



MAXIMUM™
ENTERTAINMENT

Q4 INTERIM REPORT | OCTOBER - DECEMBER 2023

AT A GLANCE

Net revenue (Q4 2023)

393.9 MSEK

EBITDA (Q4 2023)

61.2* MSEK

Revenue from Own IP (Q4 2023)

5.4 %

Gross margin % (Q4 2023)

34.4 %

EBITDA margin (Q4 2023)

15.5 %

No. of employees (Q4 2023)

211

**Before balance sheet adjustments to Earn-outs and Goodwill*

INTERIM REPORT OCTOBER – DECEMBER 2023

Net Sales for the quarter amounted to MSEK 393.9 compared to MSEK 412.6 for Q4 2022. Net Sales for the full year amounted to MSEK 1,146 compared to MSEK 1,138 for 2022. Gross margin as a percentage of Net Sales for 2023 is 31.5%, up from 27.9% in 2022.

Before balance sheet adjustments to Earn-outs and Goodwill, EBITDA for the quarter comes in at MSEK 61.2. This represents 15.5% of Net Sales compared to 7.6% for the same period in 2022. EBITDA before balance sheet adjustments to Earn-Outs and Goodwill for the full year comes in at MSEK 131.6 compared to MSEK 93.4 for 2022, an increase of 41% year on year.

HIGHLIGHTS DURING THE FOURTH QUARTER

Game Launches

- Major content update for Smalland: Survive the Wilds - Amber Valleys
- Spells and Secrets
- Super Animal Royale Season 10

Game Announcements

- Diesel Legacy: The Brazen Age Playtest
- Spirit of the North 2
- Wild Bastards
- Squirrel with a Gun
- Double Dragon Gaiden: Rise of the Dragons Online Coop update

Corporate

- Carnegie Investment Bank AB (formerly Erik Penser Bank) engaged as liquidity provider

HIGHLIGHTS AFTER THE END OF THE QUARTER

- New Partnership and Updates to Portfolio
- Portzamparc (BNP Paribas Group) and TP IPAC have initiated coverage
- Smalland: Survive the Wilds v1.0 release date announcement

KEY FIGURES FOR THE GROUP

Operational key figures (KSEK)	Oct - Dec 2023	Oct - Dec 2022	Full Year 2023	Full Year 2022
Net sales	393,871	412,624	1,145,843	1,138,271
EBITDA bef. EO adjustment ¹	61,185	31,558	131,554	93,376
EBITDA	40,372	32,974	214,285	94,792
Operational EBIT ²	41,536	22,754	77,064	68,541
EBIT	-7,662	-27,152	-80,130	-61,732
EBITDA margin % bef. EO adjustment ¹	15.5	7.6	11.5	8.2
EBITDA margin %	10.2	8.0	18.7	8.3
Operational EBIT margin %	10.5	5.5	6.7	6.0
EBIT margin %	-1.9	-6.6	-7.0	-5.4

Other key figures	Oct - Dec 2023	Oct - Dec 2022	Full Year 2023	Full Year 2022
Balance sheet total	1,566,071	1,727,966	1,566,071	1,727,966
Equity	655,398	698,358	655,398	698,358
Number of shares outstanding	51,110,152	42,866,231	51,110,152	42,866,231
Average number of shares	51,110,152	41,675,373	47,112,415	41,675,373
Net earnings per share, SEK	-1.27	-1.63	-3.37	-1.80
Equity ratio %	42	40	42	40
Number of employees	211	215	211	215

¹⁾ EBITDA includes a cumulative adjustment of MSEK 82.9 related to the reduction of Earn-out provisions at the end of the fourth quarter.

²⁾ The Group's EBIT is affected by the amortization of goodwill in accordance with the Swedish GAAP K3 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

Maximum Entertainment Portfolio Delivers in Q4

I am proud to present our Q4 results which prove, once again, the power of the portfolio play in the changing video game market. This quarter, we delivered 394 MSEK of revenue and 61.2 MSEK of EBITDA (excluding impact from Earn-out adjustments in Q3 and Q4) representing an EBITDA margin of 15.5% for the quarter. This brings us to a full year adjusted EBITDA of 131.6 MSEK or 11.5% of revenues. This is a 41% increase over 2022 EBITDA results, which shows the ability of Maximum Entertainment to integrate acquisitions, establish a strong foundational infrastructure for growth and governance, and build a portfolio of both published and owned IP games while continuing its hallmark ability to expand revenue channels with each game.

In spite of the launch of a very crowded line-up of AA and AAA games for the 2023 holiday season, this quarter demonstrates the resilience that comes from managing a full catalog of games. Across all lines of business, our Own IP, Publishing and Sub-publishing titles performed well, even within a context calling for consolidation and reductions. I am excited about what this means for our future as we prepare for 2024 as a fully integrated global publisher with fresh new Own IP titles launching, complemented by a compelling publishing line-up and some much-awaited sub-publishing games on their way from our respected publishing partners.

OWN IP TITLES CONTINUE TO DELIVER

In spite of our decision to move the launch of the 1.0 version of *Smalland: Survive the Wilds* to early 2024, this game continued throughout Q4 to entertain players and maintain an engaged community looking forward to the 1.0 launch and expansion to consoles. *Amber Valleys*, the title's third and last content update before its v1.0 launch, captivated early access players with an entirely new biome, introducing new NPCs, quest lines, enemies, and much more.

Bramble: The Mountain King and other Own IP titles resonated among gamers looking for thought-provoking, alternative experiences across console and PC platforms, outperforming our long tail revenue expectations with strong promotional sales during the quarter.

PUBLISHING PORTFOLIO FINDS ITS AUDIENCE

Q4 was also a significant quarter for our publishing portfolio, with both a strong performance of previously released titles and further diversification of our offering across target audiences, spanning wholesome titles for the entire family to games appealing to fans of edgier genres.

The promotional season saw increases across the whole of our digital catalog with especially strong results for the earlier 2023 releases of *Afterimage* and *Hammerwatch II*. *Double Dragon Gaiden: Rise of the Dragons* also performed well ahead of the release of its highly anticipated online co-op update coming later this spring. Meanwhile, our cozy farm sim *Paleo Pines*, which was launched in June 2023, also found its core audience over the holiday season, performing well on PC and Switch.

Q4 was also a time for further diversification of our publishing portfolio with the launch of *Spells and Secrets*, an enchanting wizard adventure, along with *Super Animal Royale's* Season 10 update.

SUB-PUBLISHING TITLES SUPPORTED BY STRONG IP

Q4 saw the launch of titles that far outperformed initial expectations due to strong IP recognition and a level of quality that managed to capture and delight their core fanbases.

The strength of the *Five Nights at Freddy's* franchise continues to astound with incredible results throughout the global retail channels with Nintendo Switch being the leading physical platform for this title, consistently ranking in the Top 20 sellers on Amazon.com in the US.

Our long-term partner, Nacon, had a very successful critical and commercial release of *Robocop: Rogue City* and this title overachieved in retail in the US and UK with broad channel reach from specialist retailers such as Game and Gamestop and mass merchant retailers such as Walmart and Argos and everyone in between.

WORDS FROM OUR CEO

Exciting News in 2024

2023 has been a year of consolidation for Maximum Entertainment. Within a context of post-pandemic, post-zero interest rate corrections, we remained focused on cost efficiencies, including a 20% reduction in personnel impacting 2024, while preserving our capabilities across the entire value chain of video game creation. The integration of our studios and publishing labels under one name is well underway, and our own IP portfolio has shown promising performance as a growing share of revenue in the years to come. As our teams close the books on 2023, we have already launched into what will be an exciting and pivotal year with a measurable shift of margin from our publishing and owned IP portfolio. We will continue to see the cost benefits and efficiencies from our integration work.

FOCUS ON OUR OWN IP

As you read this, Smalland: Survive the Wilds has launched out of Early Access to the 1.0 version across PC, Xbox and Playstation 5. The new multiplayer capabilities and significant additional content will further engage the community and invigorate this exciting survival game for 2024 and beyond. Development resources will continue to be deployed on this title adding additional content to the world and retaining its already engaged community.

Two additional titles will enter Early Access in 2024. Maximum Football, our free-to-play, gridiron football simulator in the making is poised to captivate both casual and competitive sports fans while Diesel Legacy, which ran its first playtest early January, has already piqued the interest of the fighting game community.

We have 15 owned IP titles in the roadmap now covering everything from shooters to sims to casual games. True to our portfolio approach, this diversified lineup appeals to audiences across a wide spectrum creating stability and predictability for the future.

WELL POSITIONED PUBLISHING LINEUP

We also look forward to 2024 to reinforce our publishing portfolio with recently announced titles such as fantasy fishing RPG Whisker Waters, open world adventure and highly anticipated sequel Spirit of the North 2, and Wild Bastards, a hybrid strategy and first-person shooter game taking players on an action-packed intergalactic adventure. We are also excited to further diversify this strong lineup through a partnership with Dee Dee Creations to publish their upcoming game, Squirrel With a Gun, which quickly went viral at the 2023 Summer of Gaming.



CHRISTINA SEELYE | CEO

THE WHOLE IS GREATER THAN THE SUM OF OUR PARTS

Building upon a year of consolidation and strong sub-publishing, publishing and own IP performance, 2024 starts with a solid foundation to further integrate our business under one brand. Within a context of reductions across the gaming industry, we are now well positioned to consolidate and bolster efficiencies while reducing risk through our diversified portfolio. 2024 will also see improved visibility for investors on our financial performance, as we shift to IFRS accounting standards and to a EURO presentation starting in Q1 of this coming year. Our ambition for 2024 is to diversify and expand the meaning of entertainment. By further empowering our newly consolidated team and capabilities, we believe that Maximum Entertainment is well positioned to become a brand universally recognized for delivering enthralling, groundbreaking experiences to the gamer in everyone.

COMMENTS



INCOME STATEMENT

NET SALES

Net Sales for the quarter amounted to MSEK 394 delivering a Full Year Net Sales of MSEK 1 146 at December 31, 2023, ending the year with a 1% topline gain compared to the MSEK 1 138 revenue in 2022. In spite of the launch of a very crowded line-up of AA and AAA games for the 2023 holiday season, this quarter demonstrates the resilience that comes from managing a full catalog of games across all of our lines of business.

CAPITALIZED DEVELOPMENT

Within an industry context of consolidation and reductions, the Group remains committed to building its library of Owned IP content while optimizing costs and building efficiencies. Capitalized Development for the current quarter amounted to MSEK 24.6 which is 5% less than prior year for the same period. Over the course of the full year 2023, total Capitalized Development is MSEK 91.9, 66% over the MSEK 55.2 from 2022.

OTHER OPERATING INCOME

Other Operating Income for the quarter amounts to MSEK -1.3 and MSEK 114.6 for the full year 2023. That compares to MSEK 21 and MSEK 30 for the corresponding prior year periods. Other Operating Income for the quarter shows impact from exchange rates differences. The full year 2023 figure includes the impact from a change in provisions for contingent considerations for acquisitions, for which a more comprehensive note is included below (see notes on Provisions).

OPERATING COSTS

Cost of Goods Sold (which includes manufacturing cost and royalties) at the end of the period amounts to MSEK 785.1 v. MSEK 821.4 for the prior year of which MSEK 258.4 was generated in the current quarter v. MSEK 309.7 for the same period last year. As a percentage of Net Sales, COGS dropped in Q4 2023 to roughly 66% of the quarterly Net Sales compared to over 75% of quarterly Net Sales in the previous year. Improved margins are due to the more favorable margin mix with a greater contribution of Owned IP and Licensed Publishing sales.

Other External Expenses of MSEK 62.7 for the quarter (v. MSEK 69.4 for Q4 2022) include MSEK 20.8 of additional costs for contingent considerations linked to improved performance of the acquired entities compared to prior expectations. Prior year figures also included costs for contingent considerations of MSEK 26.9. Net these one-off adjustments, Other External Expenses for the FY2023 are MSEK 0.6 below prior year.

Personnel Costs are MSEK 51.4 up MSEK 11.6 for the period from prior year and include one-off expenses of MSEK 3.3 linked to studio reorganization. Full year Personnel Costs are MSEK 188.8, up MSEK 35.7 from prior year due to the acquisition of the Romanian team.

Depreciation and Amortization for the quarter amount to MSEK 48 down from MSEK 60.1 for Q4 2022 (prior year Q4 figures include one-off expenses for impairments of MSEK 22.1). For the full year, amortization of goodwill includes a charge of MSEK 123 for impairment. Please refer to the notes on Goodwill below for further details.

OPERATING INCOME (EBIT)

EBIT for the current quarter was MSEK -7.7 (MSEK -27.2 in prior year) which includes both amortization and the impairment adjustment of Goodwill. The Group's Operational EBIT, a metric giving a more accurate picture of the performance of the company, amounts to MSEK 41.5 in Q4 (up from MSEK 22.8 in Q4 2022) and MSEK 77.1 for the full year (MSEK 68.5 for FY 2022), an increase of 12%.

FINANCIAL ITEMS

The Group's Financial Items for the current quarter amounted to MSEK -44.9 compared to MSEK -34.6 for prior year. For the full year 2023, financial results are mainly driven by loan-related expenses of MSEK -53.5 (including amortized loan fees) and impact of exchange rate fluctuations for MSEK -17.1.

RESULT FOR THE PERIOD

Net Result for the quarter amounted to MSEK -64.8 vs MSEK -62.7 for prior year. Cumulative Net Result for the Group for the full year of 2023 amounts to MSEK -172.4 compared to MSEK -72.8 in prior year. Restated for contingent consideration and goodwill amortization, annual Net Income is MSEK -15.2 a decrease of MSEK 21.4 compared to prior year.

CASH FLOW AND FINANCIAL POSITION

CASH FLOW

Cash flow from Operating Activities during the quarter amounted to MSEK 13.6 (vs MSEK 85.4 for Q4 2022) of which MSEK 2.3 came from Change in Working Capital (+MSEK 93.9 in Q4 2022). Cash Flow from Investing Activities during the period amounted to MSEK -64.6 (compared to MSEK -54.3 last year), chiefly driven by investments in games.

Cash Flow from Financing Activities during the period amounted to MSEK 65.7 (MSEK -9.1 in 2022) which was driven by additional drawdowns on the credit lines negotiated at the beginning of the year.

Cash balance at end of period amounted to MSEK 72.1 compared to MSEK 100.5 at the end of December 2022.

FIXED ASSETS

The Group's Fixed Assets as of the balance sheet date amounted to MSEK 1,125.9 at December 31, 2023 vs a closing balance at the end of 2022 of MSEK 1,202.6. Main contributors to this post include consolidated Goodwill from acquired companies and investments in games.

Goodwill

Goodwill for acquired assets is reported at cost less accumulated amortization and impairment losses. The Group tests for impairment on a regular basis and no less than annually each fiscal year. An assessment of Goodwill is based upon an evaluation of future cash flows and fair values of acquired assets. A significant amount of judgement is used in these assessments. These tests were performed at the end of Q3, resulting in a reduction of goodwill of MSEK 123 and a corresponding charge for impairment expense posted to Operating Costs. Goodwill has been tested at the end of Q4 and these evaluations are maintained.

Capitalized Development Work

Capitalized Development Work includes the capitalized costs less amortization and impairment for in-house development studios on Owned IP games as well as the external development costs for Owned IP and for published games when the Group has acquired full monetization rights (physical and digital). Total Capitalized Development costs as at December 31, 2023 amount to MSEK 320.7, an increase from the 31 December 2022 balance of MSEK 175.9. At the end of 2023 MSEK 197.3 or 61.5% of Capitalized Development related to unlaunched titles in development.

Financial Assets

Financial Assets include Deferred Tax assets amounting to MSEK 9 at the end of 2023 (compared to MSEK 0.8 at December 31, 2022) and MSEK 13.5 in prepaid loan fees that are amortized over the life of the loan.

CURRENT ASSETS

Inventories of physical games and accessories at December 31, 2023 amounted to MSEK 99.3 compared to MSEK 155 at the end of 2022. Account Receivables as of the balance sheet date stood at MSEK 209.5 compared to MSEK 205.9 at the end of 2022.

EQUITY

The Group's Equity, as of the balance sheet date, amounted to MSEK 655.4 compared to the balance of MSEK 698.4 at 31 December 2022. 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. In addition to the impact of Goodwill amortization, results for this quarter include the impact of charges for an increase in accruals for deferred payments for the acquisition of those same assets. Please refer to the notes on Goodwill and Provisions for further details on these changes.

PROVISIONS

Provisions at the end of the fiscal year amounted to MSEK 228.5 v MSEK 484.3 at the end of 2022. Provisions include Deferred Tax liabilities and deferred considerations related to acquisitions ("Earn-outs").

Earn-outs are contingent upon meeting certain performance obligations for current and future periods which may or may not be met. They may fall due for payment during the period 2024-2025 in the form of shares and cash. Provisions reflect group management's assessment of probable outcomes and are evaluated on a regular basis. Net adjustments to Earn-outs for the full year of 2023 amount to a reduction of MSEK 82.9. Decreases to the provision are also due to payments made during the period.

NON-CURRENT LIABILITIES

Non-Current Liabilities mostly consist of Liabilities to Credit Institutions included as part of the Group's financing strategy.

In February 2023, the Group secured a credit line of roughly MSEK 320 (\$30 M) through its US affiliate, MG1 Acquisition Corp. As at December 31, 2023, the Group has drawn down MSEK 292.1 corresponding to \$29 M. The US based facility has a maturity of 36 months and is non-amortizing.

CURRENT LIABILITIES

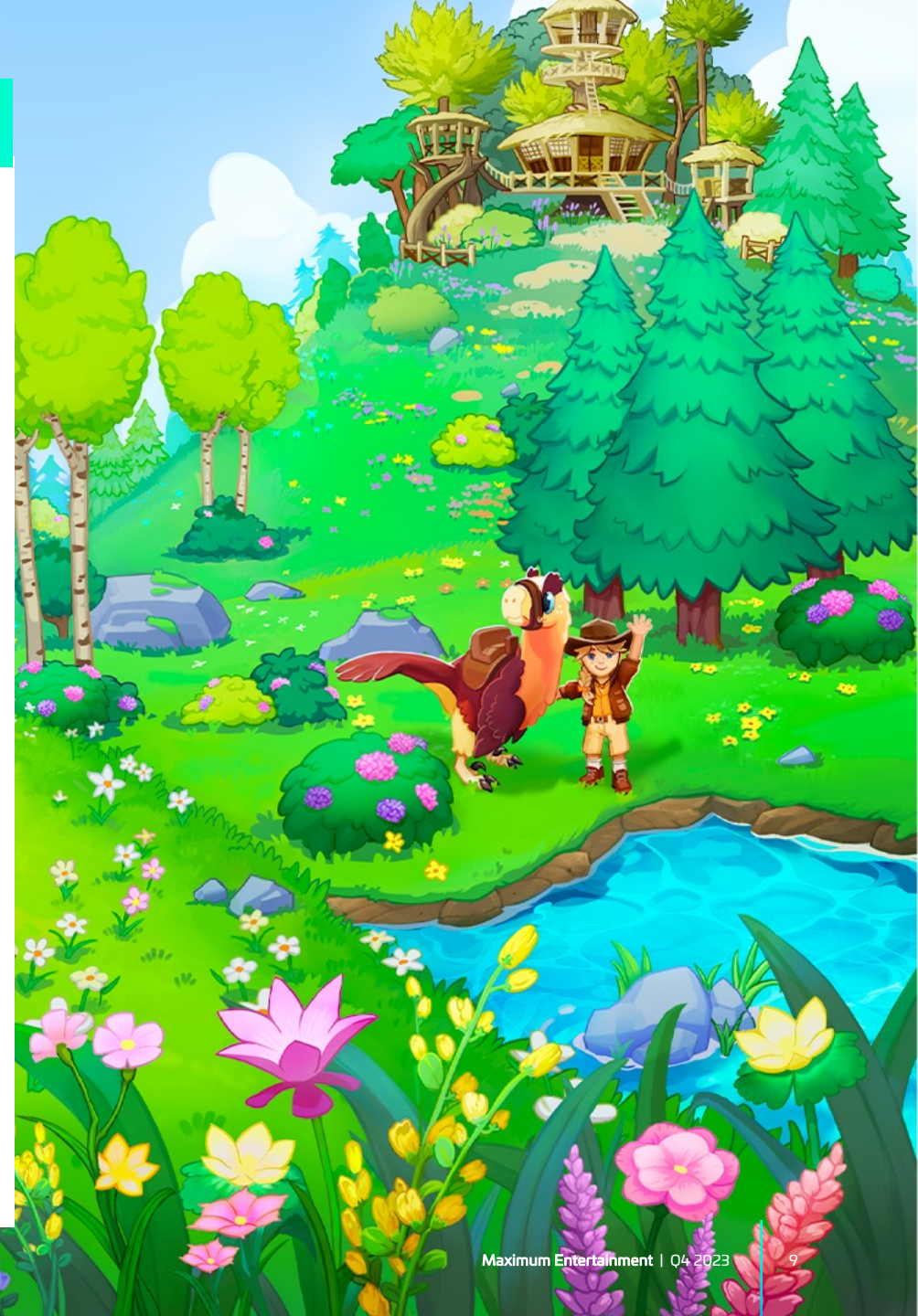
Current Liabilities are mostly attributable to the short-term portion of the long-term debt and outstanding accounts payable and accruals.



FINANCIAL INFORMATION

INCOME STATEMENT

KSEK	Oct - Dec 23	Oct - Dec 22	Full Year 2023	Full Year 2022
Operating income				
Net sales	393,871	412,624	1,145,843	1,138,271
Capitalized own development work	24,628	25,807	91,903	55,207
Other operating income	-1,348	21,177	114,634	30,148
Total income	417,151	459,608	1,352,381	1,223,626
Operating costs				
Cost of goods sold	-258,446	-309,705	-785,061	-821,434
Other external costs	-62,707	-69,377	-156,156	-142,228
Personnel costs	-51,392	-39,822	-188,822	-153,074
Depreciation and amortization of fixed assets	-48,033	-60,126	-294,415	-156,524
Other operating expenses	-4,234	-7,730	-8,057	-12,098
Operating income (EBIT)	-7,662	-27,152	-80,130	-61,732
Financial items				
Financial Net	-44,883	-34,579	-70,644	1,723
Income after financial items	-52,545	-61,731	-150,774	-60,009
Income before tax				
Tax on profit for the period	-12,243	-945	-21,600	-12,828
Profit for the period	-64,788	-62,676	-172,375	-72,837
Attributable to:				
The parent company's shareholders	-64,788	-62,676	-172,375	-72,825



BALANCE SHEET

KSEK	12/31/23	12/31/22
Assets		
Intangible fixed assets		
Capitalized expenditure for development work and similar work	320,733	175,870
Licenses and trademarks	5,436	6,419
Goodwill	766,251	1,007,781
Total intangible fixed assets	1,092,420	1,190,069
Tangible fixed assets		
Equipment, tools, fixtures and fittings	10,486	11,185
Total tangible fixed assets	10,486	11,185
Financial assets		
Deferred tax assets	9,040	883
Other non-current receivables	13,992	491
Total fixed assets	1,125,937	1,202,628
Current assets		
Inventories	99,311	155,038
Accounts receivable	209,510	205,949
Tax assets	2,780	8,409
Other receivables	15,491	6,691
Prepayments and accrued income	40,963	48,741
Cash and bank	72,079	100,510
Total current assets	440,134	525,338
TOTAL ASSETS	1,566,071	1,727,966

BALANCE SHEET, CONT.

KSEK	12/31/23	12/31/22
Equity and Liabilities		
Equity		
Share capital	5,111	4,287
Other contributed capital	853,681	746,000
Capitalized income including net result for the period	-203,394	-51,928
Equity attributable to the parent company's shareholders	655,398	698,358
Total equity	655,398	698,358
Provisions		
Deferred tax liabilities	7,242	2,494
Other provisions	221,233	481,838
Total provisions	228,475	484,332
Non-current liabilities		
Other liabilities to credit institutions	344,964	76,157
Other non-current liabilities	36,367	-
Total non-current liabilities	381,331	76,157
Current liabilities		
Liabilities to credit institutions	87,484	109,952
Accounts payable	96,197	151,271
Tax liabilities	4,138	14,437
Other current liabilities	89,464	128,869
Accruals and deferred income	23,586	64,589
Total current liabilities	300,868	469,119
TOTAL EQUITY AND LIABILITIES	1,566,071	1,727,966

CHANGES IN EQUITY

KSEK	Share Capital	Other Contributed Capital	Other equity including net result for the period	Non-controlling interests	Total equity
Opening balance equity 2022-01-01	4,048	700,248	12,992	2	717,290
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
Closing balance 2022-12-31	4,287	746,000	-51,928	0	698,359
Opening balance equity 2023-01-01	4,287	746,000	-51,928	0	698,359
New issue (net after issuance costs)	590	107,917	-	-	108,506
Repurchase of warrants	-1	-	-	-	-1
Result for the period	-	-	-172,375	-	-172,375
Recalculation difference	-	-	20,861	-	20,965
Other	-	-	-56	-	-56
Closing balance 2023-12-31	4,876	853,917	-203,394	0	655,399

CASH FLOW ANALYSIS

KSEK	Oct - Dec 23	Oct - Dec 22	Full Year 2023	Full Year 2022
Income after financial items	-52,545	-61,731	-150,774	-60,009
Adjustments for items not included in cash flow	70,871	59,292	215,719	115,448
Income tax and interest paid	-7,076	-6,110	-51,856	-15,749
Cash flow from operating activities before changes in working capital	11,250	-8,550	13,089	39,689
Change in working capital	2,313	93,907	-62,214	-10,330
Cash flow from operating activities	13,563	85,357	-49,125	29,359
Net investments in acquired companies	207	30	-25,194	30
Net investments in intangible assets	-62,944	-54,957	-205,103	-129,674
Net investments in tangible assets	-182	-264	-3,705	-6,599
Net investments in financial assets	-1,649	913	-20,541	3,425
Cash flow from investing activities	-64,568	-54,277	-254,544	-132,817
Cash flow from financing activities	65,675	-9,062	273,689	27,966
Cash flow for the period	14,670	22,018	-29,980	-75,492
Cash and cash equivalents at the beginning of the period	60,644	64,725	100,510	163,107
Exchange rate difference on cash and cash equivalents	-3,236	13,767	1,550	12,895
Cash and cash equivalents at the end of the period	72,079	100,510	72,079	100,510

INCOME STATEMENT

KSEK	Oct - Dec 23	Oct - Dec 22	Full Year 2023	Full Year 2022
Operating income				
Net sales	404	7,698	3,240	9,144
Capitalized own development work	-	-	-	-
Other operating income	11,839	-8,040	13,049	764
Total income	12,243	-342	16,289	9,908
Operating costs				
Cost of goods sold	-3,703	-4,774	-12,863	-13,162
Other external costs	-7,104	-3,246	-15,465	-4,440
Personnel costs	-591	-5,307	-9,086	-15,199
Depreciation and amortization of fixed assets	-48	-49	-192	-169
Other operating expenses	-3,938	-20	-3,938	-20
Operating income (EBIT)	-3,141	-13,738	-25,255	-23,082
Financial items				
Financial net	-22,927	16,335	46,002	20,719
Result after financial items	-26,069	2,597	20,747	-2,363
Appropriations and tax				
Change in amortization fund	-	-	-	-
Tax on profit for the period	-	-	-	-
Result for the period	-26,069	2,597	20,747	-2,363



BALANCE SHEET

KSEK	12/31/23	12/31/22
Assets		
Intangible fixed assets		
Capitalized expenditure for development work and similar work	-	-
Licenses and trademarks	710	902
Total intangible fixed assets	710	902
Tangible fixed assets		
Equipment, tools, fixtures and fittings	-	-
Total tangible fixed assets	0	0
Financial assets		
Investments In Subsidiaries	508,217	489,397
Other non-current receivables	357,379	457,222
Total fixed assets	866,306	947,521
Current assets		
Accounts receivable	80	179
Receivable from Group companies	51,290	28,610
Tax assets	-	-
Other receivables	1,536	2,183
Prepayments and accrued income	738	635
Cash and bank	1,899	238
Total current assets	55,543	31,844
TOTAL ASSETS	921,849	979,364

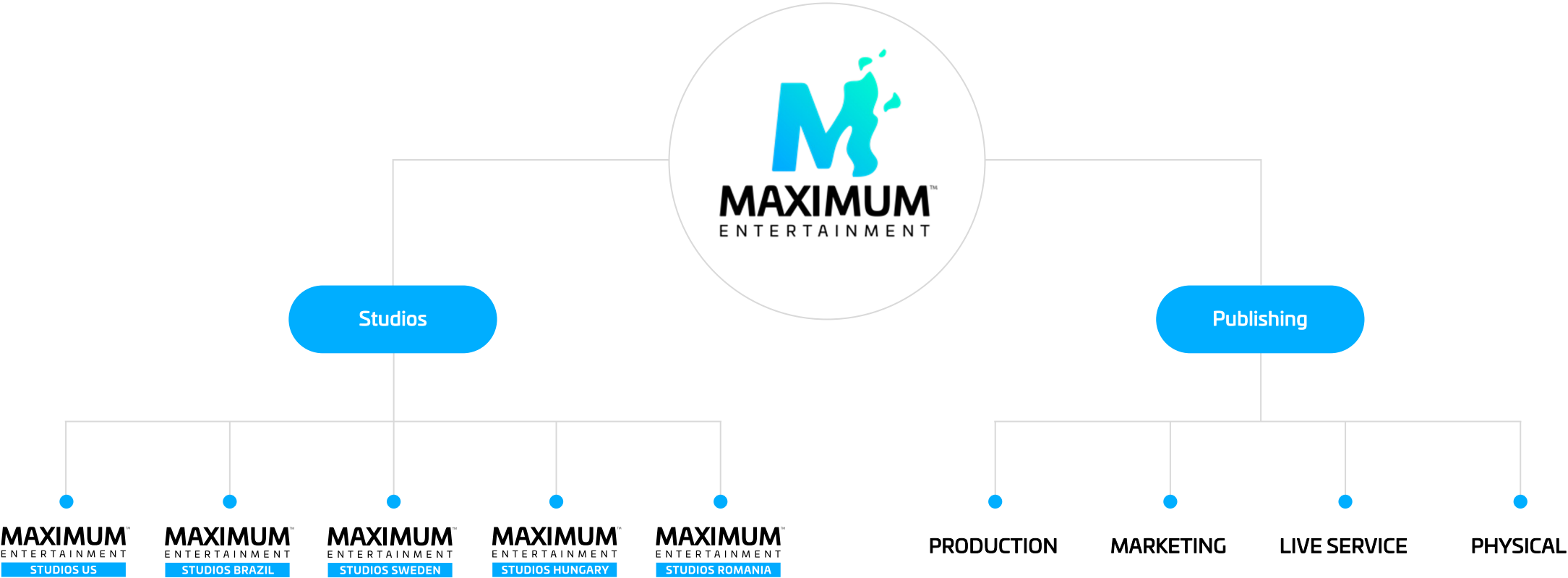
BALANCE SHEET, CONT.

KSEK	12/31/23	12/31/22
Equity and Liabilities		
Equity		
<i>Restricted equity</i>		
Share capital	5,111	4,287
<i>Unrestricted equity</i>		
Share premium fund	853,681	746,000
Retained earnings	-52,291	-49,929
Result for the period	20,747	-2,363
Total equity	827,247	697,995
Provisions		
Other provisions	64,863	126,685
Total provisions	64,863	126,685
Non-current liabilities		
Other liabilities to credit institutions	-	-
Other non-current liabilities	5,566	-
Total non-current liabilities	5,566	-
Current liabilities		
Liabilities to credit institutions	-	80,737
Accounts payable	1,220	736
Liabilities to group companies	17,019	12,521
Tax liabilities	-	-
Other current liabilities	280	25,821
Accruals and deferred income	5,654	34,870
Total current liabilities	24,173	154,684
TOTAL EQUITY AND LIABILITIES	921,849	979,364

CHANGES IN EQUITY

	Share Capital	Development Fund	Share Premium	Retained earnings including net profit for the year	Total equity
Opening balance equity 2022-01-01	4,048	38,214	699,174	-87,972	653,463
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	-
Closing balance 2022-12-31	4,287	0	746,000	-52,291	697,995
Opening balance equity 2023-01-01	4,287	0	746,000	-52,291	697,995
New issue (net after issuance costs)	590	-	107,917	-	108,506
Repurchase of warrants	-1	-	-	-	-1
Result for the period	-	-	-	20,747	20,747
Changes in fund for development costs	-	-	-	-	-
Closing balance 2023-12-31	4,876	0	853,916	-31,544	827,248

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.

Subsidiaries	Country	Ownership interest %
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 ¹	The United States	100
Maximum Entertainment LLC	The United States	100
Modus Games LLC	The United States	100
Modus Studios Desenvolvimento e Licenciamento de Games Limitada	Brazil	100
Maximum Entertainment Srl	Romania	100
Maximum Games Ireland Ltd	Ireland	100
Maximum Entertainment Ltd	The United Kingdom	100
Maximum Games GmbH	Germany	100

1) 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

Annual Report	04/30/2024
Interim Report Q1 2024	05/21/2024
AGM	05/28/2024
Interim Report Q2 2024	08/14/2024
Interim Report Q3 2024	11/13/2024
Interim Report Q4 2024	02/19/2025

Annual report and resolution regarding proposal of dividend

The annual report together with interim reports will be published on the company website: <https://maximument.com/investor-relations/financial-reports-presentations/>

The Board of Directors proposes that no dividend is due for 2023.

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, February 15, 2024

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.



MAXIMUMTM
ENTERTAINMENT