MTG delivers strong Q2 with 6% pro forma growth and 24% adjusted EBITDA margin

Financial highlights Q2

- Net sales up 2% YoY to SEK 2,965 (2,911) million and up 6% in constant currencies (also pro forma and organic bases[1])
- Group total UA spend of SEK 1,163 (1,054) million, or 39% (36%) of total revenues, up 15% YoY in constant currencies
- Adjusted EBITDA up by 10% YoY to SEK 707 (640) million, with adjusted EBITDA margin of 24% (22%)
- Reported EBITDA of SEK 690 (596) million and EBIT of SEK 317 (222) million
- Net income of SEK 99 (-61) million, and adjusted net income of SEK 470 (324) million
- Cash flow from operations of SEK 471 (325) million

Financial highlights H1

- Net sales up 12% YoY to SEK 6,125 (5,468) million and up 21% in constant currencies, 10% pro forma[1] and 9% organic
- Group total UA spend of SEK 2,362 (2,013) million, or 39% (37%) of total revenues
- Adjusted EBITDA up by 20% YoY to SEK 1,509 (1,256) million with an adjusted EBITDA margin of 25% (23%)
- Reported EBITDA of SEK 1,444 (1,190) million and EBIT of SEK 688 (513) million
- Total net income of SEK 237 (4) million and total basic earnings per share of SEK 1.99 (0.03)
- Cash flow from operations of SEK 1,076 (502) million and unlevered cash conversion of 81% for the 12-month period

Key highlights

- PlaySimple's Draft Red Herring Prospectus filed on 23 April as part of potential 2026 IPO preparations
- New share buyback program of SEK 500 million running after AGM approval in May

Financial overview

(SEKm)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Net sales	2,965	2,911	6,125	5,468	11,579
EBIT	317	222	688	513	963
EBITDA	690	596	1,444	1,190	2,383
Adjusted EBITDA	707	640	1,509	1,256	2,648
Net income	99	-61	237	4	-62
Cash flow from operations	471	325	1,076	502	1,723
Basic earnings per share (SEK)	0.83	-0.52	1.99	0.03	-0.53
Diluted earnings per share (SEK)	0.83	-0.52	1.99	0.03	-0.53
Growth					
Sales growth, %	2%	103%	12%	90%	92%
Organic growth, %	6%	9%	9%	8%	9%
Pro forma growth, %	6%	-	10%	-	-

[1] Growth is fully organic in Q2, and so constant currency, organic and pro forma growth are the same in the quarter, albeit not on a year to date basis. MTG will continue reporting pro forma growth in 2026 to ensure quarter and year to date numbers are consistent, due to the consolidation of Plarium from February 2025.

Letter from the President and CEO

Positive momentum in top Midcore franchises and growing Casual titles drives strong Q2 growth

I am happy to report a strong Q2 with group pro forma revenues up 6% year over year in Q2 and 10% for the first half of 2026. Total revenues for the Midcore District were up 1% year over year in Q2 and up 5% for the year to date on a pro forma basis. This was mainly driven by another strong quarter for RAID: Shadow Legends, which grew revenues by 9% year over year pro forma in Q2, despite a deliberately more measured pace of new content after an exceptional Q1. Revenues for the Casual District were up an outstanding 29% year over year in constant currencies. This continued high level of growth was driven by PlaySimple's rapid scaling of Crossword Go, Tile Match and Cryptogram along with growth in select other titles.

This Q2 is MTG's seventh sequential quarter of organic growth. Our pace and momentum come from the quality and experience of our people, the longevity of our games and our disciplined investment approach. Together with the rapid integration of AI across the group, our direct-to-consumer initiatives, and our new games pipeline, we remain very well-positioned to continue delivering on our strategy.

Healthy margins of 24% as we continue to balance reinvestment in growth and profitability

We invested a total of SEK 1,163 million in user acquisition in Q2, corresponding to 39% of our total revenues, and representing a 10% increase year over year in reported currency and a 15% increase on a pro forma basis. This increase of three full percentage points reflected higher marketing spend in both Districts. In the Casual District, user acquisition was up 36% year over year in constant currency to scale new titles, while in the Midcore District, a 5% increase in UA in constant currency was driven by higher user acquisition spending in RAID: Shadow Legends, offset by lower marketing spend in select other games.

Our adjusted EBITDA was up 10% year over year to SEK 707 million in Q2 and up by 20% to SEK 1,509 million for H1, with margins of 24% and 25% respectively. The Midcore District reported an adjusted EBITDA margin of 26%, reflecting the strong profitability of some of our major evergreen titles, whilst the Casual District reported a strong adjusted EBITDA margin of 24% in Q2, albeit benefitting from slightly lower-than-expected OPEX in the quarter.

High cash generation with further strengthening of the balance sheet

Our unlevered cash conversion amounted to 81% of adjusted EBITDA for the rolling 12-month period ended 30 June 2026. The strong performance continued to reflect robust underlying cash generation across the group, as well as the timing of certain working capital items. While we expect some quarter-to-quarter variation during the remainder of 2026, due to both the natural seasonality of the business and the timing of certain working capital items, we continue to expect unlevered cash conversion to remain materially above our medium-term guidance.

During the quarter, we paid USD 52 million to the sellers of Plarium, comprising the deferred consideration from the 2025 acquisition and the first earn-out, which has now been fulfilled. We will also exercise the final put/call options for

Snowprint and own 100% of the studio by end of July. As a result, nearly all the acquisition-related commitments on our balance sheet will have been resolved, which strengthens our financial flexibility and increases our optionality.

DTC remains a strategic priority

DTC accounted for 38% of group revenues in Q2, broadly stable from 39% in Q1 this year, as further DTC gains in the Midcore District, now at over 50% in Q2, were offset by the increased contribution of IAA revenue due to the growth in the Casual District. Increasing our share of DTC revenues remains a key strategic priority, and we follow the ongoing legal developments concerning app store distribution and payments in the US closely, both as it relates to potential implications and opportunities for our business.

AI adoption continues at a rapid pace across the group

AI continues to significantly enhance our productivity and execution across both Districts. We are increasingly embedding AI across game development workflows as well as integrating AI directly into our internal tech and tools which leverage our vast amounts of data, notably in our marketing (GoGame) and data platforms in the Midcore District and in our Little Engine platform in the Casual District. Select highlights from the quarter include that one of our best-performing marketing creatives for RAID in Q2 was produced entirely with AI tools, which was a first for the game; and that AI agents now provide insights on the code base of every game at PlaySimple, making it faster for teams to build on each other's work and onboard new team members.

New games and content set the stage for an exciting H2 and beyond

I am very happy with our performance during the first half of 2026 and proud of our team's ability to deliver strong organic growth while continuing to transform the business for the future. The second half of the year will also be a busy one across the group. We have a healthy pipeline of new content coming to our established titles, including a pick-up in the pace of releases in RAID and new content aimed at veteran players in Forge of Empires. Bloons Blitz, the exciting new game from Ninja Kiwi, is next up for soft launch and we will continue to invest in user acquisition behind our new titles and content where we see attractive returns. I am also excited about the progress the Plarium team is making on their next major game, which we look forward to unveiling in 2027.

The preparatory work ahead of a potential listing of PlaySimple continues, after the filing of its Draft Red Herring Prospectus in April. We continue to work towards a potential listing during the second half of this year and will provide further information when the time is right.

We reiterate our full year outlook for 2026, with pro forma revenue growth expected in the range of 5-8% and a group adjusted EBITDA margin in the range of 22-24%. While our strategy and growth are always firmly in focus, we also continue to drive direct shareholder value by executing on our new and increased SEK 500 million share repurchase program that was approved by our AGM in May.

Thank you for following our progress and I wish you a good summer.

Maria Redin,
Group President & CEO, MTG

2026 full year outlook

- MTG expects full year 2026 pro forma revenue growth to be in the range of 5-8%.
- MTG expects full year 2026 group adjusted EBITDA margin to be the range of 22-24%.

Significant events

January 7 - MTG to transfer 6,194,343 class B shares to the sellers of PlaySimple by the end of January 2026 and reduce holding of own shares and votes below 5%.

April 23 – PlaySimple files Draft Red Herring Prospectus as part of preparation for potential listing of the company in 2026. The prospectus can be downloaded on this link.

May 15 – Conclusion of MTG's share buyback program that commenced on 10 October 2025. MTG has repurchased a total of 3,807,000 own class B shares under the program, for a total value of SEK 400 million.

May 21 – MTG's Annual General Meeting (AGM) resolved on all proposals, including the adoption of income statements and balance sheets and treatment of MTG's results, a new share buyback program, and an incentive plan for 2026.

May 21 – MTG launches a share buyback program of up to SEK 500 million, corresponding to one third of the group's 2025 levered free cash flow (LFCF). The program will run between 22 May 2026 and 7 May 2027.

Further information about the group's significant events can be found on MTG's homepage on **www.mtg.com**

Group performance

(SEKm)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Net sales					
RAID: Shadow Legends	1,076	1,044	2,385	1,838	4,043
Forge of Empires	189	246	373	520	983
Warhammer 40,000: Tacticus	169	161	343	333	745
Other games	1,532	1,461	3,024	2,777	5,808
Total net sales	**2,965**	**2,911**	**6,125**	**5,468**	**11,579**
Sales growth, %	2%	103%	12%	90%	92%
Organic growth, %	6%	9%	9%	8%	9%
Pro forma growth, %	6%	-	10%	-	-
User acquisition	-1,163	-1,054	-2,362	-2,013	-4,316
Adjusted EBITDA	707	640	1,509	1,256	2,648
Adjusted EBITDA margin, %	24%	22%	25%	23%	23%

Total group revenues amounted to SEK 2,965 million in the quarter, up 2% year over year in reported currencies and 6% in constant currencies and on a pro forma basis[2]. This primarily reflected the continued rapid scaling of PlaySimple's new casual games and a strong quarter for RAID: Shadow Legends. Group revenues were up 10% year on year to SEK 6,125 million in H1 on a pro forma basis.

The group's three largest games are RAID: Shadow Legends, Forge of Empires and Warhammer 40,000: Tacticus. These games accounted for 48% of the group's total revenues in the quarter, a decrease from 50% in the second quarter of 2025 and 53% in the first quarter of 2026.

RAID: Shadow Legends revenues grew by 9% year over year in constant currencies, amounting to SEK 1,076 million in Q2, and SEK 2,385 million for the first six months of 2026. This growth reflects a steady ramp-up in user acquisition in the last year, which highlights the strength of the RAID IP, and was achieved in a quarter with a more measured pace of key content, after an exceptionally strong Q1. Highlights of the quarter included the launch of new champions, the Web of Corruption event, the second iteration of the He-Man IP partnership, as well as double Mythic and Void Shard events. RAID has an exciting content slate for the rest of 2026 and beyond, and the plan is to step up the pace of new content during the second half of the year, in particular into the important fourth quarter.

Forge of Empires revenues were down by 22% year over year in constant currencies, a moderation from the 30% decline reported in Q1, amounting to SEK 189 million in Q2, and SEK 373 million for the first six months of 2026. As noted in our Q1 results, the team is focused on developing content aimed at retaining and engaging the long-term veteran player base, planning to deploy this content from Q3 and onwards. In the meantime, the team maintained an active live-ops schedule during the quarter, including the new King Arthur event.

[2] Growth is fully organic in Q2, which means that constant currency growth, organic growth and pro forma growth are the same in Q2.

Warhammer 40,000: Tacticus revenues were up 5% year over year in constant currencies and up high-single-digits in underlying USD, amounting to SEK 169 million in Q2, and SEK 343 million for the first six months of 2026. Following a slower start to the quarter, the game delivered a strong finish on the back of well-received events. Content expansion continued during the quarter, including the Thousand Sons Survival-style seasonal event, a major Skulls event and recurring Legendary and Hero Release events. In June, the game also celebrated the launch of the 11th Edition of Warhammer 40,000, the latest version of Games Workshop's tabletop wargame, with a dedicated in-game event.

The group invested a total of SEK 1,163 (1,054) million in user acquisition in the second quarter, which was a 15% increase year over year in constant currencies, or 10% on a reported basis. The increase reflected significantly higher marketing spend in the Casual District to scale new games, and higher user acquisition spending on RAID: Shadow Legends, offset by lower marketing spend on Forge of Empires and certain other games. User acquisition represented 39% of the group's total revenues in Q2, which was up 3% from 36% in Q2 last year.

The group reported SEK 707 (640) million in adjusted EBITDA in Q2, representing a 10% year over year increase. This was primarily driven by the strong performance in RAID: Shadow Legends and the Casual District, as well as the year over year increase in margin accretive DTC revenues. Adjusted EBITDA margin was 24% (22%) for the quarter.

Segment performance

Midcore District

(SEKm)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Net sales	2,230	2,313	4,695	4,262	9,039
Sales growth, %	-4%	164%	10%	144%	147%
Organic growth, %	1%	5%	3%	5%	5%
Pro forma growth, %	1%	-	5%	-	-
DAU, million	4.0	4.0	4.1	4.1	4.0
ARPDAU, SEK	6.1	6.3	6.4	5.7	6.1
User acquisition	-698	-694	-1,433	-1,297	-2,727
Adjusted EBITDA	581	534	1,279	1,018	2,278
Adjusted EBITDA margin, %	26%	23%	27%	24%	25%

The Midcore District reported total revenues of SEK 2,230 (2,313) million in the quarter, corresponding to a decrease of -4% year over year in reported currencies but an increase of 1% in constant currencies. This reflected growth in RAID: Shadow Legends, offset by the continued decline in Forge of Empires and certain other games, as well as negative exchange rate movements in our SEK reporting currency. District revenues were up 5% on a pro forma basis in H1.

Daily active user (DAU) levels for the Midcore District were stable year over year, amounting to 4.0 (4.0) million. Whilst DAU levels were stable, the Midcore District reported a -2% year over year decrease in average revenue per daily user (ARPDAU) to SEK 6.1 (6.3) in Q2. This reflected the fact that lower ARPDAU in Forge of Empires and other games was not fully offset by higher ARPDAU levels in RAID: Shadow Legends, where we continued to successfully monetize player cohorts acquired in previous quarters.

The Midcore District generated 51% (31%) of its revenues from direct-to-consumer (DTC) sales in Q2, up from 49% in Q1 2026. This strong performance reflected the continued strategic focus on driving DTC revenues and initiatives launched in the second half of 2025, in particular in RAID: Shadow Legends and Warhammer 40,000: Tacticus.

The Midcore District invested a total of SEK 698 (694) million in user acquisition in Q2. District UA spend was up 5% year over year in Q2 in constant currencies, driven by higher UA spend in RAID: Shadow Legends offsetting lower marketing spend in Forge of Empires and certain other games.

The Midcore District reported SEK 581 (534) million in adjusted EBITDA in Q2, with the increase reflecting strategic user acquisition in RAID: Shadow Legends in prior quarters driving an increase in ARPDAU. Profitability also increased due to the strong continued growth in DTC revenues, with savings partially reinvested in disciplined user acquisition. The Midcore District reported an adjusted EBITDA margin of 26% in Q2, up from 23% for the corresponding period of last year.

Casual District – PlaySimple

(SEKm)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Net sales	736	598	1,429	1,206	2,540
Sales growth, %	23%	7%	18%	6%	8%
Organic growth, %	29%	16%	29%	11%	17%
Pro forma growth, %	29%	-	29%	-	-
DAU, million	4.5	4.7	4.7	4.4	4.6
ARPDAU, SEK	1.8	1.4	1.7	1.5	1.5
User acquisition	-465	-360	-929	-716	-1,589
Adjusted EBITDA	177	151	343	317	576
Adjusted EBITDA margin, %	24%	25%	24%	26%	23%

The Casual District reported total revenues of SEK 736 million in the quarter, corresponding to growth of 23% year over year in reported currencies and 29% in constant currencies. The very strong Q2 performance was predominantly driven by the continued rapid scaling of word games such as Crossword Go and Cryptogram, together with the ongoing expansion into adjacent non-word genres from games like Tile Match, as well as stable performance in several of our established titles.

Daily active user (DAU) levels for the Casual District were lower year over year at 4.5 (4.7) million as rapid user intake in new games partly offset lower DAU levels in certain established titles. Casual District ARPDAU was up by 28% year over year to SEK 1.8 (1.4). These dynamics reflected the rapid scaling of new games, which have improved monetization relative to some of our established titles, and are also currently predominantly focused on tier 1 markets with higher ARPDAU. The improved monetization of these new titles also reflects the continued development of Little Engine, PlaySimple's data-driven technology platform.

The Casual District invested a total of SEK 465 (360) million in user acquisition in Q2, which was a 36% increase in constant currencies, reflecting the rapid scaling of new titles. Casual District adjusted EBITDA increased year over year in Q2 and amounted to SEK 177 (151) million, with an operating margin of 24% (25%). PlaySimple's margin was somewhat elevated in the quarter as the increase in user acquisition was partially offset by slightly lower-than-expected operating expenses in the quarter.

Key performance indicators

	Q2 2026	Q1 2026	Q4 2025	Q3 2025	Q2 2025
Group					
DAU, million[1]	8.5	9.0	8.7	8.6	8.7
ARPDAU, SEK	3.8	3.9	3.9	3.8	3.7
Revenue generated by platform, %					
Mobile app stores	57%	56%	64%	69%	70%
Direct to consumer	38%	39%	32%	26%	24%
Other	5%	5%	4%	5%	5%
Revenue generated by monetization type, %					
IAP	74%	77%	74%	78%	79%
IAA	23%	20%	22%	20%	19%
Other	3%	3%	4%	2%	2%
Revenue generated by territory, %					
Europe	33%	33%	35%	36%	34%
North America	57%	56%	55%	55%	55%
Asia Pacific	8%	9%	8%	8%	9%
Rest of World	2%	2%	2%	2%	2%
Revenue generated by the top 3 games, %	48%	53%	50%	51%	50%
Midcore					
DAU, million	4.0	4.1	3.9	4.0	4.0
ARPDAU, SEK	6.1	6.6	6.7	6.5	6.3
Revenue generated by platform, %					
Mobile app stores	44%	45%	54%	62%	64%
Direct to consumer	51%	49%	42%	33%	31%
Other	5%	6%	4%	5%	5%
Revenue generated by monetization type, %					
IAP	95%	95%	94%	95%	95%
IAA	2%	2%	3%	3%	3%
Other	3%	3%	3%	2%	2%
Casual					
DAU, million[1]	4.5	4.8	4.8	4.6	4.7
ARPDAU, SEK	1.8	1.6	1.6	1.5	1.4
Revenue generated by platform, %					
Mobile app stores	96%	96%	97%	97%	95%
Direct to consumer	0%	0%	0%	0%	0%
Other	4%	4%	3%	3%	5%
Revenue generated by monetization type, %					
IAP	9%	10%	9%	13%	15%
IAA	87%	87%	90%	88%	83%
Other	4%	3%	1%	-1%	3%

[1] Casual district DAU figures have been updated to align with the calculation and disclosure from PlaySimple's DRHP filing, which reflect PlaySimple's internal data rather than third party measurement.

Financial review

Adjusted EBITDA

SEKm	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Adjusted EBITDA	**707**	**640**	**1,509**	**1,256**	**2,648**
Items affecting comparability	0	-	-8	-	-25
Non-recurring bonus structures	0	6	-2	-1	-45
M&A transaction costs and revaluation of put/call options	-17	-50	-55	-64	-195
EBITDA	**690**	**596**	**1,444**	**1,190**	**2,383**
Depreciation, amortization and impairment	-372	-373	-756	-677	-1,419
EBIT	**317**	**222**	**688**	**513**	**963**

We reported a 10% increase in adjusted EBITDA to SEK 707 (640) million in Q2, with an adjusted operating margin of 24%. The increase in adjusted EBITDA primarily reflected revenue growth, lower platform fees as a result of DTC initiatives in key Midcore District games, including RAID: Shadow Legends, as well as slightly lower-than-expected OPEX in the Casual District.

The group's adjustments to reported EBITDA amounted to SEK -17 (-44) million in the quarter. These related to adjustments for M&A transaction costs, which mainly reflected the performance-based revaluation of put/call options related to the acquisition of Snowprint.

Depreciation, amortization and impairment, amounted to SEK -372 (-373) million and included amortization of purchase price allocations (PPA) of SEK -300 (-322) million.

Consolidated EBIT was SEK 317 (222) million in the quarter, which corresponded to an EBIT margin of 11% (8%). Operating costs before depreciation and amortization decreased by -2% year over year to SEK 2,276 (2,315) million.

Cash flow

SEKm	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Cash flow from operations before taxes and changes in	621	512	1,356	1,042	2,259
Taxes paid	-187	-236	-205	-449	-695
Changes in working capital	36	49	-75	-91	159
Cash flow from operations	**471**	**325**	**1,076**	**502**	**1,723**
Cash flow from investing activities	**-557**	**-1,138**	**-1,267**	**-7,183**	**-7,502**
Cash flow from financing activities	**-9**	**-96**	**212**	**4,588**	**3,827**
Total net change in cash and cash equivalents	**-95**	**-909**	**21**	**-2,093**	**-1,952**
Cash and cash equivalents at the beginning of the period	**1,381**	**2,176**	**1,230**	**3,542**	**3,542**
Translation differences in cash and cash equivalents	36	-37	71	-220	-360
Cash and cash equivalents at end of the period	**1,322**	**1,230**	**1,322**	**1,230**	**1,230**
Cash flow from operations	471	325	1,076	502	1,723
Investments	-66	-54	-123	-95	-198
Realized exchange rate differences and paid interest	-69	-81	-103	-88	-257
Unlevered free cash flow	**474**	**352**	**1,056**	**495**	**1,783**

Cash flow from operations

Total cash flow from operations amounted to SEK 471 (325) million in the quarter. The group's paid tax amounted to SEK -187 (-236) million in the quarter. The group reported changes in working capital of SEK 36 (49) million in the quarter.

Cash flow from investing activities

Total cash flow from investing activities amounted to SEK -557 (-1,138) million in the quarter. Investing activities in the quarter included the deferred consideration and earn-out payment to the sellers of Plarium, amounting to SEK -482 million. In the comparable period in 2025 we had earnout payments of SEK -1,074 million, which mainly consisted of payments to PlaySimple. Investing activities also included capital expenditure on tangible and intangible assets amounting to SEK -66 (-54) million, primarily comprising capitalized development costs for games and platforms. Other investments amounted to SEK -9 (-5) million.

Cash flow from financing activities

Total cash flow from financing activities amounted to SEK -9 (-96) million in the quarter. This mainly consisted of raising of new external loans of SEK 297 (-) million, the repurchase of shares amounting to SEK -131 (-41) million, a share swap related to incentive programs amounting to SEK -61 (-39) million and amortization of external loans amounting to SEK -113 (-) million and the group's leasing payments. The net change in cash and cash equivalents amounted to SEK -95 (-909) million in the quarter and the group had total cash and cash equivalents of SEK 1,322 (1,230) million at the end of the period.

Unlevered cash conversion

Our unlevered cash conversion amounted to 81% of adjusted EBITDA for the rolling 12-month period ended 30 June 2026. The strong performance continued to reflect robust underlying cash generation across the group, as well as the timing of certain working capital items.

Net financials

SEKm	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Revaluation	-20	19	-36	0	-182
Gain and loss	-23	-66	-33	-190	-158
Net interest	-70	-76	-134	-93	-243
Unrealized exchange rate differences	-22	32	-86	194	254
Realized exchange rate differences	-6	-9	16	-16	-21
Discounting effects	-3	-28	-31	-104	-183
Other	-4	-3	-6	-6	-8
Total	**-149**	**-130**	**-309**	**-215**	**-543**

Total net financial items amounted to SEK -149 (-130) million in the quarter, of which net interest amounted to SEK -70 (-76) million and other financial items amounted to SEK -79 (-54) million.

Other financial items included exchange rate differences of SEK -28 (23) million, of which SEK -22 (32) million were unrealized exchanges rate differences and SEK -6 (-9) million realized exchange rate differences. Discounting effects on earnout liabilities amounted to SEK -3 (-28) million. Revaluation effects amounted to SEK -20 (19) million, mainly related to revaluation of the VC fund. Additionally, financial items also included gain and loss of SEK -23 (-66) and other SEK -4 (-3) million.

Taxes

The group's tax amounted to SEK -69 (-153) million in the quarter. The year over year decline reflected a correction of deferred tax in one of our studios combined with higher tax in Q2 2025, which was a result of withholding tax payments in PlaySimple during the period.

Net debt

Net financial debt refers to the sum of interest-bearing liabilities, less cash and cash equivalents. Net financial debt as of June 30, 2026, amounted to SEK 3,413 (3,183) million. The net financial debt calculation included external financing of SEK 4,579 (4,181) million, lease liabilities of SEK 157 (233) million, less SEK 1,322 (1,230) million in cash and cash equivalents. The financial leverage ratio amounted to 1.29x based on the 12-month period EBITDA. Total net debt as of June 30 amounted to SEK 3,812 (4,607) million. Total net debt comprised interest-bearing liabilities of SEK 4,735 (4,413) million, earn-out liabilities of SEK 121 (1,110) million and put/call options of SEK 278 (314) million, less cash and cash equivalents of SEK 1,322 (1,230) million. The leverage ratio amounted to 1.45x based on the 12-month period EBITDA.

Parent company

Modern Times Group MTG AB is the group's parent company and is responsible for group-wide management, administration, and financing.

Net interest and other financial items for the quarter amounted to SEK -11 (0) million. Net interest amounted to SEK -4 (-1) million. Unrealized and realized exchange rate differences amounted to SEK -7 (0) million and other financial items to SEK 0 (0) million. The parent company had cash and cash equivalents of SEK 199 (201) million at the end of the period. The total number of shares outstanding at the end of the period was 119,061,285 (117,114,942), excluding the 4,248,000 Class B shares held by MTG as treasury shares.

Other information

Accounting policies

This interim report has been prepared according to 'IAS 34 Interim Financial Reporting' and the 'Swedish Annual Accounts Act'. The interim report for the parent company has been prepared according to the Swedish Annual Accounts Act – Chapter 9 'Interim Report'.

The group's consolidated accounts and the parent company's accounts have been prepared according to the same accounting policies and calculation methods as were applied in the preparation of the 2025 Annual Report.

Disclosures in accordance with IAS 34.16A appear in the financial statements and the accompanying notes as well as in other parts of the interim report.

Related party transactions

No transactions between MTG and related parties that have materially affected the Group's position and earnings took place during the period.

Risks and uncertainties

Significant risks and uncertainties exist for the group and the parent company. These factors include the prevailing economic and business environments; commercial risks related to expansion into new territories; other political and legislative risks related to changes in rules and regulations in the various territories in which the group operates; exposure to foreign exchange rate movements, and the US dollar and euro-linked currencies in particular; the emergence of new technologies and competitors; and cyber-attacks.

The group's game development businesses depend on their ability to continue releasing successful titles that attract paying customers, conditions that are not under the group's full control.

Risks and uncertainties are also described in more detail in the 2025 Annual Report, which is available at **www.mtg.com**.

Stockholm, 21 July 2026

Maria Redin

Group President & CEO, Modern Times Group MTG AB

Condensed consolidated income statement

SEKm	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Net sales	2,965	2,911	6,125	5,468	11,579
Total revenue	**2,965**	**2,911**	**6,125**	**5,468**	**11,579**
Platform fees	-352	-494	-746	-902	-1,834
Other sales related costs	-57	-55	-116	-98	-235
User acquisition	-1,163	-1,054	-2,362	-2,013	-4,316
Other external expenses	-199	-176	-383	-315	-747
Personnel expenses	-582	-587	-1,212	-1,040	-2,276
Own work capitalized	58	59	103	79	174
Depreciation, amortization and impairment	-372	-373	-756	-677	-1,419
Other operating income	34	15	62	45	131
Other operating expenses	-15	-24	-27	-34	-93
Operating result (EBIT)	**317**	**222**	**688**	**513**	**963**
Net financial items	-149	-130	-309	-215	-543
Profit before tax	**168**	**93**	**379**	**298**	**421**
Taxes for the period	-69	-153	-141	-294	-484
Net result for the period	**99**	**-61**	**237**	**4**	**-62**
Basic earnings per share (SEK)	0.83	-0.52	1.99	0.03	-0.53
Diluted earnings per share (SEK)	0.83	-0.52	1.99	0.03	-0.53
Number of shares					
Shares outstanding at the end of the period	119,061,285	117,114,942	119,061,285	117,114,942	115,808,942
Basic average number of shares outstanding	119,544,384	117,178,374	119,358,703	117,545,892	117,174,874
Diluted average number of shares outstanding	119,544,384	117,178,374	119,358,703	117,545,892	117,174,874

Condensed statement of comprehensive income

(SEKm)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Net income	99	-61	237	4	-62
Other comprehensive income					
Items that are or may be reclassified to profit or loss, net of tax:					
Currency translation differences	186	-245	360	-1,341	-2,032
Items that cannot be transferred to profit or loss, net of tax:					
Fair value change of equity instruments	-9	-2	-18	-678	-728
Total comprehensive income	**276**	**-309**	**579**	**-2,016**	**-2,822**
Total comprehensive income attributable to:					
Equity holders of the parent	**276**	**-309**	**579**	**-2,016**	**-2,822**

Condensed consolidated balance sheet

(SEKm)	Jun 30 2026	Jun 30 2025	Dec 31 2025
Non-current assets			
Goodwill	11,010	11,283	10,700
Other intangible assets	4,776	5,944	5,148
Total intangible assets	**15,786**	**17,226**	**15,848**
Total tangible assets	**118**	**135**	**118**
Total right of use assets	**150**	**225**	**250**
Shares and participations	311	541	351
Other receivables	325	213	199
Total non-current financial assets	**636**	**754**	**551**
Total non-current assets	**16,691**	**18,341**	**16,767**
Current assets			
Other receivables	1,164	1,569	1,289
Cash and cash equivalents	1,322	1,230	1,230
Total current assets	**2,486**	**2,800**	**2,519**
Total assets	**19,177**	**21,140**	**19,286**
Equity			
Shareholders' equity	11,327	11,558	10,617
Total equity	**11,327**	**11,558**	**10,617**
Non-current liabilities			
Liabilities to credit institutions	4,521	4,071	3,119
Lease liabilities	107	186	198
Total non-current interest-bearing liabilities	**4,628**	**4,257**	**3,317**
Provisions	813	1,030	909
Contingent consideration	121	112	129
Other non-interest-bearing liabilities	42	47	61
Total non-current non-interest-bearing liabilities	**976**	**1,190**	**1,099**
Total non-current liabilities	**5,604**	**5,447**	**4,416**
Current liabilities			
Contingent consideration	-	998	1,016
Liabilities to credit institutions	49	95	368
Lease liabilities	50	47	55
Other non-interest-bearing liabilities	2,147	2,996	2,814
Total current liabilities	**2,245**	**4,135**	**4,253**
Total liabilities	**7,850**	**9,582**	**8,669**
Total shareholders' equity and liabilities	**19,177**	**21,140**	**19,286**

Condensed consolidated statement of cash flows

(SEKm)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Income before tax	168	93	379	298	421
Adjustment for items not included in cash flow	453	419	977	744	1,838
Taxes paid	-187	-236	-205	-449	-695
Changes in working capital	36	49	-75	-91	159
Cash flow from operations	**471**	**325**	**1,076**	**502**	**1,723**
Acquisition / sale of subsidiaries, associates and other	-204	-15	-233	-6,003	-6,200
Earnout payments	-278	-1,074	-879	-1,074	-1,074
Investments in other non-current assets	-74	-49	-154	-106	-228
Cash flow from investing activities	**-557**	**-1,138**	**-1,267**	**-7,183**	**-7,502**
Repurchase of shares	-131	-41	-303	-152	-306
Loan	183	-7	576	4,800	4,229
Share swap regarding share incentive programs	-61	-39	-61	-39	-39
Other cash flow from/used in financing activities	-	-9	-	-21	-57
Cash flow from financing activities	**-9**	**-96**	**212**	**4,588**	**3,827**
Total net change in cash and cash equivalents	**-95**	**-909**	**21**	**-2,093**	**-1,952**
Cash and cash equivalents at the beginning of the period	1,381	2,176	1,230	3,542	3,542
Translation differences in cash and cash equivalents	36	-37	71	-220	-360
Cash and cash equivalents at end of the period	1,322	1,230	1,322	1,230	1,230

Condensed consolidated statement of changes in equity

(SEKm)	Jun 30 2026	Jun 30 2025	Dec 31 2025
Opening balance	**10,617**	**13,735**	**13,735**
Net income for the period	237	4	-62
Other comprehensive income for the period	342	-2,020	-2,760
Total comprehensive income for the period	**579**	**-2,016**	**-2,823**
Effect of employee share programs	38	30	50
Share swap regarding share-based incentive program	-285	-39	-39
Repurchase of shares	-303	-153	-306
Re-distribution of repurchased shares	680	-	-
Closing balance	**11,327**	**11,558**	**10,617**

Parent company condensed income statement

SEKm	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Net sales	26	18	44	35	72
Total revenue	**26**	**18**	**44**	**35**	**72**
Other external expenses	-26	-47	-51	-97	-168
Personnel expenses	-45	-46	-108	-88	-196
Depreciation, amortization and impairment	0	0	0	0	-1
Other operating income	2	1	1	11	11
Other operating expenses	0	-1	0	-1	-2
Operating result (EBIT)	**-44**	**-75**	**-113**	**-141**	**-284**
Net financial items	-11	0	-14	143	139
Income before tax and appropriations	**-54**	**-75**	**-127**	**2**	**-144**
Appropriations	0	0	0	0	267
Net result for the period	**-54**	**-75**	**-127**	**2**	**122**

Parent company condensed balance sheet

(SEKm)	Jun 30 2026	Jun 30 2025	Dec 31 2025
Non-current assets			
Machinery and equipment	1	1	1
Shares and participations	15,366	15,231	15,231
Other financial receivables	41	20	26
Total non-current assets	**15,407**	**15,253**	**15,258**
Current assets			
Current receivables	571	55	321
Cash and cash equivalents	199	201	111
Total current assets	**769**	**257**	**432**
Total assets	**16,177**	**15,509**	**15,690**
Shareholders' equity			
Restricted equity	617	642	617
Non-restricted equity	14,166	14,182	14,194
Total equity	**14,782**	**14,824**	**14,811**
Non-current liabilities			
Non-interest-bearing liabilities	14	10	14
Liabilities to financial institutions	223	-	-
Total non-current liabilities	**237**	**10**	**14**
Current liabilities			
Non-interest-bearing liabilities	1,158	676	866
Total current liabilities	**1,158**	**676**	**866**
Total liabilities	**1,395**	**685**	**880**
Total shareholders' equity and liabilities	**16,177**	**15,509**	**15,690**

Financial instruments at fair value

The carrying amounts are considered to be reasonable approximations of fair value for all financial assets and liabilities, except shares and participations in other companies and contingent considerations for which the valuation technique is described below.

(SEKm)				Jun 30 2026				Dec 31 2025
	Fair value	Level 1	Level 2	Level 3[1]	Fair value	Level 1	Level 2	Level 3[1]
Financial assets measured at fair value								
Shares and participations	311	-	-	311	351	-	-	351
Other receivables	62	-	-	62	30	-	-	30
Financial liabilities measured at fair value								
Contingent consideration	121	-	-	121	1,145	-	-	1,145
Other liabilities	-	-	-	-	680	680	-	-

1) The amount of unrealised gains/losses in profit or loss is included in the financial net.

Valuation techniques

Shares and participations in other companies - Acquisition cost is initially considered to be a representative estimate of fair value. Subsequently, values are remeasured at fair value and gains/losses recognized when there is subsequent financing through participation by a third-party investor, in which case the price per share in that financing is used, when there is a realized exit or when there are indications that cost is not representative of fair value and sufficient, more recent information is available to measure fair value. Listed holdings are valued at the current share price.

(SEKm)	Jun 30 2026	Dec 31 2025
Opening balance 1 January	**351**	**1,287**
Reported gains and losses in net income for the period	-38	-144
Reported gains and losses in OCI for the period	-18	-701
Acquisition	8	-
Investments during the year	-	14
Dividend	-5	-10
Translation differences in income	13	-67
Translation differences in OCI	0	-28
Closing balance	**311**	**351**

Contingent consideration - expected future values are discounted to present value. The discount rate is risk-adjusted. The most critical parameters are estimated future revenue growth and future operating margin.

(SEKm)	Jun 30 2026	Dec 31 2025
Opening balance 1 January	**1,145**	**1,674**
Exercised payments, cash-based	-1,083	-1,074
Acquisition	-	707
Interest expense	30	180
Translation differences	30	-342
Closing balance	**121**	**1,145**

(SEKm)	2026	2027	2028	2029+	Total
Cash consideration	**-**	**-**	**59**	**63**	**121**
Total contingent consideration	**-**	**-**	**59**	**63**	**121**

Operating segments

Q2 2026 (SEKm)	Midcore	Casual	Group operations and eliminations	Group total
Revenue from external customers	2,230	736	-	2,965
Total revenue	**2,230**	**736**	**-**	**2,965**
User acquisition	**-698**	**-465**	**-**	**-1,163**
Adjusted EBITDA	**581**	**177**	**-50**	**707**
Items affecting comparability	0	-	-	0
Non-recurring bonus structures	-	0	0	0
M&A transaction costs and revaluation of put/call options	-11	-	-6	-17
EBITDA	**569**	**177**	**-56**	**690**
Depreciation, amortization and impairment	-343	-28	-1	-372
EBIT	**226**	**148**	**-57**	**317**
Net financial items				-149
Profit before tax				**168**

Q2 2025 (SEKm)	Midcore	Casual	Group operations and eliminations	Group total
Revenue from external customers	2,313	598	-	2,911
Total revenue	**2,313**	**598**	-	**2,911**
User acquisition	**-694**	**-360**	-	**-1,054**
Adjusted EBITDA	**534**	**151**	**-45**	**640**
Non-recurring bonus structures	-	-1	7	6
M&A transaction costs and revaluation of put/call options	-50	-	0	-50
EBITDA	**483**	**150**	**-38**	**596**
Depreciation, amortization and impairment	-336	-35	-2	-373
EBIT	**147**	**115**	**-40**	**222**
Net financial items				-130
Profit before tax				**93**

H1 2026 (SEKm)	Midcore	Casual	Group operations and eliminations	Group total
Revenue from external customers	4,695	1,429	-	6,125
Total revenue	**4,695**	**1,429**	**-**	**6,125**
User acquisition	**-1,433**	**-929**	**-**	**-2,362**
Adjusted EBITDA	**1,279**	**343**	**-112**	**1,509**
Items affecting comparability	-8	-	-	-8
Non-recurring bonus structures	-	-1	-1	-2
M&A transaction costs and revaluation of put/call options	-46	-	-9	-55
EBITDA	**1,224**	**341**	**-122**	**1,444**
Depreciation, amortization and impairment	-697	-57	-2	-756
EBIT	**527**	**285**	**-124**	**688**
Net financial items				-309
Profit before tax				**379**

H1 2025 (SEKm)	Midcore	Casual	Group operations and eliminations	Group total
Revenue from external customers	4,262	1,206	-	5,468
Total revenue	**4,262**	**1,206**	-	**5,468**
User acquisition	**-1,297**	**-716**	-	**-2,013**
Adjusted EBITDA	**1,018**	**317**	**-80**	**1,256**
Non-recurring bonus structures	-	-1	0	-1
M&A transaction costs and revaluation of put/call options	-64	-	0	-64
EBITDA	**954**	**316**	**-80**	**1,190**
Depreciation, amortization and impairment	-602	-73	-3	-677
EBIT	**352**	**243**	**-82**	**513**
Net financial items				-215
Profit before tax				**298**

FY 2025 (SEKm)	Midcore	Casual	Group operations and eliminations	Group total
Revenue from external customers	9,039	2,540	-	11,579
Total revenue	**9,039**	**2,540**	-	**11,579**
User acquisition	**-2,727**	**-1,589**	-	**-4,316**
Adjusted EBITDA	**2,278**	**576**	**-206**	**2,648**
Items affecting comparability	-25	-	-	-25
Non-recurring bonus structures	-9	-36	-	-45
M&A transaction costs and revaluation of put/call options	-191	-1	-4	-195
EBITDA	**2,053**	**540**	**-210**	**2,383**
Depreciation, amortization and impairment	-1,278	-135	-6	-1,419
EBIT	**775**	**405**	**-217**	**963**
Net financial items				-542
Profit before tax				**421**

Alternative performance measures

The purpose of alternative performance measures (APMs) is to facilitate the analysis of business performance and industry trends that cannot be directly derived from financial statements. MTG uses the following APMs:

- Adjusted EBITDA
- Change in net sales from organic growth
- Adjusted net income

Reconciliation of adjusted EBITDA

Adjusted EBITDA is used to assess MTG's underlying profitability. Adjusted EBITDA is defined as EBITDA adjusted for the effects of items affecting comparability, non-recurring bonus structures, acquisition-related transaction costs and revaluation of put/call options. Items affecting comparability refer to material items and events related to changes in the group's structure or lines of business, which are relevant for understanding the group's development on a like-for-like basis.

(SEKm)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
EBIT	**317**	**222**	**688**	**513**	**963**
Amortization	348	345	660	623	1,288
Depreciation	24	28	49	54	104
Impairment tangible and intangible assets	1	-	47	-	28
EBITDA	**690**	**596**	**1,444**	**1,190**	**2,383**
Items affecting comparability	0	-	8	-	25
Non-recurring bonus structures	0	-6	2	1	45
M&A transaction costs and revaluation of put/call options	17	50	55	64	195
Adjusted EBITDA	**707**	**640**	**1,509**	**1,256**	**2,648**

Reconciliation of sales growth

Since the group generates the majority of its sales in currencies other than the reporting currency (i.e., SEK, Swedish krona) and currency rates have proven to be rather volatile, the group's sales trends and performance are analyzed as changes in organic sales growth. This presents the increase or decrease in overall SEK net sales on a comparable basis, allowing for separate discussions of the impact of exchange rates, acquisitions, and divestments. The following table presents changes in organic sales growth as reconciled to the change in total reported net sales.

(SEKm)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Organic growth	6%	9%	9%	8%	9%
Acquisition/divestments	0%	107%	12%	90%	98%
FX Impact	-5%	-14%	-9%	-8%	-15%
Reported growth	**2%**	**103%**	**12%**	**90%**	**92%**

MTG

Adjusted net income

Net income adjusted for PPA related amortizations, non-cash items in financial net.

(SEKm)	Q2 2026	Q2 2025	H1 2026	H1 2025	FY 2025
Net income	99	-61	237	4	-62
Non-Cash items in the net finance	71	63	191	79	276
Amortization (PPA)	300	322	592	567	1,176
Adjusted net income	**470**	**324**	**1,020**	**650**	**1,390**

Definitions

Adjusted EBITDA
EBITDA, adjusted for the effects of items affecting comparability, non-recurring bonus structures, acquisition-related transaction costs and revaluations of put/call options.

Adjusted EBITDA margin
Adjusted EBITDA compared to net sales. Also referred to as "operating margin" in the text.

Adjusted net income
Net income adjusted for PPA related amortizations, non-cash items in financial net.

ARPDAU
Average net sale per daily active user.

Capital expenditures (CAPEX)
Capital expenditure is a financial investment made with the expectation of future revenues.

Cash flow from operations
Cash flow from operating activities shows changes in working capital including profit for the year adjusted for profit and loss items that have not affected changes in cash flow.

DAU
Daily active user.

Direct-to-consumer revenue share
Revenue from selling products directly to customers and thereby bypassing any third-party.

Earnings per share
Earnings per share are expressed as net income attributable to equity holders of the parent divided by the average number of shares.

EBIT/Operating income
Net income for the period before other financial items, net interest and tax

EBIT margin
EBIT as a percentage of net sales.

EBITDA
Profit for the period before other financial items, tax, net interest, depreciation, amortization and impairment on tangible and intangible assets.

Financial leverage ratio
Net financial debt divided by last twelve months EBITDA.

IAA
In app advertising.

IAP
In app purchases.

Interest-bearing liabilities
Interest-bearing liabilities include external financing and lease liabilities.

Items affecting comparability (IAC)
Items affecting comparability refers to material items and events related to changes in the group's structure or lines of business, which are relevant for understanding the group's development on a comparable basis.

Leverage ratio
Net debt divided by last twelve months EBITDA.

Net debt
Net debt refers to the sum of interest-bearing liabilities excluding capitalized borrowing costs, earn-out liabilities and put/call option liabilities less cash and cash equivalents.

Net financial debt
Net financial debt refers to the sum of interest-bearing liabilities excluding capitalized borrowing costs, less cash and cash equivalents.

Net sales growth in constant currencies
Net sales at constant exchange rates is a financial measure that shows sales growth excluding the effects of exchange rate fluctuations.

Organic growth
The change in net sales compared with the same period last year, excluding acquisitions and divestments and adjusted for currency effects.

Pro forma growth
Pro forma growth is calculated on a like-for-like basis, as if all currently owned businesses had been consolidated (or de-consolidated) for the entirety of both the current and comparative periods and on a constant currency basis.

Sales growth
Change in net sales compared with a previous period.

UA
User acquisition.

Unlevered Cash Conversion (UCC)
Cash flow from operating activities excluding paid interest in cash flow, including investments less realized exchange rate effects, as a percentage of adjusted EBITDA.

Unlevered free cash flow
Cash flow from operating activities excluding paid interest in cash flow, including investments less realized exchange rate effects.

Shareholder information

Financial calendar

Item	Date
Q3 & 9 Months 2026 Financial Results report	5 November 2026

Questions?

MTG Investor Relations

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Conference call

MTG will host a livestream and conference call at 10.00 CEST today, on July 21, 2026. The call will be held in English.

How to join:

To participate via livestream, please use this link.

To join via phone, please register using this link. After you've registered, you'll receive the dial-in number and conference ID to access the teleconference.

You can ask questions via phone during the teleconference or by using the livestream Q&A tool.

Modern Times Group MTG AB (publ) – Reg no: 556309-9158 – Phone: +46 (0) 8-562 000 50

MTG (Modern Times Group MTG AB (publ)) (www.mtg.com) is an international mobile gaming group that owns and operates gaming studios with popular global IPs across a wide range of casual and mid-core genres. The group is focused on accelerating portfolio company growth and supporting founders and entrepreneurs. MTG is an active driver of gaming industry consolidation and a strategic acquirer of gaming companies around the world. We are born in Sweden but have an international culture and global footprint. Our shares are listed on Nasdaq Stockholm ("MTGA" and "MTGB").

This information is information that Modern Times Group MTG AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out above, at 7:30 CEST on July 21, 2026.

This interim report contains statements concerning, among other things, MTG's financial condition and results of operations that are forward-looking in nature. Such statements are not historical facts but, rather, represent MTG's future expectations. MTG believes that the expectations reflected in these forward-looking statements are based on reasonable assumptions; however, forward-looking statements involve inherent risks and uncertainties, and a number of important factors could cause actual results or outcomes to differ materially from those expressed in any forward-looking statement. Such important factors include but may not be limited to MTG's market position; growth in the gaming industry; and the effects of competition and other economic, business, competitive and/or regulatory factors affecting the business of MTG, its group companies and the gaming industry in general. Forward-looking statements apply only as of the date they were made, and, other than as required by applicable law, MTG undertakes no obligation to update any of them in the light of new information or future events.