

MAG INTERACTIVE

MAG INTERACTIVE AB [PUBL]
INTERIM & YEAR END REPORT
SEP—AUG 2024/25

Q4

2024/25

INTERIM & YEAR END REPORT SEP—AUG 2024/25

ABOUT

MAG INTERACTIVE AB [PUBL]

MAG INTERACTIVE IS A LEADING MOBILE GAME DEVELOPER FOCUSED ON CASUAL SOCIAL GAMES. WITH PASSIONATE, CREATIVE TEAMS AND A DATA-DRIVEN BUSINESS MODEL, MAG DELIVERS WORLD-CLASS GAMING EXPERIENCES TO MILLIONS OF PLAYERS WORLDWIDE. MAG SPECIALIZES IN WORD GAMES AND TRIVIA, WITH A PORTFOLIO OF TITLES INCLUDING QUIZDUEL, CROZZLE, WORDZEE, RUZZLE, WORDBRAIN, WORD DOMINATION AND WORDBUBBLES THAT HAVE BEEN DOWNLOADED OVER 350 MILLION TIMES. MAG HAS STUDIOS IN STOCKHOLM AND BRIGHTON AND WAS LISTED IN 2017 ON THE NASDAQ FIRST NORTH PREMIER GROWTH MARKET WITH THE TICKER MAGI. FOR MORE INFORMATION VISIT WWW.MAGINTERACTIVE.COM.



SUMMARY OF THE PERIOD JUN 2025 UNTIL AUG 2025

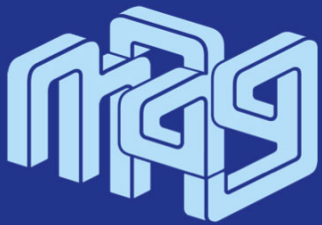
- Adjusted EBITDA for the quarter was 5,055 KSEK (20,049 KSEK), a decrease of 14,995 KSEK
- The Group's net sales for the quarter were 76,817 KSEK (66,484 KSEK), an increase of 16%
- The Group's adjusted net sales for the quarter were 76,817 KSEK (64,550 KSEK), an increase of 19%
- The Group's adjusted net sales in USD for the quarter were 8,018 KUSD (6,118 KUSD), an increase of 31%
- The Group's game contribution for the quarter was 31,031 KSEK (47,120 KSEK), a decrease of 34%
- Average revenue per daily active user (ARPDau) for the quarter was 9.5 US cents (6.5 US cents), an increase of 46%
- Earnings per share during the quarter were -0.31 SEK/share (0.05 SEK/share)
- Adjusted earnings per share during the quarter were -0.31 SEK/share (0.15 SEK/share)
- The cost of user acquisition for the quarter was 34,354 KSEK (8,858 KSEK)
- Daily and monthly active users (DAU and MAU) were 0.9 million and 2.3 million respectively during the quarter, a decrease of 13% and 14%

SUMMARY OF THE PERIOD SEP 2024 UNTIL AUG 2025

- Adjusted EBITDA for the period was 53,870 KSEK (80,520 KSEK), a decrease of 26,649 KSEK
- The Group's Net sales for the period were 275,816 KSEK (283,431 KSEK), a decrease of 3%
- The Group's adjusted Net sales for the period were 273,410 KSEK (276,119 KSEK), a decrease of 1%
- The Group's adjusted Net sales in USD for the period were 26,884 KUSD (26,000 KUSD), an increase of 3%
- The Group's game contribution for the period was 163,118 KSEK (203,605 KSEK), a decrease of 20%
- Average revenue per daily active user (ARPDau) for the period was 7.5 US cents (6.5 US cents), an increase of 14%
- Earnings per share during the period were -0.36 SEK/share (-0.12 SEK/share)
- Adjusted earnings per share during the period were -0.21 SEK/share (0.68 SEK/share)
- The cost of user acquisition for the period was 72,220 KSEK (40,632 KSEK)
- Daily and monthly active users (DAU and MAU) were 1.0 million and 2.5 million respectively during the period, a decrease of 11% and 14%

SIGNIFICANT EVENTS DURING AND AFTER THE PERIOD JUN 2025 UNTIL AUG 2025

- No significant events were registered during the period



MAG INTERACTIVE

FROM THE CEO BACK TO GROWTH

2024/25

Significant growth in revenues and ARPDAU

Revenues in Q4 increased by 22% relative to Q3, reaching 77 MSEK, the highest in almost two years. Adjusted for divestments the revenue increased 19% year-over-year and measured in USD, the growth was 31%. The main growth driver is the continued scale up of our latest game Crozzle, which began at the end of Q3.

The average revenue per daily active user (ARPDAU) increased by 46% relative to last year, supported by improvements across multiple games and boosted in particular by an outstanding ARPDAU in Crozzle. We are happy to see such an extraordinary improvement to one of our most important KPIs. More players are choosing to pay in our games, and Crozzle's efficient ad monetization is raising the value of each active player.

High quality user acquisition

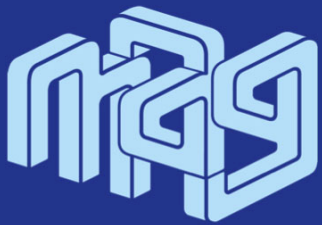
We are excited to unlock the user acquisition (UA) engine which helped boost growth significantly in Q4. UA investments in Q4 were almost as big as Q1-Q3 combined.

We are making adjustments to campaigns on a daily basis based on traffic quality and projected outcomes which make our investment volumes fluctuate from day to day and week to week. Being strictly data driven, instead of having fixed budgets, is the way to optimize long-term profitability; this is the way we choose to operate business. Half way into Q1, our daily average UA spend has decreased compared to Q4, but this may very well change before the quarter has come to an end. We will be increasing UA investments wherever they drive sustainable, long-term profitability.

We have seen a healthy return thus far for the Crozzle UA investments, with more than half of the money invested in Q4 paid back within the same quarter. This payback profile means that we have been able to maintain a good cash position throughout the early scale up phase of Crozzle. For reference, our default target payback time is 180 days, and we seek to get between 1.5 - 2x our investment within a 2-3 year timeframe.

We started the quarter with a cash position of 94 MSEK and ended at 87 MSEK, while investing 34 MSEK in UA and growing the quarterly revenues by 22% to 77 MSEK.





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FROM THE CEO BACK TO GROWTH

2024/25

Crozzle expansion

We are optimistic about Crozzle's long term potential and see this first full quarter of scale up as early days for the game. UA looks particularly strong on iOS, and there is a big potential for growth when we get Android to scale in a better way. We continue to believe that this is another evergreen game in our portfolio that will create value for MAG many years into the future.

As of Q1 we have expanded the game to Sweden, its debut in a non-English speaking market, with a larger expansion beginning with the biggest European markets planned to follow in the coming months.

To support our global expansion, we are using AI to create content in the game in a very cost effective way. The usage of AI also empowers our ability to produce advertising material at a high speed, which is an important factor in a high-volume UA operation.

New games in market testing

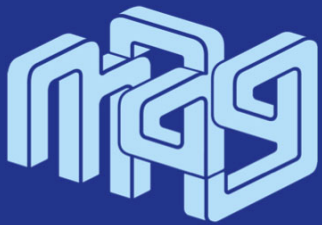
The activity in our New Games department continues at a high pace. Our common platform for game development is improving every month as all new games contribute to making the platform better. As planned and communicated in Q3, we put two new games out for market testing during Q4 and continue testing and development of those games in Q1. Our formula for new games relies on small, fast teams, leveraging our new platform. Given how well it works, we expect more new games to enter testing phases during H1.

A positive outlook for our biggest games

QuizDuel *Team Play* continues to look strong in our test markets: Sweden, UK, Italy and Poland. Player engagement as well as monetization both improve with the feature, and participation in teams increases over time. We believe this feature can have a significant impact on the coming year's revenues from QuizDuel, and we will continue to optimize *Teams* in the test markets before rolling it out in the German speaking markets during Q1.

Wordzee had stable revenue development in Q4. The focus going into the new financial year is to get the game back to growth again on the back of going live on our new tech platform during Q1. During testing of the new version of Wordzee, we have seen significant improvements to quality metrics such as startup time, which we expect will have a positive impact on player engagement.





MAG INTERACTIVE

FROM THE CEO BACK TO GROWTH

2024/25

Platform investments paying off

We are on a mission to develop high quality software that we reuse in ways that enable us to invest in that quality. This is both exciting for the developers involved in building it and pays off for players who get a more polished, higher quality experience.

An improved platform offers multiple benefits. Faster startup times in games lead to improved retention and engagement. Additionally, a smaller unique code footprint per game makes new development faster and less error prone. The end goal is to become a more efficient game developer with the best games in the market, despite having smaller teams than most of the competitors.

Our investments over the last couple of years in building a common platform for game making is starting to have a positive impact on the speed of production - and it will be an ever compounding effect as more of our games share modules with each other.

A year of new opportunities

We see the strong revenue and ARPDau growth, an exciting pipeline of new games and the successful scale up of Crozzle as a testament to our teams' hard work. When added to the company's strategic move to a platform based approach, we believe these combined elements to be a winning formula. I want to thank our shareholders for your interest in our journey and to all people at MAG for your dedicated work to take us to the next level as a game maker.

With Crozzle's early success, a growing pipeline of new games, and a platform that makes every team stronger, we have every reason to believe in an exciting future for MAG.

DANIEL HASSELBERG, CEO



SUMMARY OF THE BUSINESS' KEY PERFORMANCE INDICATORS

2024/25

		Note	Jun 25-Aug 25	Jun 24-Aug 24	Y/Y change	Sep 24-Aug 25	Sep 23-Aug 24	Y/Y change
Net sales	KSEK	1,5,6	76,817	66,484	16%	275,816	283,431	-3%
Adjusted net sales	KSEK	5	76,817	64,550	19%	273,410	276,119	-1%
Currency (USD)	SEK/USD		9.58	10.55	-9%	10.17	10.62	-4%
Net sales USD (In-app + advertising)	KUSD		8,020	6,301	27%	27,111	26,681	2%
Adjusted net sales USD	KUSD		8,018	6,118	31%	26,884	26,000	3%
In-app purchases	KSEK	1, 6	38,545	35,824	8%	143,620	139,566	3%
Advertising sales	KSEK	1, 5	37,924	30,229	25%	131,847	142,721	-8%
User acquisition	KSEK		-34,354	-8,858	288%	-72,220	-40,632	78%
Game contribution	KSEK	3	31,031	47,120	-34%	163,118	203,605	-20%
EBITDA	KSEK		5,055	18,829		49,786	55,237	
EBITDA margin ¹	%		7%	28%	-22	18%	19%	-1
Adjusted EBITDA	KSEK	5	5,055	20,049		53,870	80,520	
Adjusted EBITDA margin ¹	%		7%	30%	-24	20%	28%	-9
EBIT	KSEK		-9,872	2,059		-10,886	-4,621	
EBIT margin ¹	%		-13%	3%	-16	-4%	-2%	-2
Adjusted EBIT	KSEK	5	-9,872	5,285		-6,133	22,734	
Adjusted EBIT margin ¹	%		-13%	8%	-21	-2%	8%	-10
Profit	KSEK		-8,145	1,428		-9,414	-3,216	
Earnings per share	SEK		-0.31	0.05		-0.36	-0.12	
Adjusted earnings per share	SEK	5	-0.31	0.15		-0.21	0.68	
Free cashflow	KSEK		-2,650	9,689		7,542	12,440	
Average employees	FTE		96	106	-10%	98	107	-9%
Daily active users (DAU)	Millions		0.9	1.1	-13%	1.0	1.1	-11%
Monthly active users (MAU)	Millions		2.3	2.7	-14%	2.5	2.9	-14%
Monthly unique payers (MUP)	Thousands		48	42	15%	43	41	4%
ARPPDAU	US \$ cent	6	9.5	6.5	46%	7.5	6.5	14%

¹Y/Y change in percentage points

MAG's new engaging crossword game

Crozzle reinvents the classic crossword into a competitive multiplayer game. In Crozzle players challenge each other to earn the highest score by solving crossword puzzles on a shared board. Players place letter tiles to solve clues and complete words, using bonus squares for extra points. The game was released in April 2025 in several English-speaking markets after a successful soft launch in the US. A localized version of Crozzle has also been launched in Sweden with other large European markets to follow, including France and Germany. As user acquisition continues to scale up, it lays the groundwork for Crozzle to firmly become one of MAG's established growth games.

Crozzle's multiplayer, challenge-based format sustains high player engagement and retention, which helps Crozzle retain a high average revenue per daily user (ARPDau). Strategic features like boosters and letter tile swaps enhance the crossword experience while creating diverse opportunities for monetization. Given the game's expansion into European markets, continuous development of player events, fresh content and exclusive features, Crozzle is positioned to be a valuable growth product for the company.



MAG's unique growth game

Wordzee is MAG's unique word game where players challenge each other to form words from letter tiles placed on a special game board. The player who fills the entire board takes home "Wordzee" and extra bonus points. The game was developed by MAG's studio in Brighton and is one of the company's main growth products. Wordzee was released globally in November 2019 and has shown a high average revenue per daily active user (ARPDau) ever since.

Wordzee encourages player engagement with fun daily challenges and many special events that all offer exclusive rewards. Unique and seasonal events are continuously added and consistently active, with alternating durations and themes that vary urgency of play and appeal to an increasingly broad range of players. Player engagement and sense of progression are strong focuses for Wordzee as they are key drivers in revenue growth and player loyalty.

Wordzee continues to evolve with new features and optimizations on monetization and remains a strong growth product for MAG.



Europe's biggest trivia game on mobile

QuizDuel is a social trivia game where players challenge friends and other players worldwide in quizzes. The game was released in 2012 and has reached over 100 million downloads in total. QuizDuel is a strong brand in both Sweden and Germany, the game's largest market, where a quiz show with the same name is also broadcast on TV.

The game was launched in a new version in 2019 and, alongside classic quiz duels of six rounds with three knowledge questions, has introduced new game modes and events, including: *Solo*, *Question Streak*, *Arena* and *Quinder*. The game is MAG's largest product in terms of daily active users and also the largest mobile trivia game in Europe.

Like many other games in MAG's portfolio, QuizDuel has seen positive impact from events on its in-game economy, increased revenue and more paying players. *Question Streak Leagues*, where players compete on leaderboards for highest streaks, is among several of the game's successful permanent game modes and features that contributes significantly to player engagement and loyalty. Additionally, progression displays like exclusive avatar frames encourage persistent revenues through more stable long-term engagement.

Thanks to many improvements within the game, QuizDuel is still increasing its revenue after ten years. MAG sees continued growth potential in the product.



QuizDuel



Ruzzle - reliable evergreen success

Ruzzle is MAG's first word game success; it was launched globally in 2012 and has been downloaded over 60 million times. In Ruzzle, the player is challenged to find as many words as possible from a given set of letters within two minutes. The game is one of MAG's most important evergreens with a very loyal player base and generates long-term predictable revenue.

Ruzzle continues to be a pillar in MAG's portfolio, in terms of both player engagement and revenue, and is a benchmark for how MAG wants to build future evergreens.

Word Domination - evergreen with engaged player base

Word Domination is a tactical word game where players compete against each other in real-time in exciting word battles. The game was released globally in 2018 and has reached over 10 million downloads. In Word Domination, the opponents challenge each other over five rounds and collect points by spelling words on a common board. With "booster cards", players can tactically deploy time-limited advantages.

The game enjoys a highly engaged player base, the majority of which are long-time fans that have been playing Word Domination for a year or more.

WordBrain - evergreen with stable revenue stream

The word puzzle game WordBrain has been live for over ten years and has grown into a strong evergreen for MAG with a stable revenue stream. In WordBrain, the player searches for secret words based on specific letter combinations on specific boards. The game has been downloaded over 40 million times in total and reached number one in 118 countries in the word game category on Apple's App Store.

WordBrain has a stable and dedicated player base and is an important evergreen for the company. MAG continues to deliver new content to the game in the form of new puzzles and events.



CONSOLIDATED PROFIT/LOSS AND CASH FLOW FOR THE PERIOD JUN 2025 UNTIL AUG 2025

2024/25

OPERATING INCOME

The Group's net sales for the quarter totalled 76,817 KSEK (66,484 KSEK), an increase of 16%. The comparison period includes net sales from divested operations. The Group's adjusted net sales* for the quarter was 76,817 KSEK (64,550 KSEK), an increase of 19%. The Group's adjusted net sales in USD for the quarter were 8,018 KUSD (6,118 KUSD), an increase of 31%.

The group's net sales for the quarter were primarily attributable to the games Quizduel, Crozzle, Wordzee, Ruzzle, WordBrain, Word Domination and Wordbubbles.

Own work capitalised totalled 8,581 KSEK (10,010 KSEK).

Other operating income for the quarter totalled to 795 KSEK (235 KSEK) and consists of exchange rate gains and rental income from subletting of office space.

OPERATING EXPENSES, EBITDA AND OPERATING PROFIT/LOSS

Operating expenses for the quarter totalled 81,140 KSEK (57,901 KSEK). Of these, 16,147 KSEK (16,993 KSEK) were sales related costs, primarily originating from fees to Apple App Store and Google Play, as well as server costs. In addition to this 34,354 KSEK (8,858 KSEK) were costs of user acquisition and 6,683 KSEK (7,190 KSEK) were other external operating expenses.

User acquisition costs during the quarter are mainly attributable to the games Crozzle, Wordzee and Quizduel.

Personnel costs totalled 23,956 KSEK (24,860 KSEK), a decrease of 4%. Personell costs for the comparison period includes personell costs from divested operations. The adjusted personell costs* were 23,956 KSEK (23,345 KSEK) an increase of 3%.

EBITDA for the quarter was 5,055 KSEK (18,829 KSEK). Adjusted EBITDA* was 5,055 KSEK (20,049 KSEK).

Depreciation of tangible and intangible assets totalled 14,926 KSEK (16,770 KSEK), of which 10,445 KSEK (9,132 KSEK) was depreciation of capitalized development expenses. During the financial comparison period, the Intellectual property rights for the game Primetime were written down by 2,000 KSEK. This was the result of impairment testing.

The Group's operating profit/loss (EBIT) was -9,872 KSEK (2,059 KSEK). Adjusted EBIT* was -9,872 KSEK (5,285 KSEK). Profit/loss before tax -9,944 KSEK (2,225 KSEK).

FINANCIAL ITEMS

Financial income totalled 555 KSEK (913 KSEK) and financial expenses totalled 627 KSEK (748 KSEK). The financial income refers to interest income from cash & cash equivalent and the financial expenses to interest expense and exchange rate losses.

PROFIT/LOSS FOR THE QUARTER

Profit/loss for the quarter was -8,145 KSEK (1,428 KSEK). Earnings per share were -0.31 SEK/share (0.05 SEK/share).

Adjusted earnings per share* were -0.31 KSEK (0.15 KSEK). The average number of shares during the quarter was 26,494,653 (26,494,653).

CASH FLOW FOR THE QUARTER

The Group's cash flow from operating activities during the quarter was 6,129 KSEK (19,784 KSEK). Cash flow from investing activities was -8,779 KSEK (-10,095 KSEK). Cash flow from financing activities was -3,006 KSEK (-2,959 KSEK).

* See Note 5: Adjusted net sales, Personnel costs, EBITDA, EBIT and profit/loss



CONSOLIDATED PROFIT/LOSS FOR THE PERIOD SEP 2024 UNTIL AUG 2025

2024/25

OPERATING INCOME

The Group's net sales for the period totalled 275,816 KSEK (283,431 KSEK), a decrease of 3%. The comparison period, and to some extent the period, includes net sales from divested operations. The Group's adjusted Net sales* for the period was 273,410 KSEK (276,119 KSEK), a decrease of 1%. The Group's adjusted Net sales in USD for the period were 26,884 KUSD (26,000 KUSD), an increase of 3%.

The group's net sales were primarily attributable to the games Quizduel, Wordzee, Ruzzle, Crozzle, WordBrain, Word Domination, Wordbubbles and Primetime.

Own work capitalised totalled 46,666 KSEK (46,168 KSEK).

Other operating income for the period totalled to 4,664 KSEK (1,596 KSEK) and consists mainly of exchange rate gains and rental income from subletting of office space.

OPERATING EXPENSES, EBITDA AND OPERATING PROFIT/LOSS

Operating expenses totalled 277,360 KSEK (275,959 KSEK). Of these, 64,402 KSEK (66,893 KSEK) were sales related costs, primarily originating from fees to Apple App Store and Google Play, as well as server costs. In addition to this 72,220 KSEK (40,632 KSEK) were costs of user acquisition and 32,628 KSEK (32,273 KSEK) were other external operating expenses. Other external expenses in previous period includes the negative effect of the divestment of Primetime, amounting to 2,000 KSEK.

Personnel costs totalled 108,110 KSEK (136,160 KSEK) a decrease of 21%. Personell costs for the comparison period, and to some extent the period, includes personell costs from divested operations, the comparison period also includes a reversal of a RnD tax deduction and an employee stock option program. The adjusted personell costs* were 105,724 KSEK (109,034 KSEK) a decrease of 3%. The average number of employees during the period was 98 (107), a decrease of 9%.

EBITDA for the period was 49,786 KSEK (55,237 KSEK). Adjusted EBITDA* for the period was 53,870 KSEK (80,520 KSEK).

Depreciation and impairments of tangible and intangible assets totalled 60,672 KSEK (59,859 KSEK), of which 40,079 KSEK (34,868 KSEK) was depreciation of capitalised development expenses. During the financial year, the Intellectual property rights for the game Primetime were written down by 667 KSEK (2,000 KSEK). This was the result of impairment testing and ultimately divestment.

The Group's operating profit/loss (EBIT) was -10,886 KSEK (-4,621 KSEK). Adjusted EBIT* was -6,133 KSEK (22,734 KSEK). Profit/loss before tax -11,403 KSEK (-3,701 KSEK).

FINANCIAL ITEMS

Financial income totalled 3,581 KSEK (4,433 KSEK) and financial expenses totalled 4,097 KSEK (3,513 KSEK). The financial income referred to interest income from cash & cash equivalent and exchange rate gains from cash and cash equivalents. The financial expenses were mainly attributable to exchange rate losses from cash and cash equivalents and interest on financial leasing.

PROFIT/LOSS FOR THE PERIOD

Profit/loss for the period totalled -9,414 KSEK (-3,216 KSEK). Earnings per share were -0.36 SEK/share (-0.12 SEK/share).

Adjusted earnings per share* were -0.21 KSEK (0.68 KSEK).

The average number of share during the period was 26,494,653 (26,494,653).

* See Note 5: Adjusted net sales, Personnel costs, EBITDA, EBIT and profit/loss

THE GROUP'S FINANCIAL POSITION AT THE END OF THE PERIOD

2024/25

NON-CURRENT ASSETS

Intangible non-current assets at the end of the period totalled 211,769 KSEK (213,992 KSEK), of which 125,634 KSEK (126,184 KSEK) relates to goodwill and 86,135 KSEK (87,808 KSEK) to other intangible assets. Other intangible assets consists of capitalized development expenses on own account 64,342 KSEK (57,755 KSEK) and acquired intellectual property 21,793 KSEK (30,053 KSEK). The intellectual property for Primetime is now fully written down.

Tangible fixed assets amounted to 8,952 KSEK (20,059 KSEK) at the end of the period and mainly consisted of right-of-use assets 8,248 KSEK (18,282 KSEK)

Financial fixed assets amounted to 9,727 KSEK (7,823 KSEK) at the end of the period and mainly consisted of other non-current receivables, primarily rental deposits, amounting to 4,084 KSEK (4,102 KSEK), as well as deferred tax of 5,643 KSEK (3,721 KSEK).

CURRENT ASSETS

Current assets amounted to 130,587 KSEK (160,179 KSEK) at the end of the period and mainly consisted of trade and other receivables 33,398 KSEK (28,993 KSEK) and Cash and cash equivalents 87,450 KSEK (121,835 KSEK).

EQUITY

Equity at the end of the period totalled 298,184 KSEK (334,972 KSEK), corresponding to 11.3 SEK/share (12.6 SEK/share). The equity/assets ratio at the same time was 82.6% (83.3%).

LIABILITIES

Non-current liabilities amounted to 21,409 KSEK (26,331 KSEK) at the end of the period and mainly consisted of deferred tax liabilities of 17,744 KSEK (18,088 KSEK) and non-current lease liabilities of 3,665 KSEK (8,243 KSEK).

Current liabilities amounted to 41,442 KSEK (40,751 KSEK) at the end of the period and mainly consisted of accounts payable of 18,209 KSEK (9,628 KSEK), accrued expenses of 13,769 KSEK (13,497 KSEK), and the current portion of lease liabilities of 5,334 KSEK (11,693 KSEK).

The group has interest bearing debt of 8,999 KSEK (19,936 KSEK) which refers to financial lease and are found in the balance sheet under non-current lease liabilities and current lease liabilities.



KEY INDICATORS FOR THE BUSINESSGAME CONTRIBUTION PERIOD JUN 2025 UNTIL AUG 2025

2024/25

DISTRIBUTION OF REVENUES BY BUSINESS MODEL

The Group's net sales are distributed primarily between in-app purchases (purchases made inside games) and in-app advertising.

GAME CONTRIBUTION

Cost levels of games marketed by MAG Interactive differ from game to game, both in their distribution costs (sales related costs) and marketing costs (performance based marketing). Additionally, these cost differences can be affected by the particular phase each game is in. The Group therefore reports the total contribution from games activities according to the following model: net sales generated from the games, including royalties, minus platform fees (mainly to fees for Apple AppStore and Google Play) and performance-based marketing. Performance based marketing includes digital advertising and other advertising associated directly with the company's products, as well as services and charges directly attributable to performance-based marketing. General marketing of the company and brand is not included in the cost of direct marketing.

OTHER KEY INDICATORS

The company monitors its operations according to a number of key performance indicators that reflect how the games industry in general measures its business activities. These indicators are defined as follows;

DAU and MAU are defined as the number of unique daily and monthly users respectively that use one of the company's products, presented as an average over the period, adjusted for the number of days in the months in the period. Each individual game's unique users are summed up to present the company's total unique users.

MUP is the number of unique users who made a purchase in one of the company's products. A purchase is defined as a purchase in accordance with the above definition of in-app purchases and to a value greater than zero. The value is reported as an average value over the three months in the period.

ARPDau is calculated as the company's daily average of net sales during the period divided by DAU. Riksbanken's, the Swedish national bank, average exchange rate per month is used for translation into USD.

THE BUSINESS'S KEY INDICATORS DURING THE PERIOD

Net sales from in-app purchases for the period were 38,545 KSEK (35,824 KSEK), an increase of 8% compared to the same period the previous year.

Net sales from in-app advertising were 37,924 KSEK (30,229 KSEK), an increase of 25% compared with the same period the previous year.

Game contribution for the period was 31,031 KSEK (47,120 KSEK), a decrease of 34% compared to the same period the previous year.

DAU for the period 0.9 million (1.1 million), a decrease of 13% compared with the same period the previous year.

MAU for the period 2.3 million (2.7 million), a decrease of 14% compared with the same period the previous year.

MUP for the period 48 thousand (42 thousand), an increase of 15% compared with the same period the previous year.

ARPDau for the period 9.5 US \$ cent (6.5 US \$ cent), an increase of 46% compared with the same period the previous year.

PARENT COMPANY AND GROUP

The parent company MAG Interactive AB (publ), corporate ID number 556804-3524, has its registered office in Stockholm with 85 employees. A big part of the Group's business activity is in the parent company, with employees, agreements, intangible assets (incl. IP) and revenues. There are three subsidiaries in the group. MAG Games Ltd, with its registered office in Brighton and 23 employees, has only Group internal invoicing and carries out development and other functions in the company's operations. MAG United AB, with its registered office in Stockholm, has no employees. Sventertainment AB, with its registered office in Stockholm, was the developer and publisher of the trivia app Primetime, the business was divested in January 2025. All employees transferred with the business, and Sventertainment AB no longer has any employees.

ACCOUNTING PRINCIPLES

The consolidated accounts for the MAG Interactive AB Group ("MAG Interactive") have been prepared in accordance with the International Financial Reporting Standards (IFRS) as adopted by the EU as well as RFR 1 Complementary Accounting Rules for Groups and the Swedish Annual Accounts Act. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting, the Swedish Annual Accounts Act and RFR 1 Complementary Accounting Rules for Groups. The parent company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Annual Reporting Board's recommendation RFR 2 Accounting for Legal Entities. The application of RFR 2 means that the parent company, in the interim report for the legal entity, applies all of the EU-adopted IFRS and statements as far as is possible within the framework of the Swedish Annual Accounts Act, the Swedish Act on Safeguarding Pension Commitments and with due reference to the relationship between accounting and taxation. For a more detailed description of the accounting policies applied for the Group and the parent company in this interim report, see Note 2 in the annual report for 2023/2024.

ANNUAL REPORT AND RESOLUTION REGARDING PROPOSAL OF DIVIDEND

The board of MAG Interactive AB (publ) has decided to propose to the annual general meeting to adopt a resolution to not pay out dividends.

RISKS AND UNCERTAINTIES

Like all other companies, MAG Interactive is exposed to risks in its business activities. To name some of these risks: dependence on key persons, exchange rate fluctuations, delays in launches, unsuccessful launches, changes in external sales partners when such changes are entirely beyond the company's control. The company's Board of Directors and management work on an ongoing basis on risk management in order to minimize these effects. For more information regarding the risks and uncertainties, please refer to the annual report of 2023/2024.

CURRENCY EFFECTS

MAG Interactive is exposed to a large number of currencies based on the way that Google Play and Apple App Store operate. The most important market for the company is USA. In addition most of the advertising income is realized in USD, and the majority of the direct marketing is purchased in USD. The most important currency is thus USD.

CERTIFIED ADVISER

FNCA Sweden AB is appointed as the Company's Certified Adviser and ensures that the Company complies with the Nasdaq First North rules. FNCA does not hold any shares in MAG Interactive.

CONTACT

Further information is available on the company's website: maginteractive.se/investor-relations

Or contact

Daniel Hasselberg, CEO, at daniel@maginteractive.se

Magnus Wiklander, CFO, at magnus.wiklander@maginteractive.se

MAG INTERACTIVE AB [PUBL]

Drottninggatan 95A
113 60 Stockholm
Sweden

FURTHER REPORTING DATES

Annual General Meeting 2024/2025	January 21, 2026
Interim Report Q1 September – November 2025	January 21, 2026
Interim Report Q2 December 2025 – February 2026	April 1, 2026
Interim Report Q3 March – May 2026	June 24, 2026

AUDIT

This report has not been reviewed by auditors.

PRESENTATION

On October 22th, 2025 at 10:00 CET, CEO Daniel Hasselberg and CFO Magnus Wiklander will present the Interim Report live on Twitch. The presentation is held in English. Link to the Twitch feed www.twitch.com/maginteractive

Daniel Hasselberg will also take questions on the social media platforms X and Bluesky during the course of the day, write on X to @d_hasselberg or @maginteractive, or to @mag-official on Bluesky

More information is available at maginteractive.se/investors

STATEMENTS ABOUT THE FUTURE

Certain formulations can be, or interpreted to be, forecasts about the future. In cases where such statements are made, MAG Interactive's management and Board of Directors have assessed the assumptions behind these statements as being reasonable. There are, however, risks in all statements about the future, and the actual outcome with regard to the external environment and the company may deviate significantly from what has been stated. What is stated with reference to the future is made in the light of the information that the company has at the time of the statement, and the company assumes no obligation to update such statements if new information arrives at a later date that in any way changes the conditions relating to the statement.



ASSURANCE BY THE BOARD OF DIRECTORS

Stockholm October 22, 2025

DANIEL HASSELBERG
CEO, Board member

JONAS ERIKSSON
Chairman of the Board

TAINA MALÉN
Board member

BRITT BOESKOV
Board member

ASBJOERN SOENDERGAARD
Board member

ÅSA LINDER
Board member

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

2024/25

Amounts in KSEK	Note	Jun 25-Aug 25	Jun 24-Aug 24	Sep 24-Aug 25	Sep 23-Aug 24
Operating income					
Net sales	1,5,6	76,817	66,484	275,816	283,431
Own work capitalised		8,581	10,010	46,666	46,168
Other operating income		795	235	4,664	1,596
Total		86,194	76,729	327,146	331,196
Operating expenses					
Sales related costs	2,6	-16,147	-16,993	-64,402	-66,893
User acquisition		-34,354	-8,858	-72,220	-40,632
Other external expenses	5	-6,683	-7,190	-32,628	-32,273
Personnel costs	5	-23,956	-24,860	-108,110	-136,160
Total operating expenses		-81,140	-57,901	-277,360	-275,959
EBITDA	5	5,055	18,829	49,786	55,237
Depreciation and write-downs of tangible and intangible non-current assets	4	-14,926	-16,770	-60,672	-59,859
Operating profit/loss (EBIT)	5	-9,872	2,059	-10,886	-4,621
Financial items					
Interest income		555	913	3,581	4,433
Interest expense		-627	-748	-4,097	-3,513
Total financial items		-72	165	-517	920
Profit/loss before tax	5	-9,944	2,225	-11,403	-3,701
Taxes		1,799	-797	1,989	485
Profit/loss for the period	5	-8,145	1,428	-9,414	-3,216
Other comprehensive result					
Exchange rate differences		-214	195	-1,252	-530
Total comprehensive income for the period		-8,359	1,622	-10,666	-3,746

The profit/loss and total comprehensive income for the year are attributable in full to the parent company's shareholders.

Earnings per share (based on average number of shares)	-0.31	0.05	-0.36	-0.12
Earnings per share fully diluted (based on average number of shares)	-0.31	0.05	-0.36	-0.12
Average number of shares during the period ('000)	26,495	26,495	26,495	26,495
Average number of shares fully diluted during the period ('000)	26,513	26,495	26,499	26,495
Number of shares at the end of the period ('000)	26,495	26,495	26,495	26,495
Number of shares fully diluted at the end of the period ('000)	26,530	26,495	26,530	26,495

CONSOLIDATED BALANCE SHEET

ASSETS

2024/25

Amounts in KSEK	Note	31/8 2025	31/8 2024
ASSETS			
Goodwill		125,634	126,184
Other intangible assets		86,135	87,808
Total intangible assets	4	211,769	213,992
Right-of-use assets		8,248	18,282
Equipment, tools, fixtures and fittings		703	1,777
Total tangible assets	4	8,952	20,059
Other long-term receivables		4,084	4,102
Deferred tax assets		5,643	3,721
Total financial non-current assets		9,727	7,823
Total non-current assets		230,447	241,874
Current assets			
Trade and other receivables		33,398	28,993
Current tax assets		19	464
Other current receivables		1,940	2,058
Prepaid expenses and accrued income		7,781	6,829
Cash and cash equivalents		87,450	121,835
Total current assets		130,587	160,179
TOTAL ASSETS		361,034	402,054

CONSOLIDATED BALANCE SHEET

LIABILITIES AND EQUITY

2024/25

Amounts in KSEK	Note	31/8 2025	31/8 2024
EQUITY AND LIABILITIES			
Equity			
Share capital		688	688
Other external capital		283,178	284,544
Reserves		-405	847
Retained earnings incl. profit/loss for the period		14,722	48,893
Total equity		298,184	334,972
Long-term liabilities			
Deferred tax liabilities		17,744	18,088
Long-term lease liabilities		3,665	8,243
Total long-term liabilities		21,409	26,331
Current liabilities			
Trade and other payables		18,209	9,628
Current tax liability		437	1,461
Accrued expenses and prepaid income		13,769	13,497
Short-term lease liabilities		5,334	11,693
Other current liabilities		3,693	4,473
Total current liabilities		41,442	40,751
TOTAL EQUITY AND LIABILITIES		361,034	402,054

CONSOLIDATED CASH FLOW STATEMENT

2024/25

Amounts in KSEK	Note	Jun 25-Aug 25	Jun 24-Aug 24	Sep 24-Aug 25	Sep 23-Aug 24
Operating activities					
Operating profit/loss (EBIT)		-9,872	2,059	-10,886	-4,621
Adjustments for items not part of cash flow					
LTIP		152	168	372	-485
Write-down of Earn-out		0	0	0	-966
Depreciations and write-downs	4	14,926	16,770	60,672	59,858
Result of divestment		0	0	2,000	0
Reversal retroactive RnD claims (Forskningsavdrag)		0	0	0	5,290
Interest received		555	913	2,949	4,433
Interest paid		-98	-159	-551	-1,606
Tax paid		-325	398	-2,705	-1,669
Cash flow from operating activities before change in working capital		5,339	20,150	51,851	60,234
Change in current operating receivables		-6,797	4,052	-4,350	9,623
Change in current operating liabilities		7,587	-4,419	7,035	-1,069
Change in working capital		790	-366	2,685	8,554
Cash flow from operating activities		6,129	19,784	54,536	68,788
Investing activities					
Capitalized work		-8,581	-10,010	-46,666	-46,168
Investments in and merged tangible non-current assets		-198	-85	-328	-328
Payment for acquisition of subsidiary, net of cash acquired		0	0	0	-9,852
Divestment net cash impact		0	0	0	0
Cash flow from investing activities		-8,779	-10,095	-46,994	-56,348
Free cashflow		-2,650	9,689	7,542	12,440
Financing activities					
Warrants		0	0	0	-18
Amortized leasing liabilities		-3,006	-2,959	-11,718	-10,859
Dividend		0	0	-26,495	0
Cash flow from financing activities		-3,006	-2,959	-38,213	-10,878
Increase/decrease in cash and cash equivalents					
Cash flow for the period		-5,656	6,730	-30,671	1,562
Effects of exchange rate changes		-643	-443	-3,714	-2,157
Opening cash and cash equivalents		93,748	115,548	121,835	122,429
Closing cash and cash equivalents		87,450	121,835	87,450	121,835

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

2024/25

KSEK	Share capital	Other external capital	Reserves	Retained earnings	Total equity
Opening balance 1/9 2024	688	284,544	847	48,893	334,972
Profit/loss for the period				-9,414	-9,414
Exchange rate differences			-1,252		-1,252
Total comprehensive income			-1,252	-9,414	-10,666
LTIP ¹		-1,366		1,738	372
Dividend				-26,495	-26,495
Closing balance 31/8 2025	688	283,178	-405	14,722	298,184

KSEK	Share capital	Other external capital	Reserves	Retained earnings	Total equity
Opening balance 1/9 2023	688	285,047	1,378	52,109	339,222
Profit/loss for the period				-3,216	-3,216
Exchange rate differences			-530		-530
Total comprehensive income			-530	-3,216	-3,746
LTIP		-503			-503
Closing balance 31/8 2024	688	284,544	847	48,893	334,972

¹ A reallocation between Other Contributed Capital and Retained Earnings related to the ongoing share savings programs was made during Q3 24–25 to better reflect the nature of the programs.

CONDENSED INCOME STATEMENT

Amounts in KSEK	Jun 25-Aug 25	Jun 24-Aug 24	Sep 24-Aug 25	Sep 23-Aug 24
Operating income	77,607	65,117	277,965	277,301
Operating expenses	-84,577	-58,641	-284,833	-278,379
Depreciations & write-downs	-4,094	-4,318	-16,919	-17,274
Operating profit/loss	-11,064	2,158	-23,787	-18,352
Financial items *	15,830	-33,326	10,136	-41,995
Profit/loss before tax	4,765	-31,168	-13,651	-60,347
Appropriations (group contribution)	-20,030	0	-20,030	0
Taxes	5,879	-1,043	6,778	1,097
Profit/loss for the period	-9,386	-32,211	-26,903	-59,250

* Financial items include write-downs of shares in subsidiaries amounting to 6 MSEK for the current quarter and 12 MSEK for the current year, as a result of impairment tests, as well as an anticipated dividend from a subsidiary amounting to 20 MSEK for the current quarter. The parent company has no items recorded as other comprehensive income, and total comprehensive income therefore corresponds with the profit/loss for the period.

CONDENSED BALANCE SHEET

Amounts in KSEK	31/8 2025	31/8 2024
ASSETS		
Intangible assets	24,960	40,718
Tangible non-current assets	391	1,466
Financial non-current assets	25,393	28,083
Total non-current assets	50,744	70,267
Current assets	41,331	35,396
Cash and cash equivalents	77,896	108,644
TOTAL ASSETS	169,971	214,307
EQUITY AND LIABILITIES		
Restricted equity	688	688
Non-restricted equity	128,931	181,961
Total equity	129,619	182,649
Long-term liabilities	4,489	5,779
Current liabilities	35,863	25,879
TOTAL EQUITY AND LIABILITIES	169,971	214,307

DEFINITIONS

2024/25

Term	Description
Net sales	Total game revenue, drawn from In-app purchases and advertising sales. MAG records the full value of items sold as In-app purchases (mainly Apple and Google) and reports the platform share as Sales related costs. This is specified under the term Platform fee.
In-app purchases	The value of purchases made in an app through Google Play or Apple App Store or other such store.
Advertising sales	Net sales from ads in the games.
Activated costs for own account	Development work activated to the balance sheet. The company activates personnel costs, including social fees and other personell related costs such as office space, for infrastructure to the games, games in soft launch and live games. Soft launch is the last development phase prior to global launch and the probability of a global launch is high. MAG has not had any write-downs of activated costs for own account since the company went public.
Platform fee	30% of the In-app purchases are costs to the platform, primarily Google Play and Apple App Store. Certain platforms offer a 15% discount for subscriptions, and currently also a discount of 15% for the first million USD of revenue for the year.
User acquisition	Marketing costs with direct connection to one of the games and with measurable effect and demands on ROI (return on investment). A common ROI requirement is to have the investment paid back as net revenues within six or nine months, and longer periods can be relevant in situations with strong retention and long term monetization.
Game contribution	Net sales generated from the games, including royalties, minus platform fees (primarily to Google and Apple) minus direct performance marketing (user acquisition).
EBITDA	Profit/loss before financial items, taxes, depreciation and write-downs.
Equity/asset ratio	Equity end of period as a percentage of balance sheet total.
DAU	Average number of Daily Active Users for the days during the period. Calculated as the sum of DAU for the individual games in such a way so that a player that plays more than one game in one day is counted once per game.
MAU	Average number of Monthly Active Users over the months during the period. Calculated as the sum of MAU for the individual games in such a way so that a player that plays more than one game in one month is counted once per game. An average over the months in the period is calculated.
MUP	Average Monthly Unique Payers during the period is the total number of unique users that makes an In-app purchase in a game. Counted in such a way that a user that makes purchases in more than one game during the month is counted once per game. An average over the months in the period is calculated.
ARPDau	Daily average Net sales per daily active user (DAU). If nothing else is stated this is measured in US cents.

NOTES TO THE INTERIM REPORT

2024/25

Jun 25-Aug 25 Jun 24-Aug 24 Sep 24-Aug 25 Sep 23-Aug 24

Amounts in KSEK

NOTE 1: DISTRIBUTION OF NET SALES

In-app purchases	38,545	35,824	143,620	139,566
Advertising income	37,924	30,229	131,847	142,721
Other	348	431	349	1,144
Total	76,817	66,484	275,816	283,431

NOTE 2: SALES RELATED COSTS

Platform fee	-11,432	-10,506	-40,478	-39,194
Server costs	-4,044	-5,095	-20,058	-20,576
Other sales related costs	-671	-1,392	-3,865	-7,123
Total sales related costs	-16,147	-16,993	-64,401	-66,893

NOTE 3: GAME CONTRIBUTION

Group				
In-app purchases	38,545	35,824	143,620	139,566
Advertising income	37,924	30,229	131,847	142,721
Other net sales	348	431	349	1,144
Net sales	76,817	66,484	275,816	283,431
Platform fee	-11,432	-10,506	-40,478	-39,194
User acquisition	-34,354	-8,858	-72,220	-40,632
Game contribution	31,031	47,120	163,118	203,605

NOTES TO THE INTERIM REPORT

2024/25

Jun 25-Aug 25 Jun 24-Aug 24 Sep 24-Aug 25 Sep 23-Aug 24

Amounts in KSEK

NOTE 4: DEPRECIATION AND WRITE-DOWNS OF TANGIBLE AND INTANGIBLE NON-CURRENT ASSETS

Right-of-use assets	-2,707	-2,684	-10,939	-10,564
Equipment, tools, fixtures and fittings	-208	-388	-1,395	-2,166
Intellectual properties	-1,565	-4,565	-8,260	-12,260
Own work capitalized	-10,445	-9,132	-40,079	-34,868
Total	-14,925	-16,769	-60,673	-59,858

NOTES TO THE INTERIM REPORT

2024/25

	Jun 25-Aug 25	Jun 24-Aug 24	Sep 24-Aug 25	Sep 23-Aug 24
Amounts in KSEK				
NOTE 5: ADJUSTED NET SALES, PERSONNEL COSTS, EBITDA, EBIT AND PROFIT/LOSS				
Net sales	76,817	66,484	275,816	283,431
Ad revenue from divested operations (Primetime)	0	-1,934	-2,406	-7,312
Total adjustments of net sales	0	-1,934	-2,406	-7,312
Adjusted Net sales	76,817	64,550	273,410	276,119
Organic growth	19%		-1%	
Personnel costs	-23,956	-24,860	-108,110	-136,160
Personnel costs from divested operations (Primetime)	0	1,515	2,386	6,730
Net RnD Claims ¹	0	0	0	21,566
Reversal of employee stock option program ²	0	0	0	-1,170
Total adjustments of personnel costs	0	1,515	2,386	27,126
Adjusted personnel costs	-23,956	-23,345	-105,724	-109,034
EBITDA	5,055	18,829	49,786	55,237
Total adjustments of net sales	0	-1,934	-2,406	-7,312
Total adjustments of personnel costs	0	1,515	2,386	27,126
Other costs from divested operations (Primetime)	0	1,639	2,104	6,435
Loss from divestment (Primetime)	0	0	2,000	0
Adjusted earnout	0	0	0	-966
Total adjustments of EBITDA	0	1,220	4,084	25,283
Adjusted EBITDA	5,055	20,049	53,870	80,520

¹ For more information about the RnD claims see the Q2 2023/24 Interim Report and the Annual Report 2023/2024

² A reversal of the total cost of a completed stock option program was incorrectly reported during Q3 23/24. This has no impact on equity or the company's financial position as of the balance sheet date, however it affected the reported result for the period Q3 23/24.

NOTES TO THE INTERIM REPORT CONTO.

2024/25

	Jun 25-Aug 25	Jun 24-Aug 24	Sep 24-Aug 25	Sep 23-Aug 24
Amounts in KSEK				
COND. NOTE 5: ADJUSTED NET SALES, PERSONNEL COSTS, EBITDA, EBIT AND PROFIT/LOSS				
EBIT	-9,872	2,059	-10,886	-4,621
Total adjustments of EBITDA	0	1,220	4,084	25,283
Depreciations from divested operations (Primetime)	0	6	2	72
Write down of IP	0	2,000	667	2,000
Total adjustments of EBIT	0	3,226	4,753	27,355
Adjusted EBIT	-9,872	5,285	-6,133	22,734
Profit/loss for the period	-8,145	1,428	-9,414	-3,216
Total adjustments of EBIT	0	3,226	4,753	27,355
Financial items from divested operations (Primetime)	0	50	1	51
Tax effect on adjustments	0	-675	-979	-6,086
Total adjustments of the profit/loss for the period	0	2,601	3,775	21,320
Adjusted profit/loss for the period	-8,145	4,029	-5,639	18,104
Adjusted earnings per share	-0.31	0.15	-0.21	0.68

NOTE 6: DISCLOSURE OF PRIOR PERIOD ERRORS

During the annual closing of the year 23/24 it was discovered that the allocation between in-app revenue and platform fees for Q2 23/24 and Q3 23/24 had been incorrectly recorded. The periods have been retroactively adjusted in accordance with IAS 8. The error occurred due to a missed discount of 15% on platform fees that a mobile platform offers on the first million USD in revenue for the year. Instead of the correct 15% discount, the platform fee had incorrectly been calculated from the net value paid from the platform to the normal 30%, resulting in both in-app revenue and platform fees being reported too high in both Q2 and Q3. In Q4, a correction was made to the historical periods, where both net revenue and cost of sales were adjusted. Additionally, the ARPDau for the periods was affected by the error. The error had no impact on EBIT, EBITDA, net income for the periods, or earnings per share. EBIT margin and EBITDA-margin was minimally affected by the error but reported numbers still stands. The adjustments are presented in the table below and replace previously reported figures in this and future reports.

Amounts in KSEK	Q1 23/24	Q2 23/24	Q3 23/24	Q4 23/24	2023/2024
Previous reported Net sales	76,745	71,886	70,731	66,484	285,847
Correction	0	-1,495	-920	0	-2,415
Corrected Net sales	76,745	70,391	69,811	66,484	283,432
Previously reported Sales related costs	-18,153	-16,874	-17,288	-16,993	-69,308
Correction	0	1,495	920	0	2,415
Corrected Sales related costs	-18,153	-15,379	-16,368	-16,993	-66,893
Previous reported ARPDau	6.8	6.6	6.3	6.5	
Correction	0.0	-0.1	-0.1	0.0	
Corrected ARPDau	6.8	6.5	6.2	6.5	

GOOD TIMES