agreements	-39
Exchange rate differences	-175
Closing balance 8/31/2024	19,936

Opening balance as of 9/1/2024	19,936
Cash flows	-11,718
Items not part of cash flow:	
New lease agreements	1,424
Extension of existing lease agreements	0
Revaluation of leasing agreements	-277
Termination of leasing agreements	0
Exchange rate differences	-366
Closing balance 8/31/2025	8,999

The parent has no liabilities that are reported in financing activities during the financial year.

NOTE 34 - HOLDINGS AND INVESTMENTS IN SUBSIDIARIES

The Group's holdings and investments in subsidiaries

Name	Country of registration and operation	Business activity	Proportion of ordinary shares owned directly by the parent company (%)
MAG Games Ltd	UK	Development	100
MAG United AB	Sweden	Warrants	100
Sventertainment AB	Sweden	Development	100

MAG Games Ltd and MAG United AB and Sventertainment AB are consolidated into the Group. The proportion of voting rights in subsidiaries which is owned directly by the parent company, does not differ from the proportion of ordinary shares owned.

The Parent company's shares in Group companies	8/31/2025	8/31/2024
Opening balance cost of acquisition	24,252	135,418
Shareholder contribution	3,760	4,000
Adjustment of earn-out	0	-966
Write-down	-11,900	-43,700
Merger	0	-70,500
Closing balance	16,113	24,252

Name	Country of registration and operation	Business activity	Proportion of ordinary shares owned directly by the Parent (%)	Carrying amount 8/31/2025	Carrying amount 8/31/2024
MAG Games Ltd	UK	Development	100	16,000	22,202
MAG United AB	Sweden	Warrants	100	50	50
Sventertainment AB	Sweden	Development	100	63	2,000
Total				16,113	24,252

NOTE 35 - APPROPRIATIONS

Provided group contributions to the subsidiary Sventertainment

	Parent	
	2025-08-31	2024-08-31
Group contributions	-20,030	-
Summa	-20,030	-

NOTE 36 - INTERCOMPANY RECEIVABLES AND LIABILITIES

	Parent	
	8/31/2025	8/31/2024
Intercompany receivables		
Accounts receivable, group	0	77
Long-term receivables (LTIP)	27	65
Other short-term receivables group	106	190
Receivable for dividend from subsidiary	20,030	-
Effect of net presentation	-20,030	-
Total	133	332
Intercompany liabilities		
Trade and other payables	2,967	2,935
Liability for group contribution to subsidiary	20,030	-
Effect of net presentation	-20,030	-
Total	2,967	2,935
Group net	-2,834	-2,603

NOTE 37 - ASSOCIATED PARTIES

Dividend

The Parent Company has, during the financial year 2024/2025, received a dividend of KSEK 1,976 KSEK from its wholly owned subsidiary MAG Games Ltd and records an anticipated dividend of 20,030 KSEK from its wholly owned subsidiary Sventertainment AB. No dividends to related parties were made in the comparative year 2022/2023.

Remuneration to senior executives

For information regarding remuneration to senior executives, see note 9 Personell costs.

Redemption of shares

No associated parties have redeemed shares during the past financial year 2024/2025 or during the comparative year 2023/2024.

Associated company

The Parent Company recognises a group contribution of 20,030 KSEK to its wholly owned subsidiary Sventertainment AB for the financial year 2024/2025. No transactions between related parties occurred during the comparative year 2022/2023.

NOTE 38 - PLEDGED ASSETS

	Group		Parent	
	8/31/2025	8/31/2024	8/31/2025	8/31/2024
Rental deposit	4,084	4,102	3,766	3,766
Total	4,084	4,102	3,766	3,766

NOTE 39 - SIGNIFICANT EVENTS AFTER THE END OF THE YEAR

No significant events have occurred since the close of the financial year.

APPROVAL OF THE FINANCIAL STATEMENT

The Board of Directors and the CEO confirms that the consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and give a true and fair view of the Group's financial position and profits. The annual accounts have been prepared in accordance with accepted accounting practice and provide a fair view of the parent company's financial position and profits.

The Statutory Administration Report for the Group and the parent company provides a fair summary of developments in the Group's and the parent company's business activities, financial position and profits, and describes the significant risks and uncertainty factors faced by the parent company and the companies that are part of the Group.

The annual report was approved on 2025-12-15 and signed on the date indicated by electronic signatures.

Jonas Eriksson
Chairman of the Board

Taina Malén
Board Member

Britt Boeskov
Board Member

Asbjørn Søndergaard
Board Member

Åsa Linder
Board Member

Daniel Hasselberg
CEO and Board Member

Our audit report has been submitted as per digital signature.
Öhrlings PricewaterhouseCoopers AB

Henrik Boman

AUDITOR'S REPORT

To the general meeting of the shareholders of MAG Interactive AB (publ), corporate identity number 556804-3524

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have performed an audit of the annual accounts and consolidated accounts of MAG Interactive AB (publ) for financial year 1 September 2024 to 31 August 2025. The annual accounts and consolidated accounts of the company are included on pages 49-114 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 August 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 August 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the consolidated statement of comprehensive income and consolidated balance sheet for the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–27. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards, as adopted by the EU, and the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, the Board of Directors and the Managing Director are responsible for the assessment of the company and group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, cease operations or has no realistic alternative to doing any of this.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on the Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of MAG Interactive AB (publ) for financial year 1 September 2024 to 31 August 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Director's and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company and group's type of operations, size and risks place on the size of the parent company's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the management of the company's affairs. This includes among other things continuous assessment of the company and group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on the Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Stockholm the date indicated by our electronic signature

Öhrlings PricewaterhouseCoopers AB

Henrik Boman

Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.