

**Q1 JANUARY-MARCH 2026
INTERIM REPORT**



MAXIMUM ENTERTAINMENT QUARTERLY REPORT

FIRST QUARTER, JAN-MAR 2026 (COMPARED TO JAN-MAR 2025)

- Net sales amounted to 10.7 (15.0) MEUR.
- Gross margin amounted to 30 (24)%.
- Adjusted EBITDA amounted to -0.07 (-0.21) MEUR.
- Earnings per share amounted to -0.04 (-0.16) EUR.
- Cash flow from operating activities amounted to -0.6 (-1.9) MEUR.
- The number of employees stood at 92 (115) at the end of the period.
- Discussions have continued with our financial partners, and the company is still depending on additional financing to support its business activities going forward.

Key Performance Indicators Q1 2026

KEUR	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Net Sales	10 698	15 007	62 050
Share of revenue derived from Owned IP	8%	7%	6%
Gross Margin	30%	24%	25%
Adjusted EBITDA	-68	-212	1 434
Adjusted EBITDA Margin	-1%	-1%	2%
EBITDA	-212	-1 126	1 204
EBITDA Margin	-2%	-8%	-2%
Adjusted EBIT	-1 297	-1 815	-20 559
Adjusted EBIT Margin	-12%	-12%	-33%
EBIT	-1 441	-2 729	-78 234
EBIT Margin	-13%	-18%	-126%
Total Headcount	92	115	98

COMMENTS TO THE FINANCIAL STATEMENTS

NET SALES AND GROSS MARGIN

Net Sales for Q1 2026 amounted to 10.7 (15.0) MEUR, down 4.3 MEUR or -29%. The drop in revenue can be explained by cash restrictions, which continued into Q1 2026, and affected the Company's ability to seize business opportunities. Despite low sales, gross margin rose to 30% (24%). Gross margin improved as the company shifted toward higher margin revenue and maintained tighter cost control.

Sub-publishing sales in Q1 2026 benefited from strong titles such as Expedition 33 in the U.S. and other popular titles such as Poppy Playtime despite cash restrictions making it difficult to invest and fully seize on these opportunities.

Simultaneously, the group is actively working on resolving cash issues with lenders and creditors.

OPERATING EXPENSES AND EBIT

Research and development consist mainly of amortization of capitalized game development costs amounted to -1.4 (-1.5) MEUR.

Sales and Marketing Expenses over the quarter remained steady against Q1 2025, at -1.6 (-1.6) MEUR, while General and Administration expenses amounted to -1.7 (-3.3) MEUR. The number of employees stood at 92 (115) at the end of the period. These decreases are consistent with the Group's strategic realignment and cost reduction policies.

Total Operating Expenses amounted to -4.6 (-6.4) MEUR. Before Depreciation and Amortization, Operating Expenses totaled -3.4 (-4.8) MEUR.

Adjusted EBITDA amounted to -0.07 (-0.2) MEUR. Adjusted EBIT amounted to -1.3 (-1.8) MEUR. No impairment on games was made during the period. This is due to an increase in gross profit in this quarter, along with lower Sales and Marketing costs, which are correlated to sales activity.

Further cost reductions are mainly the result of organizational changes.

FINANCIAL ITEMS

The financial results are driven by interest expense on loans and exchange rate fluctuations on USD-based intercompany loans. Financial Net Items amounted to -0.2 (-5.1) MEUR, partly due to exchange rate fluctuations.

CAPITALIZED DEVELOPMENT

Capitalized development includes studio costs and other capitalized costs related to the development of Owned IP games as well as milestones and other expenses generated for licensed publishing games still in development.

At the end of March 2026, Capitalized Development totaled 1.0 MEUR versus 2.0 MEUR on March 31, 2025.

BORROWINGS

Total Borrowings amount to 50.6 (42.8) MEUR. This change concerns an increase due to accrued interest and the new term loan announced on August 8, 2025. The loan facilities in the US include provisions for covenants and termination events. The group breached these covenants at the end of each quarter from Q3 2024 to Q1 2026. While the group remains in discussions with its financial partners to obtain waivers for these breaches and to attempt to revise the covenants going forward, the loans are presented under current liabilities.

After the period, the Group's U.S. subsidiary received notices from Cathay Bank regarding the lender's intention to exercise rights and remedies under the revolving credit facility following events of default. Cathay Bank indicated its intention to pursue available remedies under the applicable financing agreements, including seeking the appointment of a receiver over Maximum Entertainment LLC.

On April 21, 2026, Cathay Bank filed a complaint in the Superior Court of California in connection with the enforcement of its rights under the revolving credit facility. As a result of the lender's actions and the ongoing enforcement process, the revolving credit facility is no longer considered available for future drawdowns.

In addition, after the period, a French court granted a provisional judicial pledge over the shares in the Company's French subsidiary in favor of Olivine Holdings LLC as security for claims asserted by Olivine Holdings LLC.

Following the granting of the provisional judicial pledge, The Company received a notice of default and enforcement of remedies under the applicable credit facility.

These matters may affect the Group's financing arrangements and liquidity position and are described further in Note 4. The Group remains in ongoing discussions with lenders and

COMMENTS TO THE FINANCIAL STATEMENTS (CONT.)

continues to explore the possibility of a resolution. At this time, the outcome is uncertain. Due to the default situations, the borrowings are booked as current liabilities.

NET DEBT

Net Debt on March 31, 2026, amounted to 59.8 MEUR compared to 49.7 MEUR at the of March 2025. The Group decreased borrowing on its overdraft and short-term revolving lines of credit while increasing debt generated from accrued and unpaid interest.

Net debt includes liabilities to sellers for unpaid earnouts for which there was no variation in Q1 2026.

A significant part of the reported Earn-Outs relates to the acquisition of Maximum Games. Since these amounts are disputed and subject to an ongoing arbitration, no changes have been made to previously adopted assessments, and no additional amounts have been accrued. The outcome of the arbitration may have a material impact on the financial result.

The final award for this arbitration case was originally planned for no later than November 28, 2025, but have been delayed upon decision by the arbitration tribunal to postpone them. The final hearings were held in May 2026 and an award is expected in August 2026.

The Earn-Outs are also subject to an investigation being carried out by a special examiner appointed at the Extraordinary General Meeting in September 2024. The report of the Special Examiner was published on 21 May 2025 and was presented at the Annual General Meeting on 11 June 2025.

CONTINGENT CONSIDERATIONS

At the end of March 2026, there were no Contingent Considerations for future periods (0.7 MEUR).

OTHER BALANCE SHEET COMMENTS

Accounts Payable

Accounts Payable at the end of the period amount to 3.9 MEUR up from 3.3 MEUR at the end of Q1 2025. The Group has negotiated payment plans and implemented procedures to ensure that it continues to pay down accumulated vendor debt, shoring up its balance sheet while restoring relationships with its partners. Vendor debt discussions continued in Q1.

Other Current Liabilities

Other Current Liabilities amounted to 19.9 (23.0) MEUR at the end of Q1 2026. This account includes the liabilities related to unpaid Earn-Outs which were recorded as non-current liabilities from Q3 2024.

Accruals and Deferred Income

Accruals and Deferred Income at the end of Q1 2026 amounted to 0.7 (1.1) MEUR. This reduction in accruals and deferred income was attributable to the reduction in royalty accruals due to reduced sales.

Intangible Assets

Intangible Assets amounted to 6.3 (77.3) MEUR, a decrease due to impairments on games and goodwill during 2025.

COMMENTS TO THE FINANCIAL STATEMENTS (CONT.)

CASH FLOW

Cash Flow from Operating Activities before change in working capital amounted to -0.6 (-1.9) MEUR. The increase is mainly due to improved Operating Profit. Operative Cash Flow (after change in Working Capital) amounted to -1.5 (0.5) MEUR. The reason for this decline is unfavorable changes to Working Capital. Maximum Entertainment has made payment plans with most of its suppliers and partners on delayed payments.

Cash Flow from Investing Activities amounted to -1.0 (-2.0) MEUR as investment in Owned IP projects decreased following a strategic shift to derisk the business and accelerate cash flows. Cash Flow from Financing Activities amounted to 1.1 (-2.5) MEUR. The Group did not pay down the principle and also delayed payment of cash interest while it continues its ongoing discussion with lenders and continues to explore the possibility of a resolution. At this time, the outcome is uncertain.

At the end of the quarter, the Group finished with 1.0 (2.6) MEUR in cash.



SIGNIFICANT EVENTS

DURING THE QUARTER

- Board member Mark Blecher resigns at his own request.
- Maximum Entertainment AB (publ) resolved to prepare a balance sheet for liquidation purposes.
- Balance sheet for liquidation purposes showed the equity of Maximum Entertainment AB (publ) was below half of the registered share capital.

AFTER THE QUARTER

- Notice of Extraordinary General Meeting also constituting first control meeting of Maximum Entertainment AB
- Olivine Holdings, LLC announced a cash takeover bid to the shareholders of Maximum Entertainment AB to tender all shares in Maximum Entertainment to Olivine Holdings.
- Cathay Bank notified intention to seek appointment of receiver over U.S. subsidiary.
- Maximum Entertainment's Board of Directors Engages Redeye to Issue Fairness Opinion Regarding Public Cash Offer from Olivine Holdings, LLC.
- Cathay Bank filed a complaint with the Superior Court of the State of California against the company's U.S. subsidiary, Maximum Entertainment, LLC, dated April 21, 2026.
- The Board of Directors of Maximum Entertainment recommended that the shareholders of Maximum Entertainment accept the public offer from Olivine Holdings of SEK 0.30 in cash per share. Board member Bob Blake recorded a dissenting opinion as expressed in the press release dated May 6, 2026.
- Maximum Entertainment received a provisional judicial pledge over shares in its French subsidiary, granted to Olivine Holdings LLC as security for claims under the Turning Rock Partners credit facility, and subsequently received a notice of default and enforcement of remedies under the credit agreement, including the potential exercise of lender rights and termination of previously granted waivers.
- The Extraordinary General Meeting (Sw: första kontrollstämma) on May 21, 2026 resolved that the company should continue its operations.
- On May 25, Olivine Holdings, LLC completed the public takeover offer, resulting in an ownership of 77% of the shares in Maximum Entertainment AB, and extended the acceptance period to June 8, 2026.



GROUP FINANCIAL REPORTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

KEUR	NOTE	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Net Sales	5	10 698	15 007	62 050
Cost of Sales		-7 522	-11 340	-46 677
Gross Profit		3 176	3 667	15 374
Research and Development (R&D)	6	-1 397	-1 527	-18 886
Sales and Marketing		-1 553	-1 605	-6 594
General and Administration	7	-1 686	-3 265	-13 185
Other operating income	8	18	1	789
Other operating expenses	9	-	-	-55 732
Total Operating expenses		-4 618	-6 396	-93 607
Operating Profit (EBIT)		-1 441	-2 729	-78 234
Financial income	10	3 591	191	3 928
Financial expenses	10	-3 827	-5 337	-18 505
Financial items - net		-236	-5 147	-14 577
Profit before Income tax		-1 677	-7 876	-92 811
Deferred income tax		-5	-12	285
Current income tax		-150	-97	-272
Profit for the period		-1 833	-7 985	-92 798
Earnings per share, before dilution (EUR)		-0.04	-0.16	-1.82

STATEMENT OF OTHER COMPREHENSIVE INCOME - GROUP

KEUR	NOTE	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Profit for the period		-1 833	-7 985	-92 798
Other Comprehensive Income for the period				
<i>Items that may be reclassified to profit or loss:</i>				
Exchange differences on translation of foreign operations		-2 738	3 162	8 047
Other Comprehensive Income for the period		-2 738	3 162	8 047
Total Comprehensive Income for the period		-4 571	-4 823	-84 750
Profit for the period attributable to:				
Owners of the parent company		-1 833	-7 985	-92 798
Non-controlling interests		-	-	-
Total comprehensive income for the period attributable to:				
Owners of the parent company		-4 571	-4 823	-84 750
Non-controlling interests		-	-	-



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

KEUR	NOTE	03/31/26	03/31/25	12/31/25
ASSETS				
Non-current assets				
Intangible assets				
Capitalized expenditure for development work and similar work	11	5 986	19 885	6 538
Trademarks		249	380	262
Licenses		19	35	24
Goodwill	12	0	56 954	0
Total intangible assets		6 254	77 253	6 823
Property, plant and equipment				
Right-of-use assets		424	2 799	468
Equipment, tools, fixtures and fittings		200	546	228
Total property, plant and equipment		624	3 345	696
Non-current financial assets				
Other non-current receivables		44	45	45
Total non-current financial assets		44	45	45
Deferred tax assets		67	523	76
Total non-current assets		6 989	81 166	7 640
Current assets				
Inventories		4 570	5 240	4 242
Accounts receivable		5 759	9 465	9 755
Current tax receivables		-	-	-
Other receivables		493	748	428
Prepayments and accrued income	13	968	2 162	1 331
Cash and cash equivalents		1 031	2 641	2 070
Total current assets		12 821	20 256	17 826
Total Assets		19 810	101 422	25 466

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT.)

KEUR	NOTE	03/31/26	03/31/25	12/31/25
EQUITY AND LIABILITIES				
Equity				
Share capital		455	455	455
Other contributed capital		76 159	76 159	76 159
Reserves		5 855	3 708	8 593
Retained earnings		-137 860	-45 062	-45 062
Profit or loss for the period		-1 833	-7 985	-92 798
Equity attributable to owners of the parent company		-57 223	27 275	-52 653
Total Equity		-57 223	27 275	-52 653
Liabilities				
Non-current liabilities				
Borrowings non-current	14/15	2 163	2 413	2 213
Lease liabilities L/T		1 501	2 373	1 611
Other non-current liabilities		-	692	-
Deferred tax liabilities		221	968	224
Total non-current liabilities		3 885	6 447	4 049
Current liabilities				
Borrowings	14/15	48 397	39 685	44 407
Lease liabilities S/T		618	635	604
Accounts payable		3 878	3 349	5 934
Current tax liabilities		-386	-32	-727
Other current liabilities	16	19 922	22 998	22 967
Accruals and deferred income		718	1 065	885
Total Current Liabilities		73 148	67 700	74 070
Total Equity & Liabilities		19 810	101 422	25 466

CONSOLIDATED STATEMENT OF CASH FLOWS

KEUR	NOTE	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Cash flow from operating activities				
Operating profit (EBIT)		-1 441	-2 729	-78 234
Adjustment for non-cash items:		-	-	-
- Amortisation Depreciation and Impairment		1 227	1 603	76 557
- Capital gains/losses on intangible assets		-	-	321
- Capital gains/losses on tangible fixed assets		2	-	151
- EO revaluation included in Other Operating Income/Expense		222	-	-331
Realised and Unrealised Gain / Loss		-761	-	-211
Variations in Accruals		-92	-685	-341
Tax paid		194	-61	-1 021
Cash flow from operating activities before change in Working Capital		-649	-1 872	-3 108
Changes in Working Capital				
Change in Inventories		-306	583	1 406
Change in Accounts receivables		4 766	4 403	3 341
Change in Other current receivables		353	1 453	2 597
Change in Accounts payables		-2 150	-3 973	-918
Change in Other current liabilities		-3 498	-58	-1 282
Total Changes in Working Capital		-836	2 407	5 144
Cash flow from Operations		-1 485	535	2 036

CONSOLIDATED STATEMENT OF CASH FLOWS (CONT.)

KEUR	NOTE	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Cash flow from Investing Activities				
Investments in Subsidiaries		-	-	-
Investments in Intangible Assets		-982	-1 985	-7 065
Investments in Tangible Assets		-	-4	-36
Cash flow from Investing Activities		-982	-1 990	-7 101
Cash flow from Financing Activities				
Proceeds from Borrowings		1 795	-	4 988
Loans paid		-550	-547	-1 932
Revolving line of credit		-	-1 602	-2 313
Change in other long-term liabilities		1	-	-
Lease liabilities paid		-69	-210	-712
Interest paid		-79	-123	-582
Cash flow from Financing Activities		1 099	-2 481	-550
Cash flow for the Period		-1 369	-3 936	-5 615
Decrease / Increase in cash and cash equivalents				
Cash and cash equivalents beginning of the period		2 070	6 106	6 106
Exchange rate difference on cash and cash equivalents		330	470	1 579
Cash and cash equivalents at the end of the period		1 031	2 641	2 070

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

KEUR	Equity attributable to shareholders of parent company					Non-controlling interest	Total equity
	Share capital	Other contributed capital	Reserves	Retained earnings	Total		
Opening balance 2025-01-01	455	76 159	546	-45 062	32 098		32 098
Profit for the period	-	-	-	-7 985	-7 985	-	-7 985
Other comprehensive income	-	-	3 162	-	3 162	-	3 162
Total comprehensive income for the period	-	-	3 162	-7 985	-4 823	-	-4 823
Closing balance 2025-03-31	455	76 159	3 708	-53 047	27 275	-	27 275
Opening balance 2026-01-01	455	76 159	8 593	-137 860	-52 652	-	-52 652
Profit for the period	-	-	-	-1 833	-1 833	-	-1 833
Other comprehensive income	-	-	-2 738	-	-2 738	-	-2 738
Total comprehensive income for the year	-	-	-2 738	-1 833	-4 571	-	-4 571
Closing balance 2026-03-31	455	76 159	5 855	-139 692	-57 223	-	-57 223



PARENT COMPANY FINANCIAL REPORTS

PARENT COMPANY INCOME STATEMENT

KSEK	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Sales	-	-	29 960
Cost of Sales	-	-	-30 991
Gross Profit	-	-	-1 031
General and Administrative			
Total General & Administrative	-10 596	-8 729	-48 168
Amortization of Intangible assets	-49	-49	-49
Other Operating Income			
Other Operating Income	10 675	-	70 616
Other Operating Expenses			
Other Operating Expense	-4 291	-5 155	-12 371
Operating Profit (loss)	-4 261	-13 933	8 998
Financial items			
Result from shares in subsidiaries	-	-	-107 457
Result from receivables group	-	-	-235 921
Other interest income and similar items	6 143	12 323	5 516
Interest costs and similar items	-1 563	-41 769	-341
Net Financial Income	4 580	-29 446	-338 202
Net Profit (loss)	319	-43 379	-329 205

PARENT COMPANY BALANCE SHEET

KSEK	03/31/26	03/31/25	12/31/25
Assets			
Intangible fixed assets			
Licenses and trademarks	162	457	210
Total intangible fixed assets	162	457	210 378
Tangible fixed assets			
Equipment, tools, fixtures and fittings	-	-	-
Total tangible fixed assets	-	-	-
Financial assets			
Investments In Subsidiaries	81 727	177 846	81 727
Non-current receivables from group companies	-	452 582	0
Other non-current receivables	93	-184 456	93 000
Total fixed assets	81 982	446 429	82 030
Current assets			
Accounts receivable	0	-6 838	9
Receivable from Group companies	15 077	19 004	14 869
Tax assets	-	-	-
Other receivables	245	2 815	224
Prepayments and accrued income	626	1 186	388
Cash and bank	74	272	84
Total current assets	16 023	16 438	15 573
TOTAL ASSETS	98 004	462 867	97 604

PARENT COMPANY BALANCE SHEET, CONT.

KSEK	03/31/26	03/31/25	12/31/25
Equity and Liabilities			
Equity			
Restricted equity	-	-	-
Share capital	5 111	5 111	5 111
Share premium fund	853 681	853 681	853 681
Retained earnings	-868 950	-464 008	-464 008
Result for the period	319	-43 379	-404 942
Total equity	-9 840	351 404	-10 159
Provisions			
Other provisions	-	7 663	-
Total provisions	-	7 663	-
Non-current liabilities			
Other liabilities to group companies	10 099	20 098	9 792
Other non-current liabilities	36 814	34 040	36 814
Total non-current liabilities	46 913	54 139	46 606
Current liabilities			
Accounts payable	6 576	5 185	12 940
Liabilities to group companies	45 977	39 908	38 700
Tax liabilities	-61	-41	125
Other current liabilities	6 512	3 008	7 514
Accruals and deferred income	1 927	1 601	1 878
Total current liabilities	60 931	49 661	61 156
TOTAL EQUITY AND LIABILITIES	98 004	462 867	97 604

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1: GENERAL INFORMATION

Maximum Entertainment is a global entertainment company dedicated to crafting indie to AA video game experiences through original content and licensed partnerships. A fully integrated group with a broad portfolio of content, the company emphasizes collaboration and inclusivity in its partnerships to produce the highest level of interactive entertainment. With more than 300 titles in its catalog, Maximum Entertainment has joined forces with talented creators and renowned franchises around the globe to deliver magic to the gamer in everyone. Maximum Entertainment employs experienced professionals across the entire value chain of video games including development, publishing, transmedia, sales, and operations.

Maximum Entertainment is headquartered in Stockholm and is a public company with company registration number 556778-7691.

The Interim statements for the period 1 January 2026 to 31 September 2026 were authorized for issue by the Board of Directors and the CEO of Maximum Entertainment AB on 27 May 2026.

NOTE 2: SUMMARY OF SIGNIFICANT ACCOUNTING PRINCIPLES

Maximum Entertainment AB applies International Financial Reporting Standards (IFRS) as adopted by the EU. The group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable parts of the Annual Accounts Act (1995: 1554). The parent company applies the Annual Accounts Act and RFR 2 Accounting for Legal Entities. For full accounting principles see annual report 2024.

NOTE 3: KEY ESTIMATES AND ASSUMPTIONS

Key estimates and assumptions, based on past experience and other factors, including expectations of future events deemed reasonable, are continuously evaluated. These estimates and assumptions may be used when evaluating liabilities such as contingent considerations and when conducting impairment testing on goodwill and capitalized game development.



NOTE 4: RISK MANAGEMENT

Through its operations, the Group is exposed to various financial risks attributable to primarily trade receivables, trade payables and borrowings. The Group strives to minimize potential unfavorable effects from these risks on the Group's financial results.

FINANCIAL RISKS

Financing of Operations

The Group's strategic direction entails investments in IP rights and publishing operations, and Maximum Entertainment may need to raise additional capital. In the event of a future need for capital, there is a risk that additional capital cannot be raised on favourable terms, that such raised capital is not sufficient to finance the operations, or that capital cannot be raised at all.

In addition, the Group is in breach of covenants and has triggered events of default on its loans **at the end of 2025**. The Group remains in ongoing discussions with its lenders and continue to explore the possibility of a sustainable resolution. There are significant risks associated with the outcome of these discussions, as the Group will be unable to continue operations if forced to reimburse the debt owed to our lenders. In the interim, the Group continues to invest in Games on a scale that corresponds to its current cash constraints.

Maximum Entertainment continually monitors both its cash, financing and investing activities to ensure that sufficient resources remain available to meet targets.

Exchange Rate Risk

The revenue of Maximum Entertainment is mainly in USD, EUR and GBP, while the Group reporting currency is in EUR (Parent company currency remains SEK). Exchange rate fluctuations in relation to EUR may impact the appreciation of consolidated results.

Interest Risk

During Q1 2026, Maximum Entertainment relied on financing from credit institutions that include obligations to pay interest at variable rates. Fluctuations in interest rates can impact the cost of borrowing and our ability to meet our financial obligations and make future investments.

Liquidity Risk

The Group ends the year in breach of covenants. Some loans in the Group require approval of a change in leadership for certain entities or for the Group for which waivers have yet to be obtained. The Group's available resources at the end of the year are insufficient to allow reimbursement of the capital and accrued interest on the loans. We are in discussions with all lenders to better align with the Group's abilities to pay but the Group could fail to achieve sustainable results. After the end of the fiscal year and prior to the publication of this report, the Group received notification from one of its lenders calling for immediate repayment of USD 5.5 M.

In addition to loans from credit institutions, the Group carries significant Accounts Payable and significant ongoing legal expenses which reduces cash available for the generation of future sales. The Group requires sufficient cash flow to allow it to continue meeting its ongoing obligations while making investments in games. Currently, the Group's cash constraints impede execution of investments, jeopardizing the Group's ability to acquire new games and feed the revenue pipeline, impacting its ability to continue operations.

For additional information regarding financial risks, please refer to note 3 in the 2025 annual report.

Arbitration

During the last quarter of 2024, the sellers of Maximum Games filed a request for arbitration requesting immediate payment of approximately 116 MSEK under the share sale and purchase agreement for the acquisition. Maximum Entertainment AB disputes this claim. During 2025, Maximum Entertainment AB filed a counterclaim in this matter requesting repayment of previously paid out earnings and interest, amounting to USD 6.2M. Final hearings were held in May 2026, and an award is expected in August 2026.

Default of Covenants

As previously disclosed, the Group is in breach of certain financial covenants under its financing arrangements. As a result of these breaches, the Group has been unable to draw on its revolving credit facility in the United States, limiting its access to working capital and constraining its ability to finance ongoing operations.

Balance Sheet for Liquidation Purposes

The Board of Directors resolved in February 2026 to prepare a balance sheet for liquidation purposes (Sw. kontrollbalansräkning) following indications that the Company's equity may be less than half of the registered share capital.

As disclosed on March 30, 2026, the balance sheet, subsequently reviewed by the Company's auditor, confirmed that the Company's equity was below half of the registered share capital and was negative. As a result, the Board of Directors has resolved to convene an extraordinary general meeting (Sw: *första kontrollstämma*) in accordance with the Swedish Companies Act to determine whether the Company shall continue its operations. The Extraordinary General Meeting on May 21, 2026 resolved that the company should continue its operations.

This situation reflects a material deterioration in the Company's financial position and constitutes a significant uncertainty regarding the Company's capital structure and its ability to continue operations without additional measures.

NOTE 5: NET SALES

Net Sales by Line of Business			
KEUR	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Owned IP	892	994	3 978
Licensed Publishing	1 475	3 127	10 451
Sub-publishing/Distribution/Transmedia	8 331	10 885	47 622
Other	-	0	-
Total Sales	10 698	15 007	62 050

Net Sales by Region			
KEUR	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
North America	3 914	5 217	22 873
Europe	6 143	8 513	35 049
Asia	162	551	1 361
ROW	480	725	2 767
Total Sales	10 698	15 007	62 050

NOTE 6: GAME DEVELOPMENT

Game Development			
KEUR	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Non Capitalized Development and Studio Research	-290	-153	-122
Amortization/Impairments on Capitalized Development	-1 108	-1 373	-18 764
Total Development	-1 397	-1 527	-18 886

Non Capitalized Development includes costs related to work-for-hire contracts and studio expenses for pre-Greenlit projects.

NOTE 7: NON-RECURRING GENERAL AND ADMINISTRATION EXPENSES

Non-Recurring G&A			
KEUR	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
IFRS Conversion Project	-	-27	-64
Maximum Games' Sellers Arbitration Costs	-2	-209	-1 277
Special Examiner	-	-47	-487
Restructuring Costs	-143	-228	-137
Refinancing Costs	-	-403	-1 005
Total Non-Recurring G&A	-144	-914	-2 970

NOTE 8: OTHER OPERATING INCOME

Operating Income			
KEUR	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Adjustment of contingent consideration	-	-	331
Sales of Merge assets	-	-	-
Rental income	-	-	-
Profit on Disposal of Business Assets	6	-	419
Others	12	1	39
Grant income	-	-	-
Total Operating Income	18	1	789

NOTE 9: OTHER OPERATING EXPENSES

Operating Expenses			
KEUR	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Adjustment of contingent consideration	-	-	-
Impairment on goodwill	-	-	-55 035
Fraudulent Email Incident	-	-	-299
Settlement Payment with Partner	-	-	-397
Parent company costs relating to special examiner professional fee	-	-	-
Other	-	-	-
Total Operating Expenses	-	-	-55 732

NOTE 10: FINANCIAL NET

Financial Net			
KEUR	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Financial Income			
Interest income	-	0	-
FX gain	3 591	191	3 928
Total Financial Income	3 591	191	3 928
Financial Expenses			
Interest expense borrowings	-1 663	-1 562	-6 626
Interest expense liabilities related to right-of-use assets	1	-12	-46
Unwind of discount	-	83	79
FX Loss	-2 113	-3 662	-11 239
Other items - amortised loan fee	-52	-184	-674
Total Financial Expenses	-3 827	-5 337	-18 505
Financial Net	-236	-5 147	-14 577

NOTE 11: INVESTMENTS IN GAMES

Maintaining revenues in the OIP and Licensed Publishing areas of the Group's business require the investment in game development. Investments in games are made through the Group's internal studio structure as well as through the payment of milestones to third party studios in exchange for the IP or the full monetization rights to the game.

Capitalized Game Development			
KEUR	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Book Value as at opening	6 538	19 832	19 832
Additional Development Paid in	980	1 985	7 055
Amortization of launched Games	-1 108	-1 396	-6 725
Disposal of Games	-	-	-240
Adjustment/Impairment on Games	-	-	-12 146
Exchange Rate Differences	-424	-537	-1 238
Book Value as at closing	5 986	19 885	6 538

NOTE 12: GOODWILL

Goodwill			
KEUR	03/31/26	03/31/25	12/31/25
Book Value as at opening	58 507	58 507	68 840
Goodwill impairment	-	-55 035	-13 217
Exchange Rate Differences	-1 553	-3 471	2 884
Book Value as at closing	56 953	-	58 507

NOTE 13: ACCRUED INCOME AND PREPAID EXPENSES

Accrued Income and Prepaid Expenses			
KEUR	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Accrued Income	537	1 263	835
Prepaid Expenses	431	899	496
Total accrued income and prepaid expenses	968	2 162	1 331

NOTE 14: FINANCIAL INSTRUMENTS

The book value of long-term financial instruments which are interest-bearing corresponds to the fair value in all material aspects, as the interest rates are in parity with current market rates. Other long-term financial instruments, mainly contingent considerations, are discounted. The book value of short-term financial instruments corresponds to the fair value in all material aspects as the effect of discounting is deemed insignificant.

Financial Instruments			
KEUR	03/31/26	03/31/25	12/31/25
Non Current			
Loans from BNP	2 163	2 413	2 213
Contingent Considerations	0	692	0
Total Non Current	2 163	3 105	2 213
Current			
Loans from BNP	200	443	700
Loans from Cathay	2 582	2 509	2 447
Loans from Turning Rock Partners	42 216	32 319	37 939
Revolving line of credit provided by Cathay	1 989	2 919	1 943
Loans from Private Investors	1 349	1 430	1 318
Vendor Loan Notes	10 366	10 307	10 352
Promissory Note Interest	62	68	60
Total Current	58 763	49 994	54 760
Financial Instruments - Liabilities	60 926	53 100	56 973

Loan facilities negotiated in the US are associated with covenants for which the group is in breach at the end of quarters Q3 2024 - Q1 2026. Loans in breach of covenants are recorded as current liabilities at the end of Q1 2025, Q4 2025, and Q1 2026. The Group is actively in discussions with lenders in the US to obtain waivers and amendments.

For further information, please refer to the Annual Report 2025.

Contingent Considerations			
KEUR	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Book Value as at Opening	638	638	638
Change recognized in the total comprehensive income	-303	17	-303
Conversion to other current liabilities	-365	-	-365
Amounts Paid (including cash and non cash payments)	-	-	-
Exchange Rate Differences	30	37	30
Book Value as at Closing	0	692	0

NOTE 15: COVENANTS AND NET DEBT

Loan facilities negotiated in the US are associated with covenants for which the group is in breach as at Q3 2024 through Q1 2026. The Group is actively discussing with lenders in the US to obtain waivers and amendments.

Net Debt			
KEUR	03/31/26	03/31/25	12/31/25
Liabilities to Credit Institutions - non amortized	43 565	33 749	39 607
Liabilities to Credit Institutions - amortized	4 945	5 365	5 010
Overdraft and Revolving Credit Facilities	1 989	2 919	1 943
Cash and cash equivalents	-1 031	-2 641	-2 070
Net Debt before Earn-Outs	49 468	39 392	44 490
Liabilities to Sellers for Unpaid Earn-Outs (prior periods)	10 366	10 307	10 352
Net Debt after Earn-Outs	59 833	49 699	54 843

Unpaid Earn-Outs do not include provisions for contingent considerations concerning future/not yet closed periods.

NOTE 16: OTHER CURRENT LIABILITIES

Other Current Liabilities			
KEUR	03/31/26	03/31/25	12/31/25
Unpaid Earn-Outs	10 366	10 307	10 352
Other (Royalty payable VAT & Payroll liabilities etc)	9 556	12 691	12 615
Total Other Current Liabilities	19 922	22 998	22 967

Prior to 2024, unpaid Earn-Outs were recorded as non-current liabilities.

NOTE 17: RELATED PARTY TRANSACTIONS

Related Party Transactions		2026-03-31			2025	2025
		Value	Out-standing	Future Commit-ment	03-31	12-31
KEUR					Value	Value
Rental agreement	Seebon LLC ¹ (supplier)	68	-	2,070	110	414
Rental agreement	BPOK Investments Ltd ² (supplier)	-	-	-	-	-
Rental agreement	Kodinvest Kft ³ (supplier)	-	-	-	7	-
Consulting	Philippe Cohen Consulting SAS ⁴	120	-	240	120	480
Interest on earn-outs	Christina Seelye & Thierry Bonnefoi ⁵	-	-	-	-	-
Salary & other benefits	Luke Keighran	-	-	-	-	-
Salary & other benefits	Joanne Keighran	-	-	-	-	-
NBV on sale of Merge assets including release of EO obligation	Silver Lining Interactive Ltd ⁶	-	-	-	-	-
Total		188		2,310	237	894

¹ a company owned by Christina Seelye and Thierry Bonnefoi. The rental agreement will end on September 30th 2031

² a company owned by Luke & Joanne Keighran. The rental agreement ended on October 31st 2024

³ a company owned by Tamas Kozak. The lease runs indefinitely, with a 90-day notice period for termination

⁴ a company owned by Philippe Cohen, CEO of Maximum Entertainment. An indefinite contract with a 6 month notice period for termination

⁵ sellers of the Maximum Games Group

⁶ a company owned by Luke & Joanne Keighran. On December 23rd, 2024, the Group announced an asset sales arrangement whereby a number of intellectual property rights to catalog titles were sold to Silver Lining Interactive Ltd.

A list of the Group's subsidiaries, which are related parties to the parent company, is found in Further Information. All transactions between Maximum Entertainment AB and its subsidiaries have been eliminated in the consolidated financial statements.

NOTE 18: PARENT COMPANY ACCOUNTING AND VALUATION POLICIES

For information regarding the Parent Company accounting principles, please refer to Note 30 in the Company's Annual Report 2024.



FURTHER INFORMATION

ORGANIZATION AND GROUP STRUCTURE

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

SUBSIDIARIES	Country	Ownership interest %
Maximum Entertainment Sweden AB (Dimfrost Studio AB)	Sweden	100
Maximum Entertainment Hungary kft (invictus Games Kft)	Hungary	100
Maximum Entertainment France (Just For Games SAS)	France	100
Max Ent Games Ltd (Merge Games Ltd)	The United Kingdom	100
MGI Acquisition Corporation	The United States	100
Maximum Entertainment LLC	The United States	100
Modus Games LLC	The United States	100
Maximum Entertainment Brazil Limitada	Brazil	100
Maximum Entertainment Srl	Romania	100
Maximum Entertainment Ireland Ltd	Ireland	100
Maximum Entertainment Ltd	The United Kingdom	100
Maximum Games GmbH	Germany	100

Certified Adviser

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

Liquidity Provider

The company has an agreement with Pareto Securities AB to act as a Liquidity Provider in accordance with the regulations for Nasdaq First North.

Outstanding Shares

Outstanding shares at the close of the reported period amounted to 51,110,152 shares. During the reported period, no changes have been made to the total number of shares.

Outstanding Shares Q1 2026

Number of shares	01/01/26 03/31/26	01/01/25 03/31/25	01/01/25 12/31/25
Number of shares outstanding	51 110 152	51 110 152	51 110 152
Average number of shares	51 110 152	51 110 152	51 110 152

Financial calendar

Interim Report Q1 2026	2026-05-27
Annual General Meeting	2026-06-10
Q2 Report Publication	2026-08-12
Q3 Report Publication	2026-11-11

Contact information

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GLOSSARY

What we say	What we mean
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.
Owned IP	Owned IP, OIP, or Owned Intellectual Property, refers to games for which the Group owns at least 50% of the IP rights to the game. In addition to full monetization rights for the game, Owned IP includes rights to prequels, sequels, spinoffs and other derivative rights.
Publishing	Publishing refers to activities related to games for which the Group has global monetization rights. This means that the Group owns global rights to the game via digital and physical distribution channels. The Group can have publishing rights for select platforms of a game (eg: publishing rights for Console versions only).
Sub-publishing	Sub-publishing refers to activities related to games for which the group has limited monetization rights. This typically means that rights are restricted to a defined channel or territory and do not include digital distribution.
New Releases	New releases are games which have launched within the current fiscal year. Games launched in Early Access are considered new both in the year of first EA release and in the year of 1.0 launch.
Catalog Games or Titles	Also referred to as back-catalog, catalog refers to games that have launched in previous fiscal years.
Adjusted EBIT	EBIT less impact from non-recurring and restructuring expenses, share-based compensation (if any), adjustment to contingent considerations and impairment of goodwill.
Adjusted EBITDA	EBITDA less impact from non-recurring and restructuring expenses, share-based compensation (if any) and adjustment to contingent considerations.
Adjusted EBIT margin	Adjusted EBIT over Net sales.
Adjusted EBITDA margin	Adjusted EBITDA over Net sales.
Gross Margin	Net sales less cost of sales.
EBITDA	EBIT before amortization, depreciation impairment, capital gains/losses on assets and any value adjustments on assets.
EBITDA Margin	EBITDA as a percentage of Net sales.
EBIT	Operating profit.
EBIT Margin	EBIT as a percentage of Net revenue.
Number of Employees	Number of employees at the end of the period.
Live or Live Services	Games that benefit from continual development throughout the life of the game and for which the monetization follows a freemium or micro-transactions model.

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, May 27, 2026

THIS QUARTERLY REPORT HAS NOT BEEN SUBJECT
TO REVIEW BY THE GROUP'S AUDITOR.