

Q2 APRIL-JUNE 2025
INTERIM REPORT



MAXIMUM ENTERTAINMENT QUARTERLY REPORT

Laying the Groundwork for Future Opportunities

SECOND QUARTER, APRIL-JUNE 2025 (COMPARED TO APRIL-JUNE 2024)

- Net sales amounted to 13.7 (17.4) MEUR.
- Gross margin amounted to 32 (34)%.
- Adjusted EBITDA amounted to 1.1 (1.5) MEUR.
- Earnings per share amounted to -0.12 (-0.01) EUR.
- Cash flow from operating activities amounted to 3.1 (2.2) MEUR.
- The number of employees stood at 118 (192) at the end of the period.
- We remain in ongoing discussions with our lenders and continue to explore the possibility of a resolution.

FIRST HALF YEAR, JANUARY-JUNE 2025 (COMPARED TO JANUARY-JUNE 2024)

- Net sales amounted to 28.7 (37.3) MEUR.
- Gross margin amounted to 28 (33)%.
- Adjusted EBITDA amounted to 0.8 (3.3) MEUR.
- Earnings per share amounted to -0.28 (-0.04) EUR.
- Cash flow from operating activities amounted to 3.7 (6.2) MEUR.

Key Performance Indicators Q2 2025

KEUR	2025-04-01 2025-06-30	2024-04-01 2024-06-30	2025-01-01 2025-06-30	2024-01-01 2024-06-30	2024-01-01 2024-12-31
Net Sales	13 702	17 354	28 708	37 253	79 936
Share of revenue derived from Owned IP	8%	14%	7%	13%	10%
Gross Margin	32%	34%	28%	33%	30%
Adjusted EBITDA	1 110	1 458	922	3 268	6 763
Adjusted EBITDA Margin	8%	8%	3%	9%	8%
Adjusted EBIT	-1 201	-367	-2 992	-990	-16 996
Adjusted EBIT Margin	-9%	-2%	-10%	-3%	-21%
EBIT	-1 742	2 305	-4 471	1 659	-19 146
EBIT Margin	-13%	13%	-16%	4%	-24%
Total Headcount	118	192	118	192	124



CEO WORDS

STRATEGIC SHIFT AND SIGNIFICANT COST CONTROL

Maximum Entertainment has continued to de-risk the business while maintaining our release pipeline. Our strategic shift is already bearing fruit by streamlining operations and controlling costs. However, ongoing cash constraints continue to limit our ability to seize additional growth opportunities.

Net sales for Q2 2025 were €13.7 million, down 21% from €17.4 million in Q2 2024.

Our structured approach enabled us to release one of our most anticipated titles, Maximum Football, while building on past successes with sequels such as How 2 Escape: Lost Submarine, and the launch of Until Then on Nintendo Switch.

DELIVERING OUR PIPELINE

Despite these financial constraints, we have prioritized projects with the highest potential for short-term returns and long-term brand value.

- Maximum Football has significantly expanded its player base through its 1.0 release and arrival on the PlayStation platform. We are continuing to attract new fans while optimizing monetization mechanics.
- We have advanced preparations for major upcoming 2025 releases such as Bye Sweet Carole and Overthrown, which we will showcase at Gamescom in August.

While the gaming industry as a whole continues to face challenges, we see meaningful opportunities emerging, fueled by events such as the launch of Nintendo Switch 2 and strong momentum in indie gaming.

Our positioning enables us to capitalize on these trends, notably in the sub-publishing space, where Expedition 33 has delivered results far exceeding expectations.

DELIVERING VALUE WHILE TACKLING LEGACY ISSUES

Since our strategic realignment in 2024, we have taken bold steps to simplify our structure, reduce operational risks, and enforce disciplined cost controls. These measures have lowered our cost base, clarified reporting lines, and accelerated decision-making across the organization.

Although the full financial impact of these changes will take time to materialize, the underlying business is now leaner, more focused, and better positioned for sustainable growth. We continue to address structural and legal challenges inherited from the past:

- In April, our U.S. subsidiary, Maximum Entertainment LLC, received a notice of default from Cathay Bank due to covenant breaches. Discussions with lenders remain ongoing, and while the situation is complex, we are fully committed to securing the best possible outcome.
- We have filed a formal claim against former board members following the publication of a special examination report detailing past governance failures.
- Our Annual General Meeting on June 11 reaffirmed our path forward and reinforced shareholder trust in the company's renewed leadership and governance framework.

These were essential steps toward accountability, transparency, and long-term stability.

SECURING OUR FOUNDATIONS TO SEIZE FUTURE OPPORTUNITIES

This quarter brought its share of legacy challenges. Yet, as we navigate them, I remain inspired by the dedication of our team, the loyalty of our partners, and the support of our shareholders.

Our direction is clear: we are building a leaner, more focused, and more accountable company. With a clear roadmap, a strong and diverse content pipeline, and renewed leadership, I am confident we are making the right moves to position Maximum Entertainment for a stronger second half of the year and beyond.



PHILIPPE COHEN | CEO

COMMENTS TO THE FINANCIAL STATEMENTS

NET SALES AND GROSS MARGIN

Net Sales for Q2 2025 amounted to 13.7 (17.4) MEUR, down 3.7 MEUR or -21%. Gross margin declined to 32 (34)%. Net Sales, Share of revenue derived from Owned IP and Gross Margin declined against Q2 2024. Released in May 2025, farm-sim title Pixelshire did not meet expectations. Sales of casual catalogue games such as Care Bears: Unlock the Magic have also dipped due to seasonality but are expected to pick up again ahead of the holiday season.

The drop in Gross Margin can be explained mainly by the decrease in Share of Revenue derived from Owned IP, which is a result of our strategy shift to focus on our less risky licensed publishing and subpublishing businesses.

While we saw continued strong demand for our subpublishing titles throughout this quarter, especially with instant successes like Expedition 33, our cash situation constrained our ability to invest and meet demand, resulting in a temporary slow-down. The group has been working on resolving these issues and is in active talks with lenders and creditors.

We are also comparing against a Q2 2024, which benefited from strong momentum of past releases, and renewed interest in well-established titles with the release of a DLC for Double Dragon Gaiden: Rise of the Dragon. Q2 2024 also saw the release of Until Then, which, within a week became Maximum Entertainment's best reviewed game on Steam.

Net Sales for January to June 2025 amounted to 28.7 (37.3) MEUR, down 8.6 MEUR or -23%. Gross margin declined to 28% (33%)%. Net Sales, Share of revenue derived from OIP and Gross Margin declined against Q2 2024.

OPERATING EXPENSES AND EBIT

Research and development consists mainly of amortisations and depreciations of capitalised game development costs, and amounted to -1.6 (-1.5) MEUR.

Sales and Marketing Expenses dropped to 1.5 (2.2) MEUR, linked in part to the drop in variable compensation and the impact of lower sales in 2025 along with cost-cutting measures.

General and Administration expenses amounted to 2.7 (2.6) MEUR due to an increase in legal expenses amounting to 0.5 MEUR related to the arbitration and financing issues described above.

The number of employees stood at 118 (192) at the end of the period, consistent with the Group's strategic realignment and cost reductions policies. This represents a slight increase over Q1 2025, which is due to transitioning of a few roles. Total Operating Expenses amount to 6.1 (3.7) MEUR. Other

Operating Income amounted to 2.7 MEUR in Q2 2024 due to a decrease in contingent considerations. When adjusting for this difference, Operating in Expenses were lower in Q2 2025 than in Q2 2024.

Adjusted EBITDA amounted to 1.1 (1.5) MEUR. The adjusted items, amounting to 0.5 MEUR in Q2 2025, are related to legal costs in connection to the ongoing disputes. In Q2 2024, there were adjusted items of 2.7 MEUR relating to Earn-Out adjustments.

Operating profit, EBIT, amounted to -1.7 (2.3) MEUR. This decrease is driven by the lower sales and gross profit in this quarter. The impact of this decrease is mitigated by lower Sales and Marketing costs, which are correlated to sales activity. Further cost reductions are mainly the result of organizational changes.

From January to June 2025 Total Operating Expenses amount to 12.5 (10.6) MEUR. Operating profit, EBIT, amounted to -4.5 (1.7) MEUR.

FINANCIAL ITEMS

The financial results are driven by interest expense on loans, unwinding of discounts on financial instruments and exchange rate fluctuations on USD based intercompany loans. Financial Net Items amounted to -4.5 (-2.9), partly due to exchange rate fluctuations.

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 June 2025, capitalized development totaled 19 MEUR versus 34 MEUR on June 30, 2024. This variation includes amortization of launched games of 1.6 MEUR. Investments in games decreased by 1.6 MEUR during the second quarter 2025 as a result of decisions to reduce investments in OIP and shorten the runway of investment in Licensed Publishing games.

COMMENTS TO THE FINANCIAL STATEMENTS (CONT.)

BORROWINGS

Total Borrowings amount to 40.0 (42.8) MEUR. The loan facilities in the US include provisions for covenants and termination events. The group breached these covenants at the end of Q3 2024, Q4 2024, Q1 2025, and Q2 2025.

The group is discussing waivers for covenant breaches and potential revisions with financial partners, while classifying the loans as current liabilities.

On April 1, 2025, Maximum Entertainment LLC announced receiving a default notice for loan agreements with Cathay Bank. The Group remains in ongoing discussions with lenders and continues to explore the possibility of a resolution. Due to the default situations, the borrowings are booked as current liabilities.

NET DEBT

Net Debt on June 30, 2025 amounted to 47.6 MEUR compared to 49.0 MEUR at the end of June 2024. The Group reduced borrowing on its overdraft and short-term revolving credit lines while increasing debt from accrued, unpaid interest on non-amortizing loans. Net debt includes liabilities to sellers for unpaid earnouts for which there was no variation in Q2 2025.

A significant part of the reported Earn-Outs relate to the acquisition of Maximum Games. As these amounts are disputed and under ongoing arbitration, no changes have been made to prior assessments, and no additional amounts have been accrued. The outcome of the arbitration may have a material impact on the financial result.

The Earn-Outs were under investigation by a special examiner appointed at the September 2024 Extraordinary General Meeting. The special Examiner has released his findings, which were presented at the Annual General Meeting on 11 June 2025.

CONTINGENT CONSIDERATIONS

At the end of June 2025, Contingent Consideration for future periods stood at 0.7 MEUR (7.2 MEUR). This is related to the acquisition of Dimfrost. At the end of June 2024, the Contingent Consideration of 7.2 MEUR was related to the acquisition of Dimfrost for 0.6 MEUR, acquisition of Merge for 0.9 MEUR and the acquisition of Maximum Games for 5.7 MEUR. Since the Earn-Outs tied to the Maximum Games acquisition were disputed and are under arbitration, they were released in Q4 2024. The earn-out relating to the acquisition of Merge was also released in Q4 2024 as part of the agreement relating to sale of Merge assets to Silver Lining Interactive (a company owned by Merge's previous owners).

OTHER BALANCE SHEET COMMENTS

Accounts Payable

Accounts Payable at the end of the period amount to 8.6 MEUR up from 6.0 MEUR at the end of Q2 2024. The Group has negotiated payment plans and adopted procedures to reduce accumulated vendor debt, strengthening its balance sheet and rebuilding partner relationships.

Other Current Liabilities

Other Current Liabilities remain stable against the end of last year, amounting to 19.8 MEUR at the end of the quarter against 8.8 MEUR as at June 30, 2024. This increase is due to unpaid Earn-Outs.

Accruals and Deferred Income

Accruals and Deferred Income at the end of Q2 2025 amounted to 1.0 MEUR against 1.5 MEUR at the end of June 2024. This account includes accruals for vacation and time off for the Group's worldwide employees and the reductions over the course of the quarter are related to continued downsizing in the early part of 2025.

Intangible Assets

Intangible Assets amounted to 73.0 (104.4) MEUR, a 30% decrease due to impairments on games and goodwill during 2024.

CASH FLOW

Cash Flow from Operating Activities before change in working capital was negative at -0.2 (1.3) MEUR. The decline is mainly due to a lower Operating profit.

Operative Cash Flow (after change in Working Capital) amounted to 3.1 (2.2) MEUR. Improved operating cash flow resulted from favorable changes in 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 -2.1 (-3.8) 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 -0.8 (2.6) MEUR. The Group reduced principal and short-term credit during the quarter but postponed cash interest payments on non-amortizing loans while continuing lender discussions about its situation. At the quarter's end, the Group held 2.3 (5.6) MEUR.

SIGNIFICANT EVENTS

DURING THE QUARTER

- Maximum Entertainment LLC in the USA received notice of default under its loan agreements with Cathay Bank.
- Maximum Entertainment appointed Henrik Resmark as new CFO effective April 1, 2025.
- Adventure RPG Pixelshire launched.
- Maximum Entertainment AB (publ) released its 2024 Annual Report with an adverse audit opinion, detailing adjustments to figures in the Q4 2024 year-end report. The audit report recommends against discharging liability for former board members and the former CEO. Maximum Entertainment released the Special Examiner's report for presentation at the AGM.
- Board member Bob Blake resigned at his own request on May 24 and subsequently rejoined as Vice chairman of the Board upon his election at the June 11 Annual General Meeting.
- Maximum Entertainment AB filed a claim against former board members of the Company.
- The Annual General Meeting of Maximum Entertainment AB on 11 June 2025.
- Jan Benjaminsson was elected Chairman of the Board and Bob Blake was elected Vice Chairman of the Board. Bart Reefman, Mark Blecher and Philippe Cohen were elected as ordinary members of the Board of Directors.
- Maximum Football Officially launched on PlayStation®5, Xbox, and Steam.
- How 2 Escape: Lost Submarine launched on all major platforms.
- Award-Winning Until Then Launched on Nintendo Switch.

AFTER THE QUARTER

- Maximum Entertainment obtained a 4.0 MUSD term loan commitment from a financial partner.



GROUP FINANCIAL REPORTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

KEUR	NOTE	2025-04-01 2025-06-30	2024-04-01 2024-06-30	2025-01-01 2025-06-30	2024-01-01 2024-06-30	2024-01-01 2024-12-31
Net Sales	5	13 702	17 354	28 708	37 253	79 936
Cost of Sales		-9 342	-11 398	-20 682	-25 027	-55 768
Gross Profit		4 359	5 956	8 026	12 226	24 168
Research and Development (R&D)	6	-1 616	-1 589	-3 143	-3 736	-22 051
Sales and Marketing		-1 511	-2 207	-3 116	-4 378	-8 506
General and Administration	7	-2 735	-2 564	-6 000	-5 174	-10 058
Other operating income	8	471	2 709	472	2 721	10 738
Other operating expenses	9	-709	-	-709	-	-13 437
Total Operating expenses		-6 101	-3 651	-12 497	-10 567	-43 314
Operating Profit (EBIT)		-1 742	2 305	-4 471	1 659	-19 146
Financial income	10	528	-	719	1 524	4 522
Financial expenses	10	-5 057	-2 888	-10 395	-4 938	-11 357
Financial items - net		-4 529	-2 888	-9 676	-3 413	-6 835
Profit before Income tax		-6 271	-584	-14 146	-1 754	-25 981
Deferred income tax		102	149	90	129	-133
Current income tax		-36	-270	-133	-595	-1 206
Profit for the period		-6 204	-704	-14 189	-2 221	-27 320

STATEMENT OF OTHER COMPREHENSIVE INCOME - GROUP

KEUR	NOTE	2025-04-01 2025-06-30	2024-04-01 2024-06-30	2025-01-01 2025-06-30	2024-01-01 2024-06-30	2024-01-01 2024-12-31
Profit for the period		-6 204	-704	-14 189	-2 221	-27 320
Other Comprehensive Income for the period						
<i>Items that may be reclassified to profit or loss:</i>						
Exchange differences on translation of foreign operations		2 220	479	5 383	-911	-1 208
Other Comprehensive Income for the period		2 220	479	5 383	-911	-1 208
Total Comprehensive Income for the period		-3 984	-225	-8 806	-3 131	-28 528
Profit for the period attributable to:						
Owners of the parent company		-6 204	-704	-14 189	-2 221	-27 320
Non-controlling interests		-	-	-	-	-
Total comprehensive income for the period attributable to:						
Owners of the parent company		-3 984	-225	-8 806	-3 131	-28 528
Non-controlling interests		-	-	-	-	-



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

KEUR	NOTE	2025-06-30	2024-06-30	2024-12-31
ASSETS				
Non-current assets				
Intangible assets				
Capitalized expenditure for development work and similar work	11	18 955	33 573	19 832
Trademarks		301	401	397
Licenses		37	88	69
Goodwill	12	53 717	70 311	58 507
Total intangible assets		73 010	104 373	78 804
Property, plant and equipment				
Right-of-use assets		2 520	3 866	3 153
Equipment, tools, fixtures and fittings		455	876	629
Total property, plant and equipment		2 975	4 742	3 782
Non-current financial assets				
Other non-current receivables		44	44	44
Total non-current financial assets		44	44	44
Deferred tax assets		514	1 016	519
Total non-current assets		76 544	110 175	83 150
Current assets				
Inventories		5 352	9 048	5 822
Accounts receivable		9 418	10 014	13 182
Current tax receivables		-	561	887
Other receivables		1 145	1 533	1 161
Prepayments and accrued income	13	1 806	3 131	3 203
Cash and cash equivalents		2 301	5 576	6 106
Total current assets		20 022	29 864	30 361
Total Assets		96 566	140 039	113 511

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (CONT.)

KEUR	NOTE	2025-06-30	2024-06-30	2024-12-31
EQUITY AND LIABILITIES				
Equity				
Share capital		455	455	455
Other contributed capital		76 159	76 159	76 159
Reserves		5 928	843	546
Retained earnings		-45 063	-17 743	-17 743
Profit or loss for the period		-14 189	-2 221	-27 320
Total Equity		23 291	57 494	32 098
Liabilities				
Non-current liabilities				
Borrowings non-current	14/15	2 313	33 606	2 513
Lease liabilities L/T		2 075	3 246	2 646
Other non-current liabilities	16	681	17 632	638
Deferred tax liabilities		860	1 176	939
Total non-current liabilities		5 929	55 660	6 736
Current liabilities				
Borrowings	14/15	37 760	9 222	41 687
Lease liabilities S/T		561	820	711
Accounts payable		8 594	6 029	7 323
Current tax liabilities		-348	524	836
Other current liabilities	16	19 824	8 820	22 794
Accruals and deferred income		955	1 470	1 326
Total Current Liabilities		67 345	26 885	74 676
Total Equity & Liabilities		96 566	140 039	113 511

CONSOLIDATED STATEMENT OF CASH FLOWS

KEUR	NOTE	2025-04-01 2025-06-30	2024-04-01 2024-06-30	2025-01-01 2025-06-30	2024-01-01 2024-06-30	2024-01-01 2024-12-31
Cash flow from operating activities						
Operating profit (EBIT)		-1 742	2 305	-4 471	1 659	-19 146
Adjustment for non-cash items:						
- Amortisation, Depreciation and Impairment		1 979	1 826	3 582	4 273	35 851
- Capital gains/losses on intangible assets		332	-	332	-	1 162
- Capital gains/losses on tangible fixed assets		-	0	-	-15	-38
- EO revaluation included in Other Operating Income/Expense		-	-2 702	-	-2 702	-11 807
Realised and Unrealised Gain / Loss		-22	-	-22	-	-
Variations in Accruals		-365	-99	-1 050	-440	-590
Tax paid		-400	-7	-461	-327	-754
Cash flow from operating activities before change in Working Capital		-218	1 323	-2 090	2 448	4 679
Changes in Working Capital						
Change in Inventories		-272	-554	311	-126	3 100
Change in Accounts receivables		61	1 927	4 463	8 809	6 702
Change in Other current receivables		-244	-481	1 209	91	66
Change in Accounts payables		5 781	-449	1 807	-2 613	-1 098
Change in Other current liabilities		-1 975	465	-2 033	-2 407	3 370
Total Changes in Working Capital		3 351	909	5 758	3 753	12 140
Cash flow from Operations		3 132	2 231	3 667	6 202	16 819
Cash flow from Investing Activities						
Investments in Subsidiaries		-	-	-	-566	-1 353
Investments in Intangible Assets		-2 106	-3 717	-4 091	-7 395	-12 615
Investments in Tangible Assets		-3	-34	-7	-88	-73
Cash flow from Investing Activities		-2 109	-3 751	-4 099	-8 049	-14 041
Cash flow from Financing Activities						
Proceeds from Borrowings		300	3 733	300	3 733	3 733
Loans paid		-141	-687	-688	-1 289	-3 172
Revolving line of credit		-788	750	-2 390	601	435
Lease liabilities paid		-196	-150	-406	-262	-1 128
Interest paid		-4	-1 088	-126	-1 918	-3 530
Cash flow from Financing Activities		-829	2 559	-3 310	865	-3 662
Cash flow for the Period		194	1 039	-3 741	-982	-884
Decrease / Increase in cash and cash equivalents						
Cash and cash equivalents beginning of the period		2 641	4 496	6 106	6 470	6 470
Exchange rate difference on cash and cash equivalents		-534	41	-64	89	520
Cash and cash equivalents at the end of the period		2 301	5 576	2 301	5 576	6 106

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 2024-01-01	455	76 159	1 753	-17 743	60 625			60 625
Profit for the period				-2 221	-2 221			-2 221
Other comprehensive income			-911		-911			-911
Total comprehensive income for the period			-911	-2 221	-3 131			-3 131
Closing balance 2024-06-30	455	76 159	843	-19 963	57 494			57 494
Opening balance 2025-01-01	455	76 159	546	-45 062	32 098			32 098
Profit for the period				-14 189	-14 189			-14 189
Other comprehensive income			5 383		5 383			5 383
Total comprehensive income for the year			5 383	-14 189	-8 806			-8 806
Closing balance 2025-06-30	455	76 159	5 928	-59 251	23 291			23 291



PARENT COMPANY FINANCIAL REPORTS

PARENT COMPANY INCOME STATEMENT

KSEK	2025-04-01 2025-06-30	2024-04-01 2024-06-30	2025-01-01 2025-06-30	2024-01-01 2024-06-30	2024-01-01 2024-12-31
Sales	7	3 761	7	7 635	14 343
Cost of Sales	-7	-20	-7	-20	-27
Gross Profit	-	3 741	-	7 615	14 316
General and Administrative					
Total General & Administrative	-7 897	-10 445	-16 626	-20 335	-41 847
Amortization of Intangible assets	-49	-48	-97	-96	-204
Other Operating Income					
Other Operating Income	401	60	401	120	200
Other Operating Expenses					
Other Operating Expense	-4 504	-	-9 659	-	-1 902
Operating Profit (loss)	-12 049	-6 692	-25 982	-12 696	-29 438
Financial items					
Result from shares in subsidiaries	-	-	-	6 733	-453 181
Other interest income and similar items	-61 384	3 246	-49 061	27 230	51 405
Interest costs and similar items	41 259	-220	-511	-357	-1 249
Net Financial Income	-20 125	3 026	-49 571	33 605	-403 026
Net Profit (loss)	-32 174	-3 666	-75 553	20 909	-432 464

PARENT COMPANY BALANCE SHEET

KSEK	2025-06-30	2024-06-30	2024-12-31
Assets			
Intangible fixed assets			
Licenses and trademarks	307	613	505
Total intangible fixed assets	307	613	505
Tangible fixed assets			
Equipment, tools, fixtures and fittings	-	-	-
Total tangible fixed assets	-	-	-
Financial assets			
Investments In Subsidiaries	192 846	508 217	177 846
Non-current receivables from group companies	414 588	416 601	309 531
Other non-current receivables	-184 456	93	93
Total fixed assets	423 285	925 524	487 976
Current assets			
Accounts receivable	-6 838	0	0
Receivable from Group companies	24 440	65 084	11 469
Tax assets	-	0	-
Other receivables	2 993	1 723	242
Prepayments and accrued income	598	742	663
Cash and bank	188	57	517
Total current assets	21 381	67 606	12 891
TOTAL ASSETS	444 667	993 131	500 867

PARENT COMPANY BALANCE SHEET, CONT.

KSEK	2025-06-30	2024-06-30	2024-12-31
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	-464 008	-31 544	-31 544
Result for the period	-75 553	20 090	-432 464
Total equity	319 231	847 336	394 783
Provisions			
Other provisions	7 663	36 075	7 663
Total provisions	7 663	36 075	7 663
Non-current liabilities			
Other liabilities to group companies	20 961	20 324	26 303
Other non-current liabilities	36 814	60 149	37 310
Total non-current liabilities	57 776	80 473	63 613
Current liabilities			
Accounts payable	7 692	3 272	3 070
Liabilities to group companies	49 232	19 993	27 842
Tax liabilities	18	80	186
Other current liabilities	1 584	3 072	2 396
Accruals and deferred income	1 472	2 828	1 312
Total current liabilities	59 997	29 245	34 807
TOTAL EQUITY AND LIABILITIES	444 667	993 131	500 867

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.

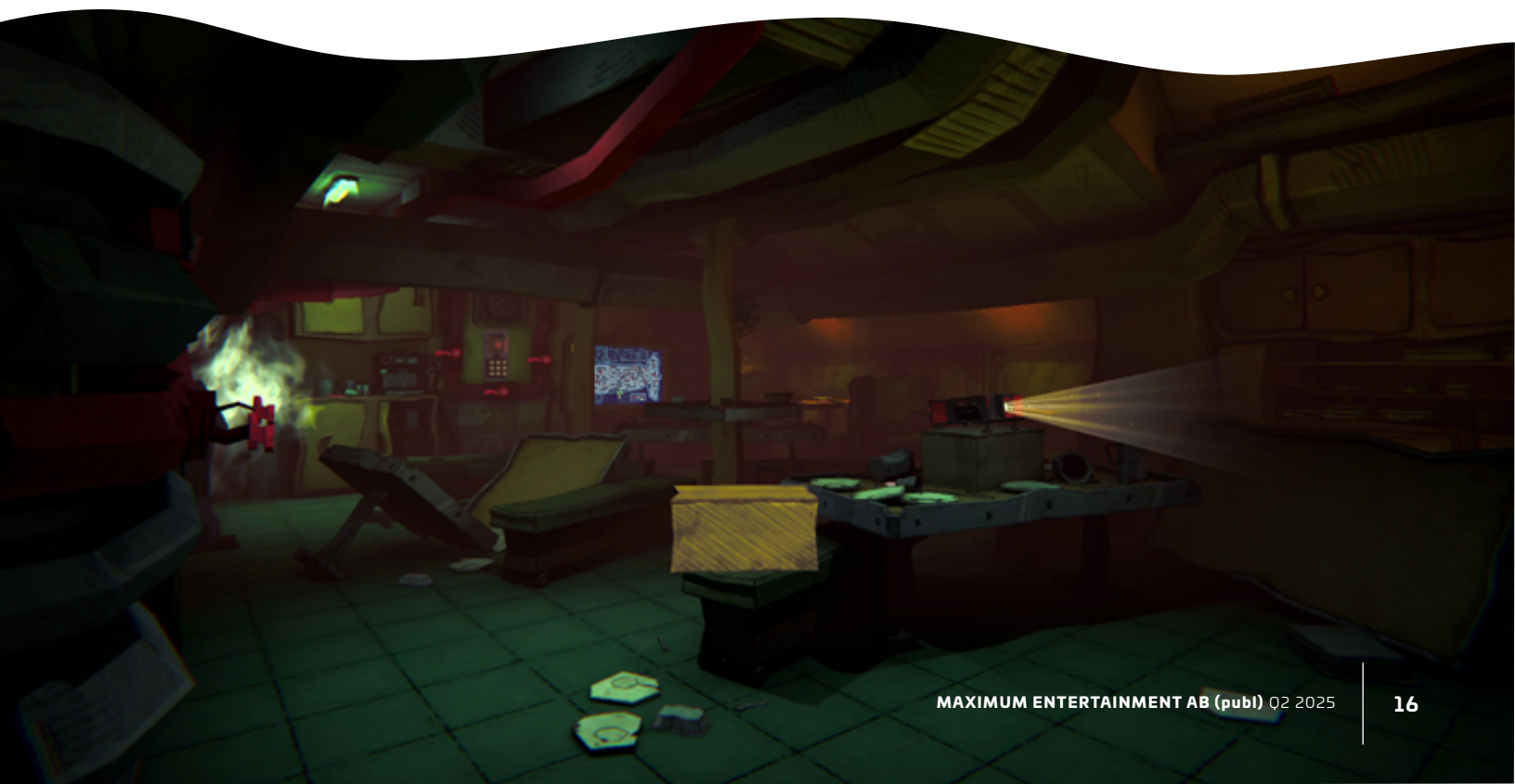
The Interim statements for the period 1 April 2025 to 30 June 2025 were authorized for issue by the Board of Directors and the CEO of Maximum Entertainment AB on 13 August 2025.

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 strategy includes acquisitions and investments in IP rights and publishing operations, and Maximum Entertainment may need to raise additional capital. If future capital is needed, there's a risk it may not be raised on favorable terms, may be insufficient for operations, or may not 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 2024. The Group is still in breach of these covenants and remains in ongoing discussions with its lenders 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 its 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 have a negative impact on the competitiveness of Maximum Entertainment in relation to competitors who report in another currency.

Interest Risk

During the period, Maximum Entertainment relied on credit institution financing with variable interest rate obligations. Fluctuations in interest rates can impact the cost of borrowing and our ability to make future investments, potentially affecting our profitability. We closely monitor market conditions and adjust our financing and investment decisions to reflect our risk-return profile.

Liquidity Risk

The Group is still in breach of Q3 2024, Q4 2024, Q1 2025, and Q2 2025 covenants for which it is currently in discussions with its principal lenders. 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 Q2 2025 are insufficient to allow reimbursement of the capital and accrued interest on the loans. We're discussing with all lenders to align with the Group's payment capacity, but sustainable results may not be achieved. On April 1, 2025, the Group announced the notification from one of its lenders calling for immediate repayment of 5.5 MUSD. Besides loans from credit institutions, the Group has significant accounts payable and ongoing legal expenses, reducing cash for future sales generation. 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.

Arbitration

During 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. In addition, and during the period, Maximum Entertainment AB filed a counterclaim in this matter requesting repayment of previously paid out earn-outs and interest, amounting to USD 6.2M. That process continues throughout and after Q2 2025.

For additional information regarding risk management, please refer to the Annual Report 2024.

NOTE 5: NET SALES

Net Sales by Line of Business					
KEUR	2025-04-01 2025-06-30	2024-04-01 2024-06-30	2025-01-01 2025-06-30	2024-01-01 2024-06-30	2024-01-01 2024-12-31
Owned IP	1 130	2 364	2 124	4 980	8 304
Licensed Publishing	1 868	2 756	4 996	5 714	15 116
Subpublishing/Distribution/Transmedia	10 703	12 234	21 588	26 451	56 400
Other	-	-	-	110	116
Total Sales	13 702	17 354	28 708	37 253	79 936

Net Sales by Region					
KEUR	2025-04-01 2025-06-30	2024-04-01 2024-06-30	2025-01-01 2025-06-30	2024-01-01 2024-06-30	2024-01-01 2024-12-31
North America	6 690	7 765	13 463	16 057	37 486
Europe	5 762	8 203	13 440	18 574	37 424
Asia	400	522	742	1 388	2 065
ROW	849	864	1 063	1 235	2 961
Total Sales	13 702	17 354	28 708	37 254	79 936

NOTE 6: GAME DEVELOPMENT

Game Development					
KEUR	2025-04-01 2025-06-30	2024-04-01 2024-06-30	2025-01-01 2025-06-30	2024-01-01 2024-06-30	2024-01-01 2024-12-31
Non Capitalized Development and Studio Research	10	-35	-144	-35	-336
Amortization/Impairments on Capitalized Development	-1 626	-1 537	-2 999	-3 701	-21 714
Other	-	-16	-	-	-
Total Development	-1 616	-1 589	-3 143	-3 736	-22 051

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	2025-04-01 2025-06-30	2024-04-01 2024-06-30	2025-01-01 2025-06-30	2024-01-01 2024-06-30	2024-01-01 2024-12-31
IFRS Conversion Project	0	-30	-27	-53	-61
Maximum Games' Sellers Arbitration Costs	-139	-	-320	-	-69
Special Examiner	-163	-	-251	-	-65
Restructuring Costs	-23	-	-35	-	-
Refinancing Costs	-215	-	-845	-	-
Total Non-Recurring G&A	-541	-30	-1 479	-53	-195

NOTE 8: OTHER OPERATING INCOME

Operating Income					
KEUR	2025-04-01 2025-06-30	2024-04-01 2024-06-30	2025-01-01 2025-06-30	2024-01-01 2024-06-30	2024-01-01 2024-12-31
Adjustment of contingent consideration	-	2 702	-	2 702	11 315
Other items -Sales of Merge assets	-	-	-	-	-616
Other items Rental income	-	5	-	11	17
Profit on Disposal of Business Assets	435	-	435	-	-
Others	36	0	37	0	7
Other items (sale of assets)	-	0	-	1	14
Other items grant income	-	1	-	7	1
Total Operating Income	471	2 709	472	2 721	10 738

NOTE 9: OTHER OPERATING EXPENSES

Operating Expenses					
KEUR	2025-04-01 2025-06-30	2024-04-01 2024-06-30	2025-01-01 2025-06-30	2024-01-01 2024-06-30	2024-01-01 2024-12-31
Adjustment of contingent consideration	-	-	-	-	-54
Impairment on goodwill	-	-	-	-	-13 217
Fraudulent Email Incident	-299	-	-299	-	-
Settlement Payment with Partner	-411	-	-411	-	-
Parent company costs relating to special examiner professional fee	-	-	-	-	-166
Total Operating Expenses	-709	-	-709	-	-13 437

NOTE 10: FINANCIAL NET

Financial Net					
KEUR	2025-04-01 2025-06-30	2024-04-01 2024-06-30	2025-01-01 2025-06-30	2024-01-01 2024-06-30	2024-01-01 2024-12-31
Financial Income					
Interest income	0	0	0	0	3
FX gain	528	-187	719	1 524	4 518
Total Financial Income	528	-187	719	1 524	4 522
Financial Expenses					
Interest expense borrowings	-1 542	-1 833	-3 104	-3 182	-6 697
Interest expense liabilities related to right-of-use assets	77	92	65	-39	-11
Unwind of discount	-54	-1 126	29	-1 206	-1 874
FX Loss	-3 368	344	-7 031	-162	-2 060
Other items - amortised loan fee	-170	-178	-354	-348	-715
Total Financial Expenses	-5 057	-2 701	-10 395	-4 938	-11 357
Financial Net	-4 529	-2 888	-9 676	-3 413	-6 835

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	2025-01-01 2025-06-30	2024-01-01 2024-06-30	2024-01-01 2024-12-31
Book Value as at opening	19 832	29 264	29 264
Additional Development Paid in	4 083	7 395	12 615
Amortization of launched Games	-3 043	-2 885	-6 181
Disposal of Games	-248	-815	-1 162
Adjustment/Impairment on Games	-	-	-15 667
Exchange Rate Differences	-1 669	613	963
Book Value as at closing	18 955	33 573	19 832

NOTE 12: GOODWILL

Goodwill			
KEUR	2025-06-30	2024-06-30	2024-12-31
Book Value as at opening	58 507	68 840	68 840
Goodwill impairment	-	-	-13 217
Exchange Rate Differences	-4 789	1 471	2 884
Book Value as at closing	53 717	70 311	58 507

NOTE 13: ACCRUED INCOME AND PREPAID EXPENSES

Accrued Income and Prepaid Expenses			
KEUR	2025-06-30	2024-06-30	2024-12-31
Accrued Income	540	1 855	2 113
Prepaid Expenses	1 266	1 276	1 089
Total accrued income and prepaid expenses	1 806	3 131	3 203



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	2025-06-30	2024-06-30	2024-12-31
Non Current			
Loans from BNP	2 313	2 713	2 513
Loans from Cathay	-	1 900	-
Loans from Turning Rock Partners	-	28 993	-
Promissory Notes	-	10 405	-
Contingent Considerations	681	7 227	638
Total Non Current	2 995	51 238	3 151
Current			
Loans from BNP	700	827	571
Loans from Cathay	2 387	2 211	2 932
Loans from Turning Rock Partners	31 346	-	31 935
Revolving line of credit provided by Cathay	1 946	4 741	4 696
Loans from Private Investors	1 320	1 444	1 486
Vendor Loan Notes	9 924	1 360	10 706
Promissory Note Interest	60	-	68
Total Current	47 684	10 583	52 393
Financial Instruments - Liabilities	50 679	61 821	55 544

Loan facilities negotiated in the US are associated with covenants for which the group is in breach at December 31, 2024 and June 30, 2025.

Loans in breach of covenants are recorded as current liabilities in Q4 2024 and Q2 2025.

The Group is actively in discussion with lenders in the US to obtain waivers and amendments.

For further information, please refer to the Annual Report 2024.

Contingent Considerations			
KEUR	2025-06-30	2024-06-30	2024-12-31
Book Value as at Opening	638	17 983	17 983
Change recognized in the total comprehensive income	24	-1 561	-7 037
Conversion to other current liabilities	-	-9 166	-9 558
Amounts Paid (including cash and non cash payments)	-	-566	-1 353
Exchange Rate Differences	19	537	604
Book Value as at Closing	681	7 227	638

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 Q2 2025. The Group is actively discussing with lenders in the US to obtain waivers and amendments.

Net Debt			
KEUR	2025-06-30	2024-06-30	2024-12-31
Liabilities to Credit Institutions - non amortized	32 966	30 437	32 844
Liabilities to Credit Institutions - amortized	5 100	7 650	6 592
Overdraft and Revolving Credit Facilities	1 946	4 741	4 696
Cash and cash equivalents	-2 301	-5 576	-6 106
Net Debt before Earn-Outs	37 712	37 252	38 026
Liabilities to Sellers for Unpaid Earn-Outs (prior periods)	9 924	11 766	10 706
Net Debt after Earn-Outs	47 636	49 018	48 732

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	2025-06-30	2024-06-30	2024-12-31
Unpaid Earn-Outs	9 924	1 360	10 706
Other (Royalty payable, VAT & Payroll liabilities, etc)	9 899	7 460	12 088
Total Other Current Liabilities	19 824	8 820	22 794

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

NOTE 17: RELATED PARTY TRANSACTIONS

Related Party Transactions		2025-06-30			2024 06-30	2024 12-31
KEUR		Value	Out- standing	Future Commit- ment	Value	Value
Rental agreement	Seebon LLC ¹ (supplier)	212	-	2 307	201	413
Rental agreement	BPOK Investments Ltd ² (supplier)	-	-	-	35	59
Rental agreement	Kodinvest Kft ³ (supplier)	13	-	7	14	27
Consulting	Philippe Cohen Consulting SAS ⁴	240	-	240	150	345
Interest on earn-outs	Christina Seelye & Thierry Bonnefoi ⁵	-	-	-	256	665
Salary & other benefits	Luke Keighran	-	-	-	62	81
Salary & other benefits	Joanne Keighran	-	-	-	62	81
NBV on sale of Merge assets including release of EO obligation	Silver Lining Interactive Ltd ⁶	-	-	-	-	1 907
Total		466		2 554	780	3 578

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: DILUTIVE INSTRUMENTS

Dilutive Instruments Outstanding

In numbers of instruments	2025-06-30	2024-06-30	2024-12-31
Allocated to Board Members - Redemption period ending July 31, 2024	-	175 000	-
Total Allocated Warrants	-	175 000	-

NOTE 19: 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
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.

Financial calendar

Interim Report Q3 2025	2025-11-05
Interim Report Q4 2025	2026-02-11

Contact information

Philippe Cohen, CEO: ceo@maximument.com
Henrik Resmark, CFO: ir@maximument.com

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, August 13, 2025

JAN BENJAMINSON
CHAIRMAN OF THE BOARD

BOB BLAKE
VICE-CHAIRMAN OF THE BOARD

BART REEFMAN
DIRECTOR

MARK BLECHER
DIRECTOR

PHILIPPE COHEN
DIRECTOR & CEO

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