



**MAXIMUM**<sup>TM</sup>  
ENTERTAINMENT

Q2 INTERIM REPORT | APRIL - JUNE 2023

# AT A GLANCE

Net revenue (Q2 2023)

**272.8 MSEK**

EBITDA (Q2 2023)

**22.7 MSEK**

Revenue from own IP (Q2 2023)

**19 %**

Gross margin % (Q2 2023)

**28.3 %**

EBITDA margin (Q2 2023)

**8.3 %**

No. of employees (Q2 2023)

**238**

# INTERIM REPORT APRIL – JUNE 2023

Net revenue for the quarter amounted to MSEK 272.8, an increase of 18% compared to the corresponding period in 2022. Smalland: Survive the Wilds was released over Early Access at the tail end of Q1 with the revenue impact for the launch benefiting our Q2 numbers. Bramble: The Mountain King is an additional original and owned IP title launched in the quarter. Gross margin as a percentage of revenue is 28%.

EBITDA is up 7% from last year representing 8.3% of Net Sales compared to 9.2% for the same period in 2022.

## HIGHLIGHTS DURING THE SECOND QUARTER

- CEO, Chairman of the Board, and Institutional Investors acquired a significant shareholder position.
- Maximum Entertainment launched Afterimage and released its owned IP, Bramble: The Mountain King.
- The Board resolved two directed issues as partial payments to the Sellers of Maximum Games and Just For Games, which were approved at the AGM together with the previously resolved earn-out for Merge Games.
- Three new members were elected to the Board of Directors, bringing new expertise to the Board.
- Smalland: Survive the Wilds reached 200,000 units sold on Steam in Early Access.
- Deborah Bellangé was appointed Group CFO. Acting CFO, Thierry Bonnefoi is appointed Group COO.

## HIGHLIGHTS AFTER THE END OF THE QUARTER

- Additional content for Super Animal Royale and Smalland: Survive the Wilds are announced.
- The Company is officially renamed Maximum Entertainment AB, with a new ticker symbol MAXENT B.

## KEY FIGURES FOR THE GROUP

Operational key figures	Apr - Jun 2023	Apr - Jun 2022	Jan - Jun 2023	Jan - Jun 2022	Full Year 2022
Net sales	272,814	230,548	456,321	467,096	1,138,271
EBITDA	22,664	21,202	24,682	42,926	94,792
Operational EBIT <sup>1</sup>	11,797	16,813	7,256	34,514	69,957
EBIT	-17,677	-10,151	-51,198	-18,473	-61,732
EBITDA margin %	8	9	5	9	8
Operational EBIT margin %	4	7	2	7	6
EBIT margin %	-6	-4	-11	-4	-5

Other key figures	Apr - Jun 2023	Apr - Jun 2022	Jan - Jun 2023	Jan - Jun 2022	Full Year 2022
Balance sheet total	1,804,122	1,576,868	1,804,122	1,576,868	1,727,966
Equity	777,430	807,295	777,430	807,295	698,358
Number of shares outstanding	51,110,152	42,866,231	51,110,152	42,866,231	42,866,231
Average number of shares	43,319,159	41,675,373	43,093,946	41,675,373	41,675,373
Net earnings per share, SEK	-0.40	0.39	-1.36	-0.17	-1.80
Equity ratio %	43	51	43	51	40
Number of employees	238	193	238	193	215

<sup>1)</sup> The Group's EBIT is affected by the amortization of goodwill in accordance with the K3 regulations that Maximum Entertainment applies. Operational EBIT, a key figure adjusted for this amortization provides a more accurate picture of the development of the operating income from the Group's operating activities.

# WORDS FROM OUR CEO

## Good Progress During a Challenging Quarter

Q2 2023 has been a challenging quarter. As retail markets continue to contract, new revenue channels open and monetization models evolve, the importance of owned IP in the portfolio has never been more clear. Here at Maximum Entertainment, we're pleased to report that our fully owned IP titles, Bramble: The Mountain King and Smalland: Survive the Wilds, achieved both critical and commercial success - performing well above our internal targets.

### Critical Success of Bramble: The Mountain King and Smalland: Survive the Wilds

- Released as a premium title on console and PC, Bramble: The Mountain King has been nominated for 4 Horror Game Awards, including Best Horror Game of 2023. Steam players rate the game as "Overwhelmingly Positive". and close to 2.5 million hours of the game have been watched via online streaming.
- Smalland: Survive The Wilds is the first Early Access title for the group and has been met with a warm reception by players and critics since access opened at the tail end of Q1. Over the course of the quarter, it has achieved a "Very Positive" Steam rating and over 2 million hours watched via streaming sites. We continue to release new content and augment the player experience, including releasing a significant update in July 2023. Launching via Early Access on Steam with Smalland: Survive the Wilds has taught us the value of that model and we will be exploring ways to use all of the Steam functionalities to benefit other games in the portfolio.

### Balanced Q2 Results: EBITDA of 8%

The boost from our owned IP titles helped compensate poorer performance and game delays from our sub-publishing segment. As a result, the group has maintained a profitable profile on operations, delivering 8% in EBITDA over the quarter. Our strategy is already paying off, yet we know we can do better. The company's transformation progresses with a number of important milestones in this quarter:

- The Romanian studio assets acquired from Fun Labs has integrated into our studio division and has already begun providing development services to owned IP games
- Our new CFO, Deborah Bellangé, joined us at the end of this quarter. As I write this, she is actively working with Thierry Bonnefoi on the smooth transition to our new executive leadership team.

# WORDS FROM OUR CEO

## Good Progress During a Challenging Quarter

### Positive Outlook for Future Launches & Continued Optimization of Structure

Our Q3 includes several titles for which we are optimistic. At this writing, we have successfully launched a significant content update for owned IP *Smalland: Survive the Wilds*. In our Publishing segment, several exciting launches have or are occurring in Q3 including the highly rated *Double Dragon Gaiden: Rise of the Dragons* which has brought new energy to the *Double Dragon* franchise. *Paleo Pines* and *Hammerwatch II* are also slated for launch during the quarter.

Once an industry imperative, the summer E3 conference in LA was cancelled this year. Instead, we participated in the PC Gaming Show and the Steam Nextfest in June, during which we featured titles still under development. The group showed three of our upcoming games in this summer showcase season and made gameplay betas and demos available which resulted in high awareness (over 10 million views) and visibility into the future roadmap. *Hammerwatch II* and *Paleo Pines* both had demos in Steam's Next Fest and made the Top 20 demos played throughout the 2-week event resulting in over 100K demos downloaded and ~150K new wishlists.

Despite these successes, we expect that market conditions will remain challenging throughout the rest of this year. Our teams are rising to meet the challenges by addressing them head on and making the right decisions that will steer us forward:

- Reducing costs through further integration of the group and removing duplicative roles across publishing labels and studios
- Streamlining our structure by implementing shared services across the group for production services such as porting and QA
- Leveraging our diversified catalog to drive sales in last quarter.



CHRISTINA SEELYE | CEO

Joined by other entrepreneurs in our group, and supported by institutional investors, I have fully engaged in our future through the purchase of additional shares where my total holding now amounts to 14.1% of the shares in the company. In addition, several earnouts were paid in shares during the quarter, bringing the total shares owned by company management to 36.5% today. We are all committed to the success of Maximum Entertainment and are executing successfully against our plan of compelling and value creating new video games.

# COMMENTS



# INCOME STATEMENT

## NET REVENUE

Net revenue for the quarter amounted to MSEK 272.8, an increase of 18% compared to the corresponding period in 2022. Smalland: Survive the Wilds was released over Early Access at the tail end of Q1 with the revenue impact for the launch benefiting our Q2 numbers. Bramble: The Mountain King is an additional original and owned IP title launched in the quarter.

## CAPITALIZED DEVELOPMENT

An important part of the Group's strategy is continued development of its own games, which are expected to generate future positive cash flows. The Group's studios are therefore continuing to work on the pipeline of IPs according to the roadmap presented in February 2023. Capitalized development for the period amounted to MSEK 26.1 a 273% increase from prior year for the same period. For the first half of the year, total capitalized development is MSEK 43, over twice the MSEK 21 from the first half of 2022.

## OPERATING COSTS

Cost of goods sold (which includes manufacturing cost and royalties) at the end of the period amounts to MSEK 326 (329) of which MSEK 195.6 (153) comes from Q2. The YTD figures are on par with prior year as a percentage of Net Sales.

Personnel cost are up MSEK 13 for the quarter and MSEK 17 in YTD, explained by the addition of new team members in the studio division and the acquisition of our new Romanian team, in line with the strategy to develop more owned IP games.

Amortization of goodwill amounted to MSEK 29.5. This is a result of the acquisition goodwill built up over 2021 and amortized over 10 years.

## OPERATING INCOME (EBIT)

Operating income for the current quarter was MSEK -17.7 (-10.2). The Group's EBIT is affected by the amortization of goodwill. The Group's operational EBIT, a metric giving a more accurate picture of the performance of the company, was MSEK 11.8 (16.8).

## FINANCIAL ITEMS

The Group's financial items for the current quarter amounted to MSEK -4.3 (28.7). The main items are interest expenses (MSEK -9.6) and impact of exchange rate fluctuations (MSEK +7.5).

## RESULT FOR THE PERIOD

Net result for the quarter amounted to MSEK -20.3 (16.2).

# CASH FLOW AND FINANCIAL POSITION

## CASH FLOW

Cash flow from operating activities during the quarter amounted to MSEK 42.4 (-26.1) of which MSEK 59.4 came from change of working capital. Cash flow from investment activities during the period amounted to MSEK -80.0 (-26.5) driven by investment in games and reduction of short-term financial liabilities.

Cash flow from financing activities during the period amounted to MSEK 118.8 (-31.2) thanks to the new term loan secured in February 2023.

Cash balance at end of period amounted to MSEK 103.8 (62.4).

## FIXED ASSETS

The Group's fixed assets as of the balance sheet date amounted to MSEK 1,316 (1,189). The post, which mainly consists of consolidated goodwill, is explained by the acquisitions made in 2021. It also includes the Group's investments in its owned IPs, such as Bramble: The Mountain King, Smalland: Survive the Wilds, Big Truck Country: Mudfest, Project Velos and Maximum Football.

## CURRENT ASSETS

Inventories of physical games and accessories stood as of the balance sheet date at MSEK 162.2 (135.3). Account receivables as of the balance sheet date stood at MSEK 142.8 (115.3).

## EQUITY

The Group's equity, as of the balance sheet date, amounted to MSEK 777.4 (807.3). The movement is explained by the new issue of shares in connection with acquisitions that occurred during 2021, as well as earnings for the periods in which the Group owned and managed the operations of its subsidiaries, compensated by the impact of Goodwill amortization on results.

## PROVISIONS

Provisions at the end of the period amounted to MSEK 329 (446.8). It consists mainly of deferred considerations related to acquisitions. These may fall due for payment during the period 2023-2025 in the form of shares and cash. Provisions reflect group management's assessment of probable outcome. These are evaluated continuously and revised if indications of an outcome other than previous estimates are deemed more likely. Some amounts accrued at the end of 2022 were confirmed and reported as short-term liabilities over the course of the first half of the year.

## NON-CURRENT LIABILITIES

Non-current liabilities mostly consist of liabilities to credit institutions included as part of the Group's financing strategy.

## CURRENT LIABILITIES

Current liabilities are mostly attributable to the short-term portion of the long-term debt and outstanding accounts payable and accruals.

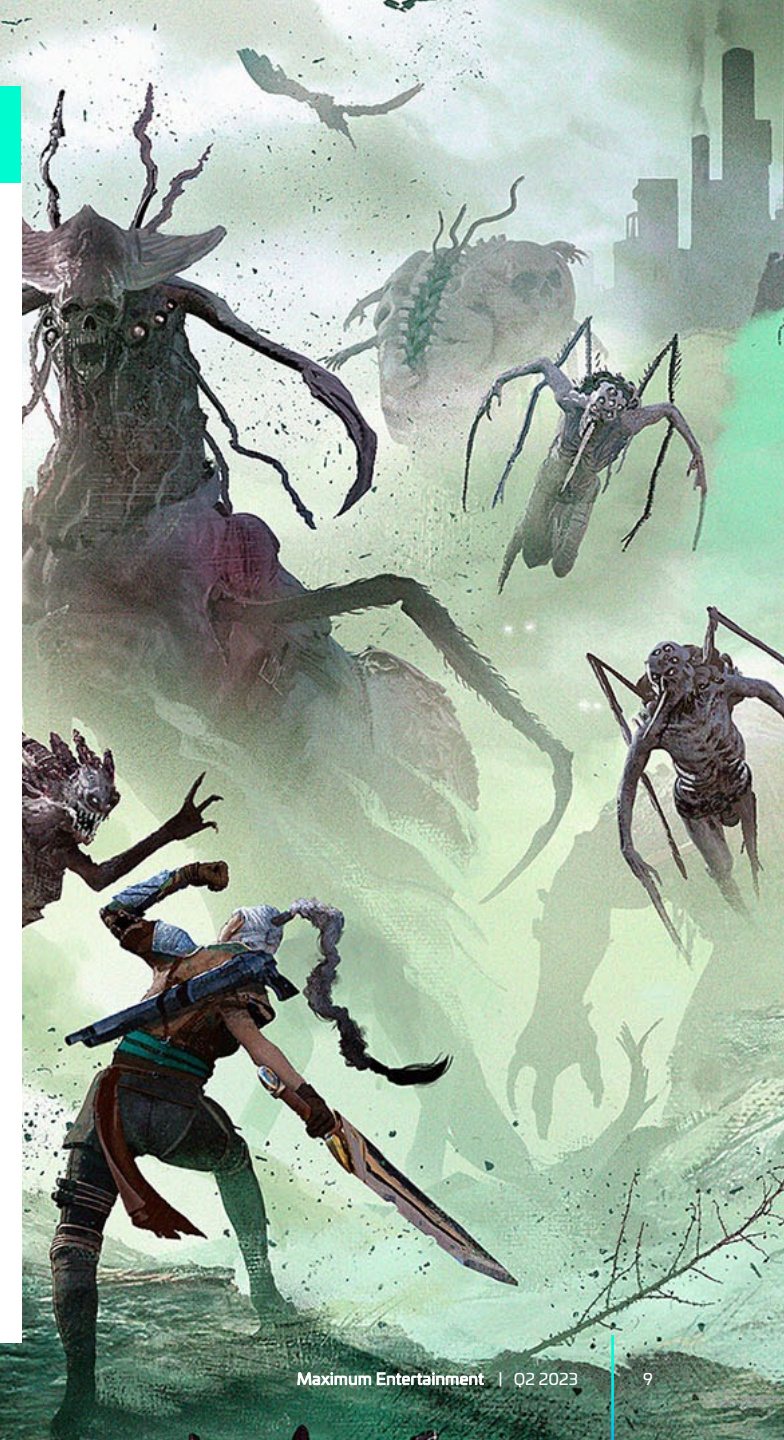


A vibrant, fantastical illustration of a lush world. In the foreground, a large green grasshopper is shown in profile, facing left. A small character with blue hair and a green tunic is riding on its back. To the left, a large black beetle is perched on a large green leaf. The background is a colorful, hazy landscape with various insects like butterflies and beetles, and a structure resembling a house or hut. The overall scene is lit with a warm, golden light on the left and a cooler, blue light on the right.

# FINANCIAL INFORMATION

# INCOME STATEMENT

KSEK	Apr - Jun 23	Apr - Jun 22	Jan - Jun 23	Jan - Jun 22	Full Year 22
<b>Operating income</b>					
Net sales	272,814	230,548	456,321	467,096	1,138,271
Capitalized own development work	26,099	9,526	43,379	21,000	55,207
Other operating income	279	-3,533	1,014	8,674	30,148
<b>Total income</b>	<b>299,192</b>	<b>236,541</b>	<b>500,713</b>	<b>496,770</b>	<b>1,223,626</b>
<b>Operating costs</b>					
Cost of goods sold	-195,634	-153,294	-326,075	-328,607	-821,434
Other external costs	-28,916	-22,875	-55,089	-47,439	-142,228
Personnel costs	-51,247	-38,250	-93,084	-75,665	-153,074
Depreciation and amortization of fixed assets	-40,341	-31,353	-75,880	-61,399	-156,524
Other operating expenses	-732	-920	-1,783	-2,133	-12,098
<b>Operating income (EBIT)</b>	<b>-17,677</b>	<b>-10,151</b>	<b>-51,198</b>	<b>-18,473</b>	<b>-61,732</b>
<b>Financial items</b>					
Financial Net	-4,333	28,667	-16,758	17,673	1,723
<b>Income after financial items</b>	<b>-22,011</b>	<b>18,517</b>	<b>-67,956</b>	<b>-800</b>	<b>-60,009</b>
<b>Income before tax</b>					
Tax on profit for the period	1,685	-2,295	-1,463	-6,280	-12,828
<b>Profit for the period</b>	<b>-20,326</b>	<b>16,222</b>	<b>-69,419</b>	<b>-7,080</b>	<b>-72,825</b>
<b>Attributable to:</b>					
The parent company's shareholders	-20,326	16,218	-69,419	-7,089	-72,825
Non-controlling interests	-	4	-	9	-



## BALANCE SHEET

KSEK	6/30/23	6/30/22	12/31/22
<b>Assets</b>			
<b>Intangible fixed assets</b>			
Capitalized expenditure for development work and similar work	266,147	127,492	175,870
Licenses and trademarks	6,595	6,834	6,419
Goodwill	1,008,214	1,042,422	1,007,781
<b>Total intangible fixed assets</b>	<b>1,280,956</b>	<b>1,176,747</b>	<b>1,190,069</b>
<b>Tangible fixed assets</b>			
Equipment, tools, fixtures and fittings	11,913	10,814	11,185
<b>Total tangible fixed assets</b>	<b>11,913</b>	<b>10,814</b>	<b>11,185</b>
<b>Financial assets</b>			
Deferred tax assets	6,403	772	883
Other non-current receivables	17,046	1,105	491
<b>Total fixed assets</b>	<b>1,316,318</b>	<b>1,189,438</b>	<b>1,202,628</b>
<b>Current assets</b>			
Inventories	162,208	135,334	155,038
Accounts receivable	142,772	115,339	205,949
Tax assets	8,802	6,542	8,409
Other receivables	8,968	5,923	6,691
Prepayments and accrued income	61,236	61,921	48,741
Cash and bank	103,817	62,371	100,510
<b>Total current assets</b>	<b>487,804</b>	<b>387,430</b>	<b>525,338</b>
<b>TOTAL ASSETS</b>	<b>1,804,122</b>	<b>1,576,868</b>	<b>1,727,966</b>

## BALANCE SHEET, CONT.

KSEK	6/30/23	6/30/22	12/31/22
<b>Equity and Liabilities</b>			
<b>Equity</b>			
Share capital	5,111	4,286	4,287
Other contributed capital	853,387	747,164	746,000
Capitalized income including net result for the period	-81,069	55,851	-51,928
<b>Equity attributable to the parent company's shareholders</b>	<b>777,430</b>	<b>807,301</b>	<b>698,358</b>
Non-controlling interests	-	-6	-
<b>Total equity</b>	<b>777,430</b>	<b>807,295</b>	<b>698,358</b>
<b>Provisions</b>			
Deferred tax liabilities	5,406	1,566	2,494
Other provisions	323,942	445,190	481,838
<b>Total provisions</b>	<b>329,348</b>	<b>446,756</b>	<b>484,332</b>
<b>Non-current liabilities</b>			
Other liabilities to credit institutions	340,872	29,294	76,157
Other non-current liabilities	73,220	34,612	-
<b>Total non-current liabilities</b>	<b>414,092</b>	<b>63,905</b>	<b>76,157</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	67,513	71,791	109,952
Accounts payable	127,628	72,957	151,271
Tax liabilities	10,894	19,451	14,437
Other current liabilities	56,919	57,075	128,869
Accruals and deferred income	20,299	37,638	64,589
<b>Total current liabilities</b>	<b>283,253</b>	<b>258,911</b>	<b>469,119</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>1,804,122</b>	<b>1,576,868</b>	<b>1,727,966</b>

# CHANGES IN EQUITY

KSEK	Share Capital	Other Contributed Capital	Other equity including net result for the period	Non-controlling interests	Total equity
<b>Opening balance equity 2022-01-01</b>	<b>4,048</b>	<b>700,248</b>	<b>12,992</b>	<b>2</b>	<b>717,290</b>
New issue (net after issuance costs)	239	45,773	-	-	46,012
Repurchase of warrants	-	-22	-	-	-22
Result for the period	-	-	-72,837	-	-72,837
Recalculation difference	-	-	7,917	-	7,917
Other	-	-	-	-2	-2
<b>Closing balance 2022-12-31</b>	<b>4,287</b>	<b>746,000</b>	<b>-51,928</b>	<b>0</b>	<b>698,358</b>
<b>Opening balance equity 2022-01-01</b>	<b>4,048</b>	<b>700,248</b>	<b>12,992</b>	<b>2</b>	<b>717,290</b>
New issue (net after issuance costs)	238	46,915	-	-	47,153
Repurchase of warrants	-	-	-	-	0
Result for the period	-	-	-7,091	-8	-7,099
Recalculation difference	-	-	49,950	-	49,950
Other	-	-	-	-	0
<b>Closing balance 2022-06-30</b>	<b>4,286</b>	<b>747,164</b>	<b>55,851</b>	<b>-6</b>	<b>807,295</b>
<b>Opening balance equity 2023-01-01</b>	<b>4,287</b>	<b>746,000</b>	<b>-51,928</b>	<b>0</b>	<b>698,358</b>
New issue (net after issuance costs)	824	107,917	-	-	108,741
Repurchase of warrants	-1	-	-	-	-1
Result for the period	-	-	-69,419	-	-69,419
Recalculation difference	-	-	39,806	-	39,806
Other	-	-	-55	-	-55
<b>Closing balance 2023-06-30</b>	<b>5,110</b>	<b>853,917</b>	<b>-81,597</b>	<b>0</b>	<b>777,430</b>

# CASH FLOW ANALYSIS

KSEK	Apr - Jun 23	Apr - Jun 22	Jan - Jun 23	Jan - Jun 22	Full Year 22
Income after financial items	-22,011	18,517	-67,956	-800	-60,009
Adjustments for items not included in cash flow	33,921	-33,299	78,306	10,918	115,448
Income tax paid	-28,955	-7,536	-33,353	-5,034	-15,749
<b>Cash flow from operating activities before changes in working capital</b>	<b>-17,044</b>	<b>-22,318</b>	<b>-23,003</b>	<b>5,084</b>	<b>39,689</b>
Change in working capital	59,400	-3,788	-22,578	-26,073	-10,330
<b>Cash flow from operating activities</b>	<b>42,356</b>	<b>-26,106</b>	<b>-45,582</b>	<b>-20,989</b>	<b>29,359</b>
Net investments in acquired companies	-239	-	-239	-	30
Net investments in intangible assets	-48,350	-27,378	-97,012	-42,794	-129,674
Net investments in tangible assets	-1,410	-3,158	-2,134	-3,911	-6,599
Net investments in financial assets	-30,017	3,992	-43,347	3,215	3,425
<b>Cash flow from investing activities</b>	<b>-80,016</b>	<b>-26,544</b>	<b>-142,732</b>	<b>-43,490</b>	<b>-132,817</b>
<b>Cash flow from financing activities</b>	<b>61,376</b>	<b>-31,262</b>	184,475	<b>-35,866</b>	<b>27,966</b>
<b>Cash flow for the period</b>	<b>23,716</b>	<b>-83,911</b>	<b>-3,839</b>	<b>-100,345</b>	<b>-75,492</b>
Cash and cash equivalents at the beginning of the period	73,883	146,448	100,510	163,107	163,107
Exchange rate difference on cash and cash equivalents	6,219	-166	7,147	-391	12,895
<b>Cash and cash equivalents at the end of the period</b>	<b>103,817</b>	<b>62,371</b>	<b>103,817</b>	<b>62,371</b>	<b>100,510</b>



# INCOME STATEMENT

KSEK	Apr - Jun 23	Apr - Jun 22	Jan - Jun 23	Jan - Jun 22	Full Year 22
<b>Operating income</b>					
Net sales	786	1,347	2,685	1,446	9,144
Capitalized own development work	-	-	-	-	-
Other operating income	184	3,262	827	9,304	764
<b>Total income</b>	<b>970</b>	<b>4,609</b>	<b>3,512</b>	<b>10,750</b>	<b>9,908</b>
<b>Operating costs</b>					
Cost of goods sold	-1,927	-3,417	-4,595	-7,125	-13,162
Other external costs	-944	-428	-4,599	-1,176	-4,440
Personnel costs	-3,595	-4,218	-7,276	-7,411	-15,199
Depreciation and amortization of fixed assets	-64	-51	-96	-68	-169
Other operating expenses	-	-	-	-	-20
<b>Operating income (EBIT)</b>	<b>-5,560</b>	<b>-3,505</b>	<b>-13,054</b>	<b>-5,030</b>	<b>-23,082</b>
<b>Financial items</b>					
Financial net	11,422	16,199	34,793	7,179	20,719
<b>Result after financial items</b>	<b>5,862</b>	<b>12,694</b>	<b>21,739</b>	<b>2,150</b>	<b>-2,363</b>
<b>Appropriations and tax</b>					
Change in amortization fund	-	-	-	-	-
Tax on profit for the period	-	-	-	-	-
<b>Result for the period</b>	<b>5,862</b>	<b>12,694</b>	<b>21,739</b>	<b>2,150</b>	<b>-2,363</b>



## BALANCE SHEET

KSEK	6/30/23	6/30/22	12/31/22
<b>Assets</b>			
<b>Intangible fixed assets</b>			
Capitalized expenditure for development work and similar work	-	-	-
Licenses and trademarks	806	897	902
<b>Total intangible fixed assets</b>	<b>806</b>	<b>897</b>	<b>902</b>
<b>Tangible fixed assets</b>			
Equipment, tools, fixtures and fittings	-	44	-
<b>Total tangible fixed assets</b>	<b>0</b>	<b>44</b>	<b>0</b>
<b>Financial assets</b>			
Deferred tax assets	-	-	-
Other non-current receivables	896,227	951,298	946,619
<b>Total fixed assets</b>	<b>897,033</b>	<b>952,239</b>	<b>947,521</b>
<b>Current assets</b>			
Inventories	-	-	-
Accounts receivable	188	1,157	179
Receivable from Group companies	302	-	28,610
Tax assets	-	37	-
Other receivables	1,453	4,577	2,183
Prepayments and accrued income	31,827	3,376	635
Cash and bank	1,168	-	238
<b>Total current assets</b>	<b>34,939</b>	<b>9,146</b>	<b>31,844</b>
<b>TOTAL ASSETS</b>	<b>931,971</b>	<b>961,386</b>	<b>979,364</b>



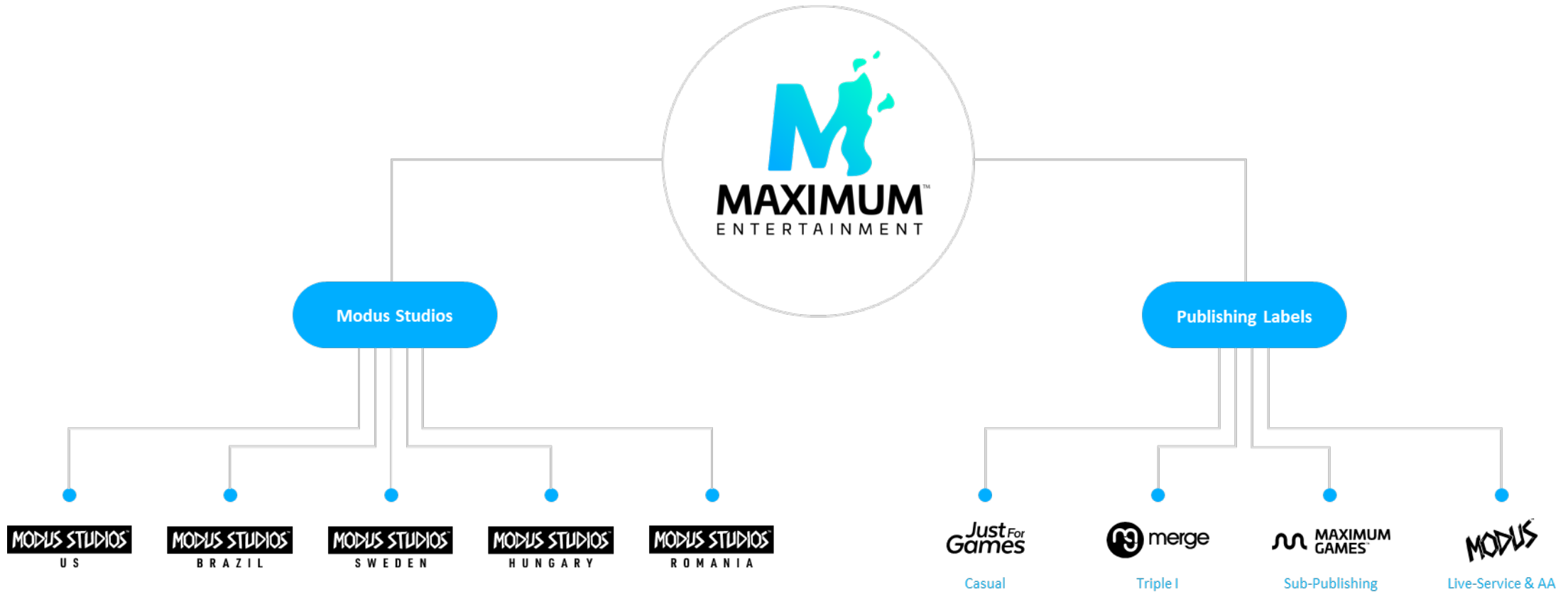
## BALANCE SHEET, CONT.

KSEK	6/30/23	6/30/22	12/31/22
<b>Equity and Liabilities</b>			
<b>Equity</b>			
<i>Restricted equity</i>			
Share capital	5,111	4,287	4,287
Share issue under registration	-	-	-
Development fund		960	-
<i>Unrestricted equity</i>			
Share premium fund	853,915	746,089	746,000
Retained earnings	-52,291	-49,272	-49,929
Result for the period	21,739	2,150	-2,363
<b>Total equity</b>	<b>828,474</b>	<b>704,213</b>	<b>697,995</b>
<b>Tax-free reserves</b>			
Amortization funds	-	-	-
<b>Total tax-free reserves</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Provisions</b>			
Other provisions	51,888	170,582	126,685
<b>Total provisions</b>	<b>51,888</b>	<b>170,582</b>	<b>126,685</b>
<b>Non-current liabilities</b>			
Other liabilities to credit institutions	-	3,064	-
Other non-current liabilities	32,734	-	-
<b>Total non-current liabilities</b>	<b>32734</b>	<b>3,064</b>	<b>0</b>
<b>Current liabilities</b>			
Liabilities to credit institutions	7,324	64,978	80,737
Accounts payable	935	1,298	736
Liabilities to group companies	4,126	984	12,521
Tax liabilities	76	590	-
Other current liabilities	21	2,167	25,821
Accruals and deferred income	6,392	13,510	34,870
<b>Total current liabilities</b>	<b>18,874</b>	<b>83,526</b>	<b>154,684</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>931,971</b>	<b>961,386</b>	<b>979,364</b>

# CHANGES IN EQUITY

	Share Capital	Development Fund	Share Premium	Retained earnings including net profit for the year	Total equity
<b>Opening balance equity 2022-01-01</b>	<b>4,048</b>	<b>38,214</b>	<b>699,174</b>	<b>-87,972</b>	<b>653,463</b>
New issue (net after issuance costs)	239	-	46,826	-149	46,916
Repurchase of warrants	-	-	-	-22	-22
Result for the period	-	-	-	-2,363	-2,363
Changes in fund for development costs	-	-38,214	-	38,214	0
<b>Closing balance 2022-12-31</b>	<b>4,287</b>	<b>0</b>	<b>746,000</b>	<b>-52,291</b>	<b>697,995</b>
<b>Opening balance equity 2022-01-01</b>	<b>4,048</b>	<b>38,214</b>	<b>699,174</b>	<b>-87,972</b>	<b>653,463</b>
New issue (net after issuance costs)	238	-	46,915	-	47,153
Repurchase of warrants	-	-	-	-	0
Result for the period	-	-	-	2,150	2,150
Changes in fund for development costs	-	-37,254	-	38,701	1,447
<b>Closing balance 2022-06-30</b>	<b>4,286</b>	<b>960</b>	<b>746,089</b>	<b>-47,121</b>	<b>704,213</b>
<b>Opening balance equity 2023-01-01</b>	<b>4,287</b>	<b>0</b>	<b>746,000</b>	<b>-52,291</b>	<b>697,995</b>
New issue (net after issuance costs)	824	-	107,917	-	108,741
Repurchase of warrants	-1	-	-	-	-1
Result for the period	-	-	-	21,739	21,739
Changes in fund for development costs	-	-	-	-	0
<b>Closing balance 2023-06-30</b>	<b>5,110</b>	<b>0</b>	<b>853,916</b>	<b>-30,552</b>	<b>828,475</b>

# ABOUT MAXIMUM ENTERTAINMENT



# FURTHER INFORMATION

## Accounting principles

The interim report has been established in accordance with the Annual Accounts Act and BFNAR 2012:1 Annual Report and Consolidated Accounts (K3 rules).

## Related party transactions

The company's related party transactions consist of conventional trade between the group companies.

## Organization and group structure

The Group's parent company, Maximum Entertainment AB, have holdings in subsidiaries according to the table below.

<b>Subsidiaries</b>	<b>Country</b>	<b>Ownership interest %</b>
Dimfrost Studio AB	Sweden	100
Invictus Games Kft	Hungary	100
Just for Games SAS	France	100
Merge Games Ltd	The United Kingdom	100
Zordix Racing AB	Sweden	100
MG1 Acquisition Corporation <sup>1</sup>	The United States	100
MG Team LLC	The United States	100
Maximum Games LLC	The United States	100
Modus Studio Brazil Itda	Brazil	100
Modus Games LLC	The United States	100
Maximum Entertainment Srl	Romania	100
Maximum Games Ireland Ltd	Ireland	100
Maximum Games Ltd	The United Kingdom	100
Maximum Games GmbH	Germany	100

<sup>1</sup>) Holding company that acquired MG Team LLC and Maximum Games LLC, along with their respective subsidiaries.

## Certified Adviser

Augment Partners AB, phone: +46 8 604 22 55, is the Company's Certified Adviser in accordance with the regulations for Nasdaq First North.

## Financial calendar

Interim Report Q1 2023	05/17/2023
AGM	06/08/2023
Interim Report Q2 2023	08/16/2023
Interim Report Q3 2023	11/15/2023
Interim Report Q4 2023	02/14/2024

## Contact information

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# DEFINITIONS

## Maximum Entertainment or The Company

Refers to Maximum Entertainment AB, formerly Zordix AB (publ), company registration number 556778-7691, or the Group or companies in the Group in which Maximum Entertainment AB is the Parent Company.

## GROSS MARGIN

Net Sales less Cost of Goods Sold.

## EBITDA

Operating income before depreciation and amortization.

## EBITDA Margin

EBITDA as a percentage of net revenue.

## EBIT

Operating income.

## EBIT margin

EBIT as a percentage of net revenue.

## Operational EBIT

Operating income excluding amortization of acquisition-related goodwill and non-recurring items.

## Number of Employees

Number of employees at the end of the period.

## Equity Ratio

Equity expressed as a percentage of balance sheet total.



# THE BOARD'S ASSURANCE

The Board of Directors and the CEO confirm that this interim report provides a true and fair view of the group's and the parent company's operations, position and performance.

Stockholm, August 16, 2023

**CHRISTINA SEELYE** – CHIEF EXECUTIVE OFFICER AND DIRECTOR

**STEFAN LINDEBERG** – CHAIRMAN OF THE BOARD

**KARLA MARTIN** – DIRECTOR

**STEFAN LAMPINEN** – DIRECTOR

**DAVID ERIKSSON** – DIRECTOR

**PETTER HJERTSTEDT** – DIRECTOR

This quarterly report has not been subject to review by the group's auditor.



**MAXIMUM**<sup>TM</sup>  
ENTERTAINMENT