

INTERIM REPORT

JANUARY - JUNE 2024

*Please note that this is a translation for information purposes only – in case of any discrepancies between this version and the Swedish, the Swedish version shall prevail.



INTERIM REPORT

JANUARY - JUNE 2024

SECOND QUARTER*

- Revenues amounted to MSEK 575.8 (MSEK 737.3), a decrease by 22 % compared to the same period last year.
- Operating profit amounted to MSEK 28.9 (MSEK 292.9), a decrease by 90 %. Write-downs of MSEK 208.0 (MSEK 0.0) are included in the operating profit.
- Profit after financial items amounted to MSEK 36.8 (MSEK 310.9), and profit after tax amounted to MSEK 27.3 (MSEK 239.4).
- Cash flow from operating activities* amounted to MSEK 391.1 (MSEK 421.6), and cash flow from investing activities amounted to MSEK -81.2 (MSEK -172.5). Cash flow from investing activities includes a positive effect of MSEK 70.0 (MSEK 0.0) from sales of short-term investments in bonds. *Cash flow from operating activities has been updated.*
- By the end of the period cash amounted to MSEK 1,164.2 (MSEK 844.2).
- Earnings per share before dilution amounted to SEK 0.26 (SEK 2.27) and after dilution SEK 0.26 (SEK 2.24).
- Revenues in the quarter are mainly attributable to Age of Wonders 4, Crusader Kings III, Hearts of Iron IV, Stellaris and Victoria 3.

IMPORTANT EVENTS IN THE SECOND QUARTER

- Foundry, developed by Channel 3 Entertainment, was released to PC in Early Access.
- New downloadable content was released to games during the period; The Machine Age to Stellaris, Eldritch Realms to Age of Wonders 4, Sphere of Influence to Victoria 3, Winds of Change to Europa Universalis IV, The Obsidian Uprising and Nenukil, The Engineer to Across the Obelisk.
- The release of Life by You, developed by Paradox Tectonic, was cancelled, which led to a write-down of all capitalised development costs of MSEK 208.0.

FIRST SIX MONTHS

- Revenues amounted to MSEK 1,057.9 (MSEK 1,220.1), a decrease by 13 % compared to the same period last year.
- Operating profit amounted to MSEK 183.3 (MSEK 448.6), a decrease by 59 %.
- Profit after financial items amounted to MSEK 201.8 (MSEK 468.0), and profit after tax amounted to MSEK 154.1 (MSEK 363.1).
- Earnings per share before dilution amounted to SEK 1.46 (SEK 3.44) and after dilution SEK 1.46 (SEK 3.41).

**Cash flow from operating activities has been corrected for the quarter on this page and on page 9. First six months have been updated on page 9-10.*
Corrections have been made on page 16.

The report was updated 2024-07-25 at 21:30 PM CEST.

COMMENTS BY THE CEO

We end the second quarter of the year with mixed feelings. On the one hand, our core business has performed very well, but on the other hand, we made the difficult decision to cancel the release of Life by You, as the game would not be able to meet our expectations.

Looking at the quarter's results, we've released several strong expansions with good quality to our core games, which has a positive impact on the top line and provides a good cash flow from operating activities. The bottom line is sadly weighed down by the write-down of Life by You. It is painful but gives us a strong motivation to further improve our operations.

It is clear that we have made the wrong calls in several projects, especially outside of our core, and this must change. We have areas here where we need to improve, for example in production, quality and risk assessment. In 2021, we made major changes to how we invest in riskier projects, which means that we have not started new projects with the same combination of high risk and high costs as Life by You. We have taken steps forward in those efforts. Recently, much of our focus is on achieving the right quality and taking the right risk in all types of projects. But more needs to be done. No change for the better can be too small or too big, even if it is work that will take time.

And amid the well-deserved self-criticism, it is worth reminding ourselves that we have solid footing, because the foundation of our business is doing well. Our in-house developed core games continue to deliver good content that players have appreciated. We will continue to strive to find the balance between cadence and quality, but it is an effort that never ceases. We continue to commercially optimize our games in everything from pricing and packaging to platforms and business models, all with the aim of providing players with the best way possible to take part in our games. We're also happy that Cities: Skylines II has picked up momentum, with the latest updates bringing sweeping changes to systems and many additions that players have enjoyed. It's far too early to claim victory, but these are several steps in the right direction.

Despite great annoyance at our own mistakes, we have faith. Paradox's future is bright, but we need to roll up our sleeves and work hard to fully realize the potential.

Fredrik Wester, CEO

PARADOX INTERACTIVE AT A GLANCE

Paradox Interactive is one of the premier developers and publishers of strategy and management games for PC and consoles. By developing long-lived games with downloadable content, renewing its game portfolio with engaging games and having a close relationship to its players, the company creates the strategy and management segments' best gaming experiences.

The group today consists of publishing business and five studios in five countries that develop gaming experiences for the company's over six million monthly active players. Amongst its most important active games are Cities: Skylines II, Hearts of Iron IV, Crusader Kings III, Europa Universalis IV, Victoria 3, Stellaris and Age of Wonders 4.

Paradox strives for a healthy profit margin, a stable operating cash flow and strong growth. Thus, enabling stable operations and continuous investments in the company's future.

6+

Million MAU

8

Games in pipeline

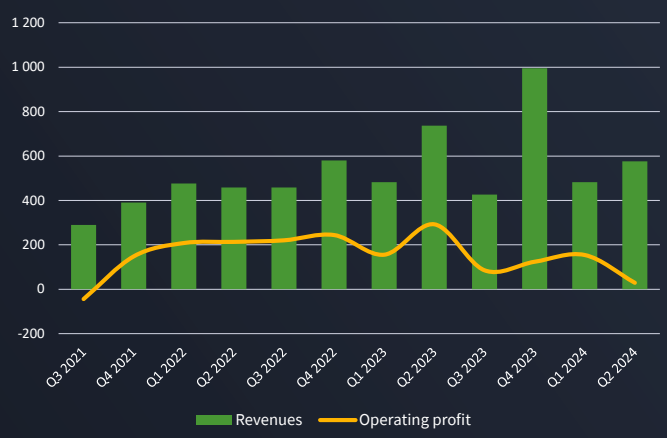
16 %

R12 profit margin

Rolling 12 month revenues and operating profit



Quarterly revenues and operating profit



RELEASES IN THE PERIOD



FOUNDRY

Release date: 2 May2024 (Early Access)

Platforms: PC

Price: USD 29.99

Description: Build a factory optimized to perfection or an artistic masterpiece in an infinite voxel world. Mine and harvest resources, automate your ever-growing production lines and manage complex systems while researching your way to mechanical mastery.

Publisher: Paradox Interactive

Developer: Channel 3 Entertainment



STELLARIS: THE MACHINE AGE

Release date: 7 May 2024

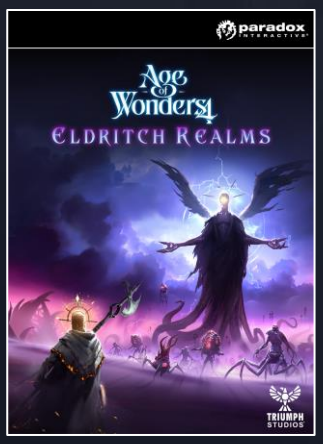
Platforms: PC

Price: USD 24.99

Description: As cybernetic augmentation transcends the limits of the body, synthetic ascension beckons with the promise of eternal life It is a period of technological marvels, rapid change, and unchecked ambition. But from the ashes of a Fallen Empire, a danger unlike any before encountered is about to emerge, a looming threat that will throw the very meaning of life into question.

Publisher: Paradox Interactive

Developer: Paradox Development Studio



AGE OF WONDERS 4: ELDRITCH REALMS

Release date: 18 June 2024

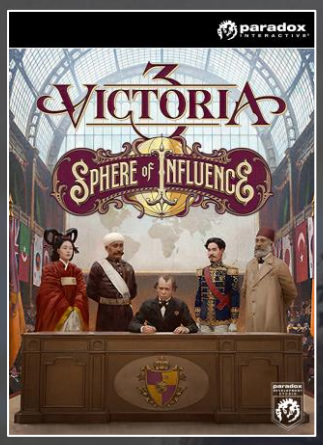
Platforms: PC, Xbox Series X|S, Playstation 5

Price: USD 19.99

Description: The depths of the Umbral Abyss are yours to conquer. Terrify your foes as an Eldritch Sovereign, wield mighty new tomes of magic, survive world-altering global events and lead your people against the darkness before it spreads across the realms.

Publisher: Paradox Interactive

Developer: Triumph Studios



VICTORIA 3: SPHERE OF INFLUENCE

Release date: 24 June 2024

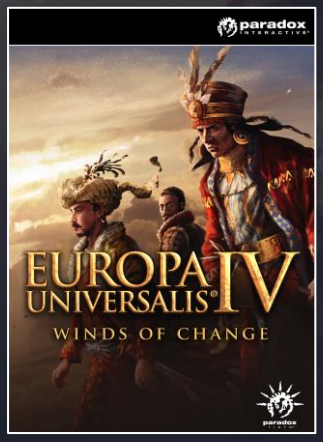
Platforms: PC

Price: USD 29.99

Description: Put your diplomatic skill to the ultimate test in Sphere of Influence, a new expansion to Victoria 3. Pull other nations into your orbit through diplomatic skill, economic leverage or straightforward bribery. Building a durable international faction of like-minded governments, pursuing common goals for a common good and the glory of your power.

Publisher: Paradox Interactive

Developer: Paradox Development Studio



EUROPA UNIVERSALIS IV: WINDS OF CHANGE

Release date: 8 May 2024

Platforms: PC

Price: USD 19.99

Description: Winds of Change makes wide-ranging changes to twenty nations stretching from the Andean highlands to the vast steppes of Mongolia. There are many new branching missions, government reforms, events, estate privileges and more.

Publisher: Paradox Interactive

Developer: Paradox Tinto



ACROSS THE OBELISK: THE OBSIDIAN UPRISING

Release date: 15 May 2024

Platforms: PC

Price: USD 4.99

Description: In The Obsidian Uprising, you'll travel 30 years back in time to the dwarven city of Black Forge and discover a thrilling new Across the Obelisk story. Disaster looms over Black Forge. Gather your band of heroes, restore peace and battle your way back to present-day Senenthia.

Publisher: Paradox Interactive

Developer: Dreamsite Games



ACROSS THE OBELISK: NENUKIL, THE ENGINEER

Release date: 15 May 2024

Platforms: PC

Price: USD 4.99

Description: Nenukil, the Engineer is a Hero Pack that introduces a brand new Scout class character with a powerful gameplay mechanic and a unique dynamic skin.

Publisher: Paradox Interactive

Developer: Dreamsite Games

FINANCIAL OVERVIEW

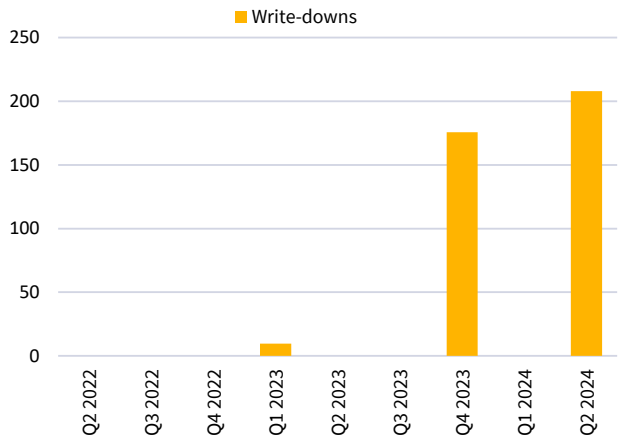
REVENUE AND PROFIT SECOND QUARTER

Revenues amounted to MSEK 575.8 (MSEK 737.3), a decrease by 22 % compared to the same period last year. The new game Foundry, developed by Channel 3 Entertainment, was released to PC. New downloadable content was released to games during the period; The Machine Age to Stellaris, Eldritch Realms to Age of Wonders 4, Sphere of Influence to Victoria 3, Winds of Change to Europa Universalis IV, The Obsidian Uprising and Nenukil, The Engineer to Across the Obelisk. Revenues in the quarter are mainly attributable to Age of Wonders 4, Crusader Kings III, Hearts of Iron IV, Stellaris and Victoria 3.

Cost of goods sold amounted to MSEK 455.8 (MSEK 337.8), attributable to game development, development support, operation and maintenance of games, costs of licenses, brands, and similar rights, as well as royalties and revenue based earn-outs to development studios and external rights holders.

Amortisation of released games amounted to MSEK 96.2 (MSEK 154.6). Amortisations has decreased as a result of fewer releases of new games and downloadable content.

Write-downs for the period within cost of goods sold amount to MSEK 208.0 (MSEK 0.0). The write-downs relate to Life by You and resulted in the remaining capitalised development at the end of the quarter being written down to MSEK 0.0, as the release of the game has been cancelled.



Amortisations of licenses, brands, and similar rights amounted to MSEK 13.8 (MSEK 21.0).

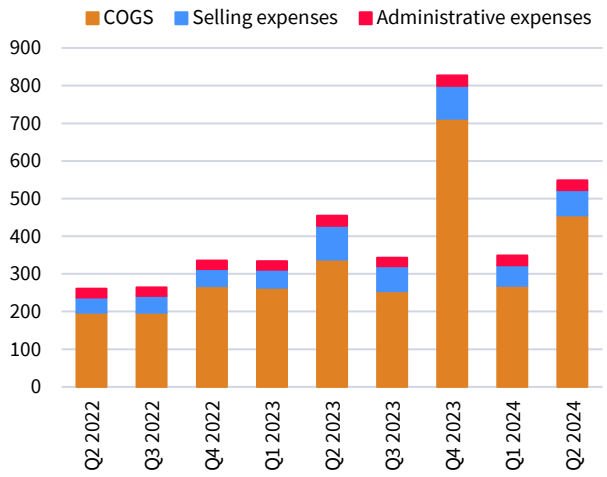
In addition to depreciation, amortisation and write-downs within the item, a total of MSEK 129.3 (MSEK 153.1) was expensed regarding non-capitalised development costs, development support, operation and maintenance of games, royalties and revenue based earn-outs.

Non-capitalised development costs have increased compared with the comparison period as a result of a greater number of games where capitalisation begins in a later development phase compared to the previous year. Costs for development support, operation and maintenance of games are at level with the comparison period.

Royalties and revenue based earn-outs have decreased compared to the comparison period due to lower sales of royalty and earn-out generating games. Earn-out relates to Age of Wonders 4, developed by Triumph Studios. Age of Wonders 4 was released in May 2023, and is a part of the revenue based earn-outs for the sellers of Triumph Studios until April 2026.

Selling expenses for the period amounted to MSEK 66.4 (MSEK 90.2). The decrease is related to fewer releases of new games and downloadable content.

Administrative expenses for the period amounted to MSEK 26.5 (MSEK 26.3). Costs for administration are generally unchanged over time and are relatively unaffected by other operations.



Other income amounted to MSEK 2.0 (MSEK 10.0), and other expenses to MSEK -0.1 (MSEK -0.2). Other income and other expenses consist primarily of exchange rate effects on the group's cash and cash equivalents, operating receivables, and operating liabilities during the quarter.

Operating profit amounted to MSEK 28.9 (MSEK 292.9).

Financial income amounted to MSEK 11.2 (MSEK 5.5) and mainly consists of interest income from bank accounts and interest income from short-term investments of excess cash. Financial expense amounted to MSEK 3.3 (MSEK 2.9) and consists of calculated interest on lease liabilities.

Profit after financial items amounted to MSEK 36.8 (MSEK 310.9), and profit after tax amounted to MSEK 27.3 (MSEK 239.4).

FINANCIAL POSITION

Capitalised development amounted to MSEK 1,368.3 (MSEK 1,767.5) by the end of the period. The item refers to both games that have not yet been released and games that have been released and subsequently amortised. The decrease is mainly attributed to the write-downs of Life by You, and the prior write-down of The Lamplighters League.



Licenses, brands, and similar rights amounted to MSEK 79.9 (MSEK 122.2).

Goodwill amounted to MSEK 22.9 (MSEK 23.8) attributable to the acquisition of Iceflake Studios.

Right-of-use assets for offices amounted to MSEK 88.4 (MSEK 122.0).

Accounts receivable amounted to MSEK 217.5 (MSEK 235.9).

Cash and cash equivalents amounted to MSEK 1,164.2 (MSEK 844.2).

Equity amounts to MSEK 2,471.4 (MSEK 2,459.9).

Long-term lease liabilities amount to MSEK 53.5 (MSEK 89.2) consisting of liabilities for office premises.

Deferred tax liabilities amount to MSEK 138.5 (MSEK 126.8), mainly relating to untaxed reserves and intangible assets from acquisitions.

Short-term lease liabilities amount to MSEK 30.4 (MSEK 37.2) consisting of short-term liabilities for office premises.

Accrued expenses and prepaid income amounts to MSEK 345.3 (MSEK 385.4) by the end of the period. Prepaid income is unchanged compared to the previous year.

CASH FLOW SECOND QUARTER

Cash flow from operating activities amounted to MSEK 391.1 (MSEK 421.6), primarily attributable to the operating profit, adjusted for depreciation, amortisation and write-downs. Cash flow from investing activities amounted to MSEK -81.2 (MSEK -172.5). Cash flow from investing activities includes a positive effect of MSEK 70.0 (MSEK 0.0) from sales of short-term investments in bonds. Cash flow from financing activities amounted to MSEK -326.4 (MSEK -220.4) relating mainly to dividends, but also amortisation of lease liabilities for office premises.

THE FIRST SIX MONTHS IN SUMMARY

Revenues amounted to MSEK 1,057.9 (MSEK 1,220.1) a decrease by 13 % compared to the same period last year. Cost of goods sold amounted to MSEK 723.9 (MSEK 600.8), primarily attributable to game development, development support, operation and maintenance of games, as well as royalties and revenue based earn-outs to third parties. Write-downs within cost of goods sold amounts to MSEK 208.0 (MSEK 9.7). Cost of royalties is lower compared to the same period last year. Operating profit amounted to MSEK 183.3 (MSEK 448.6), a decrease by 59 %. Profit after financial items amounted to MSEK 201.8 (MSEK

468.0), and profit after tax amounted to MSEK 154.1 (MSEK 363.1). Cash flow from operating activities amounted to MSEK 528.1 (MSEK 666.2). Cash flow from investing activities amounted to MSEK -129.1 (MSEK -342.5). Cash flow from financing activities amounted to MSEK -335.9 (MSEK -229.3).

RELATED PARTY TRANSACTIONS

No transactions have taken place between the group and related parties that have affected the group's position and results.

PARENT COMPANY SECOND QUARTER

The parent company houses the publishing business. Within the publishing business, the parent company buys development services from both external and wholly owned development studios and pays royalties to these where applicable. The parent company also provides administrative services to the subsidiaries. All in all, this leads to the parent company's turnover to a large extent making up the group's total turnover.

Parent company revenues for the quarter amounted to MSEK 578.6 (MSEK 737.4). Operating profit amounted to MSEK -137.6 (MSEK 176.9). Profit after financial items amounted to MSEK -127.4 (MSEK 214.6). Profit after tax amounted to MSEK -103.1 (MSEK 166.9).

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting as well as RFR 1 and the annual accounts act. The parent company applies the Swedish Financial Reporting Board's recommendation RFR 2, accounting for legal entities. Accounting principles and calculation bases are in accordance with the principles applied in the company's most recent annual report. The carrying amount of the Group's long-term financial instruments valued at accrued acquisition value essentially corresponds to its fair value as the interest rate is in parity with current market interest rates. The carrying amount of the Group's short-term financial instruments valued at accrued acquisition value essentially corresponds to its fair value as the discounting effect is not significant. Accounting principles and calculation bases are in accordance with the principles applied in the company's most recent annual report.

RISKS AND UNCERTAINTIES

Paradox is, like most companies, exposed to certain risks in its operations. The risks and uncertainties are described in the Annual Report for 2023, page 32. Risks to be specifically mentioned include a dependency on key employees, dependency on a few sales partners, delays of game projects, low revenues from game releases, and foreign currency. These risks and uncertainties may have a direct or indirect impact on the group's financial position and results.

FIANCIAL CALENDAR

Interim report January-September 2024	2024-10-31
Year-end report 2024	2025-02-06

CONTACT

Additional information about the company can be found on the corporate website www.paradoxinteractive.com. The company can be contacted by e-mail, ir@paradoxinteractive.com, or by post Paradox Interactive AB, Magnus Ladulåsgatan 4, 118 66, Stockholm, Sweden.

ASSURANCE BY THE BOARD OF DIRECTORS

The board of directors hereby provide an assurance that the interim report provides a true and fair view of the parent company's and the group's business, positions, and earnings, and describe the significant risks and uncertainties faced by the companies making up the group.

Stockholm 25 July 2024

The Board of Directors

This report has not been subject to review by the company's auditors.

This information is information that Paradox Interactive AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication 08:00 CEST 25 July 2024.

KEY FIGURES FOR THE GROUP

	2024-04-01 2024-06-30	2023-04-01 2023-06-30	2024-01-01 2024-06-30	2023-01-01 2023-06-30	2023-01-01 2023-12-31
Revenues, KSEK	575,755	737,334	1,057,854	1,220,111	2,642,107
Operating profit, KSEK	28,897	292,899	183,267	448,598	657,868
Profit after financial items, KSEK	36,823	310,883	201,780	468,021	687,759
Profit after tax, KSEK	27,283	239,351	154,146	363,062	530,625
Operating margin	5%	40%	17%	37%	25%
Profit margin	6%	42%	19%	38%	26%
Equity/assets ratio	77%	74%	77%	74%	73%
Equity per share before dilution, SEK	23.40	23.29	23.40	23.29	24.81
Equity per share after dilution, SEK	23.40	23.06	23.40	23.06	24.75
Earnings per share before dilution, SEK	0.26	2.27	1.46	3.44	5.02
Earnings per share after dilution, SEK	0.26	2.24	1.46	3.41	4.99
Number of shares by the end of the period before dilution	105,623,025	105,619,209	105,623,025	105,619,209	105,623,025
Number of shares by the end of the period after dilution	105,623,025	106,690,559	105,623,025	106,690,559	105,885,175
Average number of shares before dilution	105,623,025	105,619,209	105,623,025	105,619,209	105,621,117
Average number of shares after dilution	105,623,025	106,521,942	105,639,517	106,196,422	106,153,901
Average number of employees	594	674	594	670	649

For definitions of key figures, see the annual report.

GROUP INCOME STATEMENT (KSEK)

	2024-04-01 2024-06-30	2023-04-01 2023-06-30	2024-01-01 2024-06-30	2023-01-01 2023-06-30	2023-01-01 2023-12-31
Revenues	575,755	737,334	1,057,854	1,220,111	2,642,107
Cost of goods sold	-455,805	-337,759	-723,875	-600,831	-1,567,321
Gross profit	**119,950**	**399,575**	**333,979**	**619,280**	**1,074,786**
Selling expenses	-66,435	-90,196	-121,107	-138,052	-291,180
Administrative expenses	-26,478	-26,347	-52,524	-49,185	-99,225
Other income	1,996	10,038	23,690	16,881	20,916
Other expenses	-136	-171	-771	-326	-47,428
Operating profit	**28,897**	**292,899**	**183,267**	**448,598**	**657,868**
Profit from shares in associated companies	-	15,440	-	15,440	15,440
Financial income	11,201	5,485	23,445	9,951	25,086
Financial expense	-3,275	-2,941	-4,933	-5,968	-10,635
Profit after financial items	**36,823**	**310,883**	**201,780**	**468,021**	**687,759**
Tax	-9,540	-71,532	-47,633	-104,958	-157,134
Profit for the period	**27,283**	**239,351**	**154,146**	**363,062**	**530,625**
Profit for the period is attributable to the shareholders of the parent company.					
Earnings per share before dilution, SEK	0.26	2.27	1.46	3.44	5.02
Earnings per share after dilution, SEK	0.26	2.24	1.46	3.41	4.99

OTHER COMPREHENSIVE INCOME (KSEK)

	2024-04-01 2024-06-30	2023-04-01 2023-06-30	2024-01-01 2024-06-30	2023-01-01 2023-06-30	2023-01-01 2023-12-31
Profit for the period	27,283	239,351	154,146	363,062	530,625
Other comprehensive income					
Items that may be reclassified to profit or loss					
Translation differences	-2,417	7,148	6,505	11,885	2,493
Other comprehensive income	**-2,417**	**7,148**	**6,505**	**11,885**	**2,493**
Total comprehensive income for the period	**24,866**	**246,499**	**160,651**	**374,947**	**533,118**
Profit for the period is attributable to the shareholders of the parent company.					

GROUP BALANCE SHEET (KSEK)

	2024-06-30	2023-06-30	2023-12-31
ASSETS			
Non-current assets			
Capitalised development	1,368,341	1,767,488	1,463,202
Licenses, brands and similar rights	79,852	122,209	105,532
Goodwill	22,881	23,751	22,350
Property and equipment	9,996	16,896	13,034
Right-of-use assets	88,377	122,025	112,515
Other long term assets	18,722	18,772	18,691
Total non-current assets	**1,588,169**	**2,071,141**	**1,735,323**
Current assets			
Accounts receivable	217,541	235,863	358,219
Tax assets	73,288	31,225	63,251
Other receivables	79,750	56,348	70,420
Prepaid expenses and accrued revenue	83,119	88,977	57,837
Bonds	-	-	197,051
Cash and cash equivalents	1,164,193	844,209	1,098,025
Total current assets	**1,617,891**	**1,256,622**	**1,844,803**
TOTAL ASSETS	**3,206,060**	**3,327,763**	**3,580,126**
EQUITY AND LIABILITIES			
Equity			
Share capital	528	528	528
Other capital contributed	29,748	29,542	29,748
Reserves	29,188	37,062	22,684
Retained earnings	2,411,935	2,392,733	2,567,495
Total equity	**2,471,400**	**2,459,865**	**2,620,455**
Long-term liabilities			
Lease liabilities	53,470	89,244	75,997
Deferred tax liabilities	138,512	126,832	144,044
Total long-term liabilities	**191,981**	**216,075**	**220,041**
Current liabilities			
Accounts payable	44,068	67,420	52,481
Current tax liabilities	32,062	102,429	95,427
Lease liabilities	30,448	37,210	32,583
Other liabilities	90,790	59,374	65,275
Accrued expenses and prepaid revenues	345,312	385,390	493,864
Total current liabilities	**542,679**	**651,823**	**739,630**
TOTAL EQUITY AND LIABILITIES	**3,206,060**	**3,327,763**	**3,580,126**

CHANGE IN GROUP EQUITY (KSEK)

	Share capital	Other contributed capital	Reserves	Retained earnings	Total equity
At the beginning of the period 2024-01-01	528	29,748	22,684	2,567,495	2,620,455
Profit for the period				154,146	154,146
Other comprehensive income					
Translation difference			6,505		6,505
Total other comprehensive income	**-**	**-**	**6,505**	**-**	**6,505**
Total comprehensive income	**-**	**-**	**6,505**	**154,146**	**160,651**
Transactions with owners					
Share-based payments staff	-	-	-	7,162	7,162
Dividends	-	-	-	-316,869	-316,869
Total transactions with owners	**-**	**-**	**-**	**-309,707**	**-309,707**
AT THE END OF THE PERIOD 2024-06-30	**528**	**29,748**	**29,188**	**2,411,935**	**2,471,400**

	Share capital	Other contributed capital	Reserves	Retained earnings	Total equity
At the beginning of the period 2023-01-01	528	29,542	25,176	2,237,131	2,292,377
Profit for the period				363,062	363,062
Other comprehensive income					
Translation difference			11,885		11,885
Total other comprehensive income	**-**	**-**	**11,885**	**-**	**11,885**
Total comprehensive income	**-**	**-**	**11,885**	**363,062**	**374,948**
Transactions with owners					
Share-based payments staff	-	-	-	3,778	3,778
Dividends	-	-	-	-211,238	-211,238
Total transactions with owners	**-**	**-**	**-**	**-207,460**	**-207,460**
AT THE END OF THE PERIOD 2023-06-30	**528**	**29,542**	**37,062**	**2,392,733**	**2,459,865**

GROUP CASH FLOW STATEMENT (KSEK)

	2024-04-01 2024-06-30	2023-04-01 2023-06-30	2024-01-01 2024-06-30	2023-01-01 2023-06-30	2023-01-01 2023-12-31
Cash flow from operations					
Operating profit	28,897	292,899	183,267	448,598	657,868
Adjustment of depreciation, amortisation and write-downs	329,200	187,898	474,008	341,515	990,312
Other adjustments	3,758	1,192	7,246	-1,023	6,079
Interest received	1,073	5,485	1,942	9,951	25,086
Interest paid	-3,275	-2,941	-4,933	-5,968	-10,635
Tax paid	-60,441	-54,652	-126,917	-111,534	-184,436
Cash flow before changes in working capital	**299,212**	**429,881**	**534,614**	**681,540**	**1,484,275**
Changes in working capital					
Change in current receivables	150,690	-77,667	124,506	-23,020	-138,630
Change in current liabilities	-58,755	69,348	-131,063	7,666	106,196
Cash flow from current operations	**391,146**	**421,562**	**528,056**	**666,186**	**1,451,842**
Investing activities					
Cash flow from sales of associated companies	-	53,174	-	53,174	53,174
Investments in capitalised development	-150,988	-224,114	-329,229	-393,249	-676,045
Investments in licenses, brands and similar rights	-	-	-	-	-27,103
Investments in equipment	-221	-1,532	-295	-2,456	-3,050
Investments in bonds	-	-	-	-	-336,355
Sales of bonds	70,000	-	200,450	-	141,100
Cash flow from investing activities	**-81,209**	**-172,472**	**-129,074**	**-342,531**	**-848,278**
Financing activities					
Amortisation of lease liability	-9,556	-9,139	-19,048	-18,057	-37,722
Paid dividend	-316,869	-211,238	-316,869	-211,238	-211,238
Cash flow from financing activities	**-326,425**	**-220,378**	**-335,917**	**-229,295**	**-248,960**
Cash flow for the period	-16,488	28,712	63,065	94,360	354,603
Cash and cash equivalents at the beginning of the period	1,181,826	812,708	1,098,025	767,561	767,561
Exchange rate effect	-1,146	2,788	3,103	2,343	-4,084
Cash and cash equivalents at the end of the period	**1,164,193**	**844,209**	**1,164,193**	**844,209**	**1,098,025**

**Cash flow has been updated. Other adjustments and Exchange rate effect was affected for the quarter and the current six month period respectively. Cash and cash equivalents at the beginning of the period was affected for the current six month period.*

PARENT COMPANY INCOME STATEMENT (KSEK)

	2024-04-01 2024-06-30	2023-04-01 2023-06-30	2024-01-01 2024-06-30	2023-01-01 2023-06-30	2023-01-01 2023-12-31
Revenues	578,588	737,434	1,064,276	1,220,089	2,647,805
Cost of goods sold	-629,875	-459,474	-987,084	-818,466	-1,962,066
Gross profit	**-51,287**	**277,960**	**77,192**	**401,623**	**685,739**
Selling expenses	-62,302	-84,805	-113,588	-129,072	-272,670
Administrative expenses	-25,632	-26,166	-51,349	-48,482	-99,437
Other income	1,573	9,907	23,004	12,428	15,260
Other expenses	-	-	-277	-	-46,926
Operating profit	**-137,648**	**176,895**	**-65,018**	**236,498**	**281,967**
Profit from shares in associated companies	-	35,381	-	35,381	35,381
Financial income	10,291	4,351	21,355	8,018	20,769
Financial expense	-1	-2,000	-702	-4,001	-7,003
Profit after financial items	**-127,358**	**214,627**	**-44,366**	**275,896**	**331,113**
Year-end appropriations	-	-	-	-	100,000
Tax	24,278	-47,708	2,909	-60,329	-97,573
Profit for the year and total income for the year	**-103,080**	**166,920**	**-41,456**	**215,567**	**333,541**

PARENT COMPANY BALANCE SHEET (KSEK)

	2024-06-30	2023-06-30	2023-12-31
ASSETS			
Non-current assets			
Capitalised development	946,487	1,448,026	1,098,525
Licenses, brands and similar rights	29,097	24,430	34,855
Property and equipment	3,395	8,871	6,143
Shares in subsidiaries	279,742	305,812	305,812
Investments in associates	-	-	-
Other long term assets	17,393	17,393	17,393
Total non-current assets	**1,276,115**	**1,804,532**	**1,462,726**
Current assets			
Accounts receivable	210,814	228,243	350,400
Receivables from group companies	1,937	1,700	19,144
Tax assets	70,471	31,225	58,560
Other receivables	62,477	50,897	65,968
Prepaid expenses and accrued revenues	88,149	85,669	64,945
Bonds	-	-	197,051
Cash and cash equivalents	1,014,623	660,298	780,059
Total current assets	**1,448,472**	**1,058,032**	**1,536,126**
TOTAL ASSETS	**2,724,586**	**2,862,564**	**2,998,853**
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	528	528	528
Capitalised development reserve	946,487	1,448,026	1,098,525
Non-restricted equity			
Share premium reserve	29,748	29,542	29,748
Retained earnings	599,438	66,865	423,566
Profit for the period	-41,456	215,568	333,541
Total equity	**1,534,745**	**1,760,529**	**1,885,908**
Untaxed reserves	**605,000**	**485,000**	**605,000**
Current liabilities			
Accounts payable	37,317	60,481	43,965
Liabilities to group companies	251,505	239,440	25,393
Other liabilities	10,236	11,430	4,122
Accrued expenses and prepaid revenues	285,783	305,684	434,465
Total current liabilities	**584,841**	**617,035**	**507,944**
TOTAL EQUITY AND LIABILITIES	**2,724,586**	**2,862,564**	**2,998,853**

NOTES (KSEK)

NOTE 1. SEGMENT REPORTING

Group Management has determined the operating segments based on the information processed by the CEO and which is the basis for making strategic decisions. The operations consist of one segment.

Group revenue from clients based on where the distributor is located is divided into the following geographical areas;

	2024-04-01 2024-06-30	2023-04-01 2023-06-30	2024-01-01 2024-06-30	2023-01-01 2023-06-30	2023-01-01 2023-12-31
USA	503,440	635,368	909,202	1,059,824	2,285,109
Sweden	15,440	16,884	33,956	18,953	49,873
Rest of Europe	46,593	74,347	96,279	119,224	258,575
Rest of the World	10,282	10,734	18,417	22,110	48,550
Total	**575,755**	**737,334**	**1,057,854**	**1,220,111**	**2,642,107**

During the quarter and the 6-month period respectively MSEK 489.2 (MSEK 559.2) and MSEK 869.8 (MSEK 873.1) of the group's revenue came from one and the same platform.

Group revenue divided into major product categories;

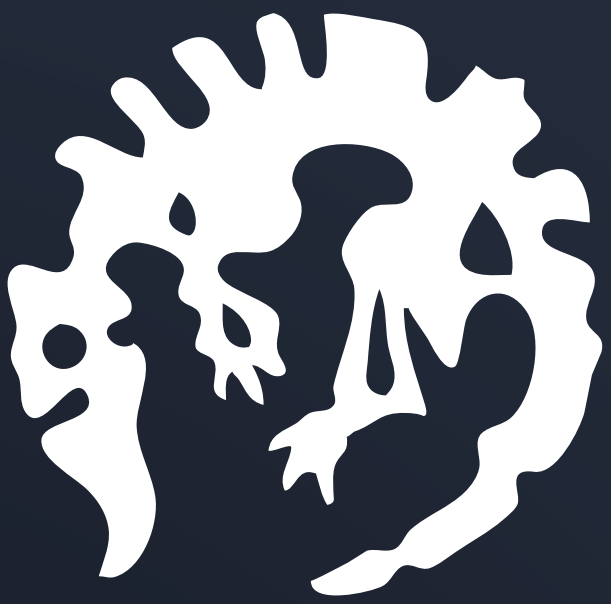
	2024-04-01 2024-06-30	2023-04-01 2023-06-30	2024-01-01 2024-06-30	2023-01-01 2023-06-30	2023-01-01 2023-12-31
PC	501,078	589,627	905,426	979,581	2,202,494
Console	55,892	109,538	113,622	166,491	310,562
Mobile	13,344	16,656	26,517	34,831	65,756
Other	5,441	21,513	12,290	39,208	63,295
Total	**575,755**	**737,334**	**1,057,854**	**1,220,111**	**2,642,107**

Prepaid revenue amounted to MSEK 209.9 (MSEK 204.0) at the end of the period. Of these, MSEK 209.9 is expected to be reported as revenue during the next 12-month period, and MSEK 0.0 within 24 months.

The revenues for the quarter and the 6-month period respectively include MSEK 67.7 (MSEK 76.2) and MSEK 123.5 (MSEK 163.6) which were included in prepaid revenue at the beginning of the period.

NOTE 2. DEPRECIATIONS, AMORTISATIONS AND WRITE-DOWNS BREAKDOWN PER FUNCTION

	2024-04-01 2024-06-30	2023-04-01 2023-06-30	2024-01-01 2024-06-30	2023-01-01 2023-06-30	2023-01-01 2023-12-31
Cost of goods sold	326,578	184,648	468,773	335,205	980,561
Selling expenses	919	1,388	1,808	2,462	3,119
Administrative expenses	1,703	1,862	3,426	3,848	6,633
Total	**329,200**	**187,898**	**474,008**	**341,515**	**990,312**



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