



MAXIMUMTM
ENTERTAINMENT

MAXIMUM ENTERTAINMENT
2023 ANNUAL REPORT

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CEO WORDS



A DIVERSIFIED PORTFOLIO UNDER ONE BRAND

2023 was a pivotal, foundational year for Maximum Entertainment. It was the year when, after several acquisitions, the group changed its name and integrated under one brand, consolidating its talent and infrastructure to cover the entire value chain of game creation. It was also the year that saw some of our Owned IP performance far exceed initial expectations and contribute to a growing share of our revenue, reaching 10.5% for the entire year. Looking back, 2023 was proof that our portfolio approach can minimize risk while increasing EBITDA, even among fast-changing industry conditions marked by reductions and post-covid market adjustments.

Within the context of post-pandemic, post-zero interest rate corrections, we remained focused on cost efficiencies, including a 20% reduction in personnel, impacting 2024. I am proud to announce that, in 2023, we delivered 1,146 MSEK of revenue and 131.6 MSEK of Adjusted EBITDA, a 41% increase over 2022, representing 11.5% of revenue. This success shows the ability of Maximum Entertainment to integrate acquisitions, establish a strong foundational infrastructure for growth and governance, and build a portfolio of both published and owned IP games, expanding revenue channels with each game. Across all lines of business, our Owned IP, Publishing and Sub-publishing titles performed well, even within a context calling for consolidation and reductions.

Owned IP Deliver Beyond Expectations

The acquisitions of development studios such as FUN Labs and Dimfrost Studios, and their subsequent consolidation into the Maximum Entertainment group, allowed the company to further acquire expertise in game development and publishing. Leveraging this, Maximum Entertainment set the ambitious goal of generating 30% of its revenue from owned IPs by 2025. 2023 proved to be a significant step toward that goal, notably with the success of Bramble: The Mountain King, a dark fantasy adventure title inspired by Nordic lore that launched on April 20th, 2023 on major platforms, and survival open world game Smalland: Survive the Wilds, which launched in early access on March 29th, 2023 and whose performance far exceeded our expectations. Bramble and Smalland's success allowed Maximum Entertainment to develop a solid fan base for its own titles, with 95% overwhelmingly positive reviews for Bramble: The Mountain King and 85% very positive reviews for Smalland: Survive the Wilds on Steam. With 15 owned IP projects currently in our pipeline, 2024 is set to continue establishing Maximum Entertainment as a well-recognized development studio across many genres, both through the extension of our 2023 successes with titles such as Smalland: Survive the Wilds VR, and through the expansion of our owned IP portfolio with highly anticipated titles such as Maximum Football and co-op fighter Diesel Legacy: The Brazen Age, which ran its first public playtest in December 2023.

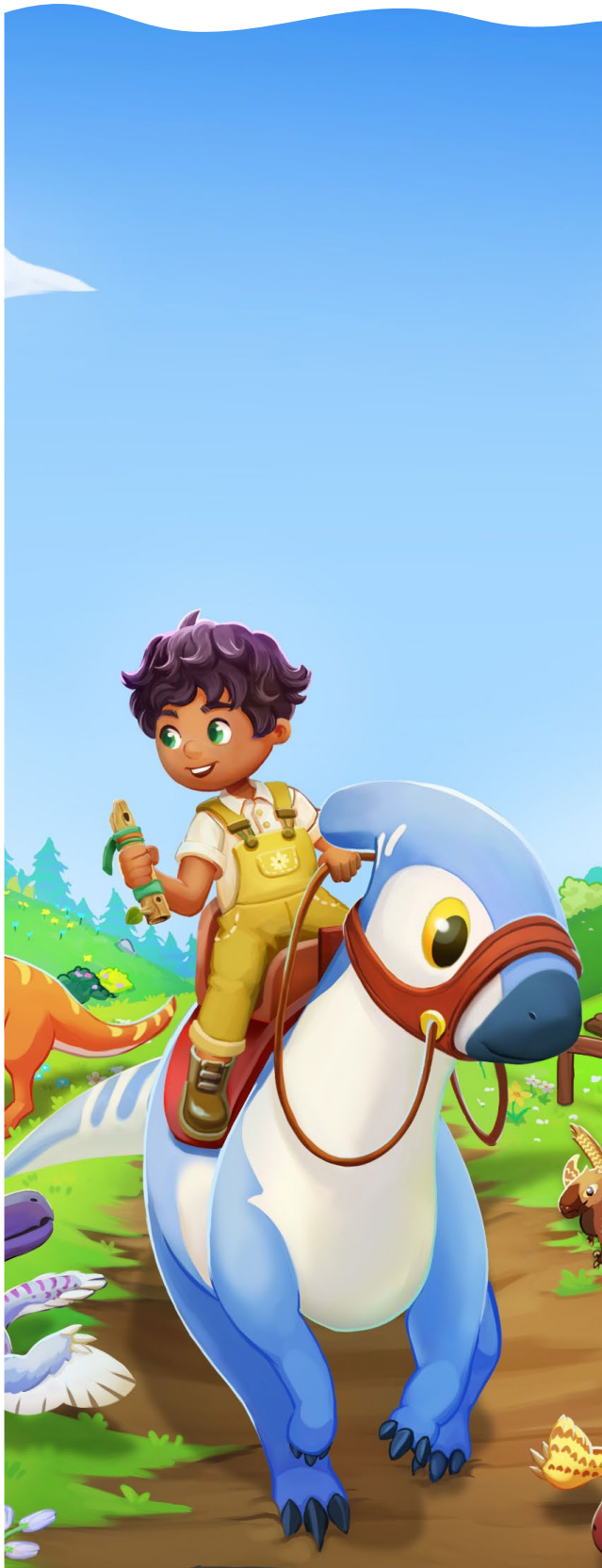
Our Publishing Portfolio Resonates With Audiences

2023 was a significant year for Maximum Entertainment's publishing portfolio. New announcements and launches vastly expanded our offering across target audiences, spanning casual titles for the entire family to games appealing to fans of edgier genres. Starting with the launch of metroidvania adventure title Afterimage in Q1, Maximum Entertainment's publishing portfolio grew steadily throughout the year, with the release of titles as diverse as action RPG Hammerwatch 2 on August 15th, co-op fighting game Double Dragon Gaiden: Rise of the Dragons in the summer, tongue-in-cheek business sim Definitely Not Fried Chicken in September, and cozy, casual titles Paleo Pines and Spells & Secrets in the Fall. These titles saw continued performance beyond their initial launch, notably with strong Q4 sales around the 2023 promotional season.



CHRISTINA SEELYE | CEO

INTRODUCTION



Expanding on this initial success, our publishing portfolio further grew and diversified throughout the year, with the announcements of cozy fishing RPG Whisker Waters, soulslike Morbid: The Lords of Ire, Summer of Gaming viral sensation Squirrel With a Gun, and highly anticipated strategic shooter Wild Bastards. We are excited to bring a great diversity of titles, each already resonating with their own audience and community.

Sub-Publishing Remains a Strong Source of Revenue

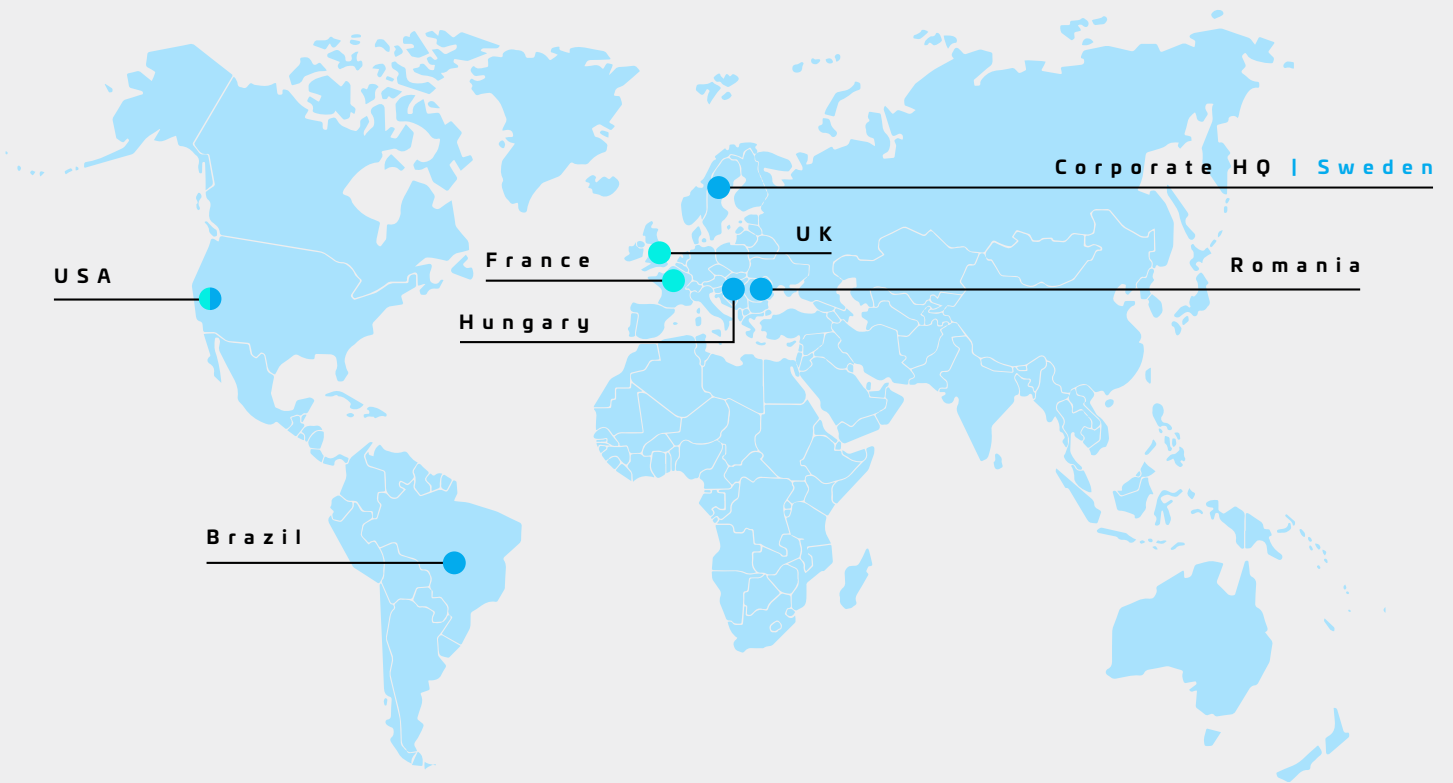
Thanks to our global physical sales infrastructure, we expanded the world of video game IPs to new channels such as collectors' editions, vinyl videogame soundtracks, and other game-related merchandise to generate additional revenue streams. This unique resource allowed us to secure partnerships to deliver physical and special editions of very successful titles. Among those, Five Nights at Freddy's: Security Breach and Robocop: Rogue City outperformed beyond their initial estimates, and came to complement a strong lineup including other highly anticipated titles such as first-person shooter Atomic Heart.

"We are poised to shape the future of entertainment in 2024 and beyond"

A foundational year to build upon

2023 proved to be a successful year for Maximum Entertainment as we delivered what we had announced in 2022. After six acquisitions, we now have the fully integrated infrastructure to operate globally and expand revenue lines across the entire value chain of game production. The success of our own IP and publishing titles in 2023 not only paves the road for stronger brand recognition among gaming fans of all backgrounds, but also provides exciting opportunities to keep expanding our own IPs and capitalize on our back catalog for the years to come. We are starting 2024 with the resources to become a brand universally recognized for delivering enthralling, groundbreaking experiences to the gamer in everyone. With the announcements of our first in-house VR title Smalland: Survive The Wilds VR and a fighting game based on Avatar: The Last Airbender joining our ambitious roadmap of highly anticipated titles, we are poised to shape the future of entertainment in 2024 and beyond.

A GLOBAL PLATFORM OF SCALE



● STUDIOS
● PUBLISHING

OPERATIONS

The Board of Directors and the CEO of Maximum Entertainment AB (publ) hereby submit the annual report and consolidated accounts for the financial year January 1 to December 31, 2023.

GENERAL INFORMATION ABOUT THE BUSINESS

Maximum Entertainment is a global entertainment company dedicated to crafting indie to AA video game experiences through original content and licensed partnerships. A fully integrated group with a broad portfolio of content, the company emphasizes collaboration and inclusivity in its partnerships to produce the highest level of interactive entertainment. With more than 300 titles in its catalog, Maximum Entertainment has joined forces with talented creators and renowned franchises around the globe to deliver magic to the gamer in everyone. Maximum Entertainment employs more than 200 professionals across the entire value chain of video games including development, publishing, transmedia, sales, and operations. Maximum Entertainment is headquartered in Stockholm and is a public company with company registration number 556778-7691.

SIGNIFICANT EVENTS DURING THE YEAR

Game Announcements

- Morbid: The Lords of Ire
- Project Velos
- Diesel Legacy: The Brazen Age
- Whisker Waters
- Spirit of the North 2
- Squirrel With a Gun
- Wild Bastards

Game Launches and Updates

- Smalland: Survive The Wilds early access launch
- God of Rock launch
- Afterimage launch
- Bramble: The Mountain King Launch
- Dead Cells: Return to Castlevania physical and editor collection launch
- Definitely Not Fried Chicken v1.0 launch
- Paleo Pines launch
- Spells & Secrets launch
- Diesel Legacy: The Brazen Age 1st playtest

Other news

- Issue of shares as partial earn-out payment for the acquisitions of Merge Games, Maximum Games and Just For Games
- 30M USD senior credit facility secured
- Launch of Maximum Entertainment, 2023 roadmap presentation
- FUN Labs acquisition
- Deborah Bellangé appointed CFO
- Acting CFO Thierry Bonnefoi appointed COO (now Head of Legal)
- Zordix AB changes name to Maximum Entertainment AB with subsequent change of ticker to MAXENT B at Nasdaq First North Growth Market
- Maximum Entertainment engages Erik Penser Bank as liquidity provider, which was subsequently acquired by Carnegie Investment Bank AB

BOARD OF MAXIMUM ENTERTAINMENT

Remuneration and Benefits to the Board and Senior Executives

Decisions on fees and other remuneration to the board members, including the Chairman, are made at the Annual General Meeting. At the Annual General Meeting on June 8, 2023, it was resolved that fees to the Board, for the period until the end of the next Annual General Meeting, shall be SEK 234,000 to each of the board members and SEK

468,000 to the chairman. The total remuneration to the Board shall not exceed SEK 2,000,000. Board members do not receive any right to benefits after their term of office as board members has ended

Remuneration to and Current Employment Contracts for Senior Executives

Remuneration to senior executives consists of remuneration of basic salary and other benefits. Senior executives refer to the CEO, CFO, COO, Deputy CEO as well as the Group Heads of Publishing, Sales and Studios, who as of the balance sheet date constituted Maximum Entertainment's group management.

2023 – ONE BRAND, ONE INTEGRATED COMPANY

In 2023, Zordix AB was officially renamed Maximum Entertainment AB, allowing the group to integrate all of its acquired entities under one brand, and work as one company. This consolidation, which included a reduction of 20% to 211 employees as at end of December 2023 with an impact starting in 2024, along with a shift from sub-publishing and publishing toward owned IP projects, led to a 41% increase in EBITDA. Not only was 2023 a foundational year for Maximum Entertainment, it also provided a solid proof of concept that our portfolio approach is working, with no single title contributing to more than 7% of our revenue.

2023 KEY NUMBERS

OVER
300

TITLES
IN CATALOGUE

OVER
100

GAMES IN CONTENT
PIPELINE

24

PUBLISHED
GAMES

OVER
200

PROFESSIONALS
EMPLOYED

MANAGEMENT REPORT

INFORMATION ON ENVIRONMENT, SOCIAL, AND GOVERNANCE INITIATIVES (ESG)

ESG VISION

Our vision for Environmental, Social, and Governance (ESG) initiatives is rooted in the belief that long-term success is intertwined with our ability to operate responsibly, ethically, and sustainably. Our transformation into a fully integrated entertainment company has not only streamlined our operations but also sharpened our focus on embedding core values across all levels of the organization. These values are crucial for fostering a dynamic workplace, retaining talent, and delivering value to our stakeholders. We are committed to empowering our talent under the guidance of strong governance, environmental stewardship, and social responsibility.

ENVIRONMENT

2023 saw our integration into one brand and one team, propelled by a vision of a sustainable future. By optimizing our operations, we have enhanced our efficiency, allowing us to operate seamlessly across continents through a robust remote work model for cross-functional teams. Our commitment to the environment extends beyond our operational practices; it is reflected in the socially and environmentally conscious games we develop and publish. As we move forward, we remain dedicated to instilling our core values and environmental awareness both internally and in the communities we serve.

SOCIAL

The gaming industry thrives on creativity and innovation, making talent our most invaluable asset. Maximum Entertainment champions an inclusive culture that respects diversity in all forms — from ideas and cultures

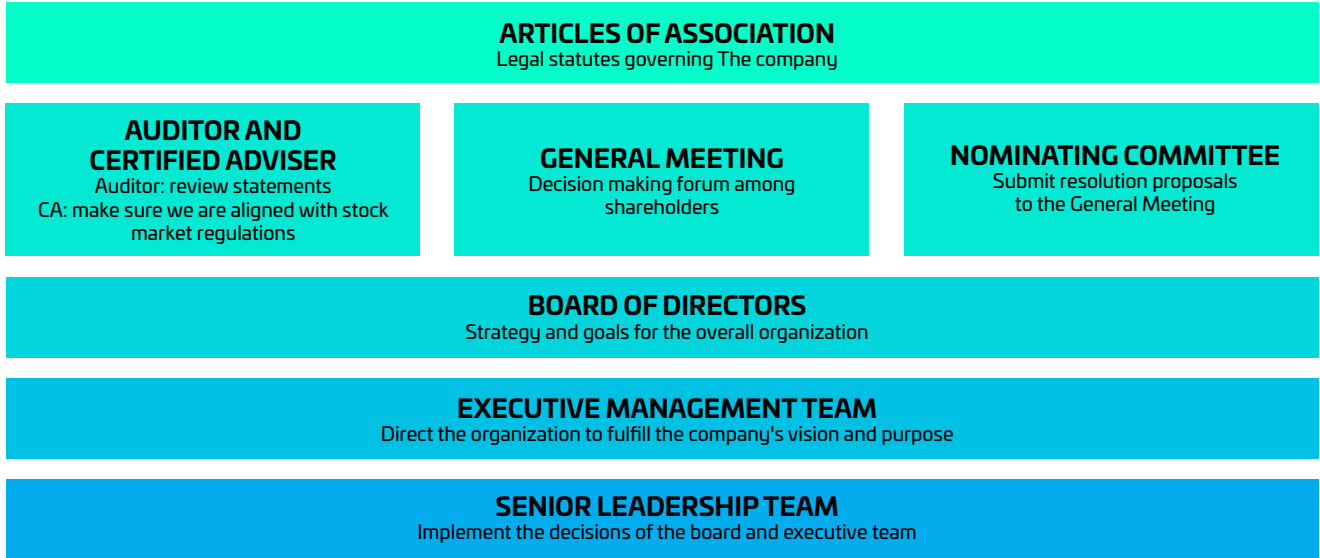
to viewpoints and backgrounds. Our global operations across seven countries enrich us with a diverse tapestry of talent, enabling us to cover the entire value chain of video game creation. The employees are our most valuable asset and therefore we place great value on creating a sustainable work environment in an organization based on learning and continuous development. We do not tolerate discrimination or harassment, and carry out active work for an inclusive culture based on the values of Maximum Entertainment around trust in employees, everyone's equal value, inclusion, self-determination and diversity. We are especially proud of our efforts to promote gender diversity, with women holding leading positions across the company. Our goal is to empower every individual, irrespective of gender or background, with the opportunity to excel and grow. By respecting personal lives and promoting work-life balance across our global offices, we are committed to creating a sustainable and nurturing work environment for all our employees. It is our conviction that such a culture creates the conditions for being both an attractive employer and a strong and sustainable organization that delivers good results.

GOVERNANCE

The theme of integration dominated 2023 as we focused on streamlining operations and enhancing transparency across the group. With the adoption of uniform technology stacks and software, we have fostered a more cohesive and efficient work environment. This integration has facilitated better management, ensuring that each of our entities is fully aligned with our overarching goals. Our establishment of a group-level legal team marks a significant step towards consolidating legal operations, enforcing compliance, and bolstering transparency. As we look to 2024, our focus remains on strengthening governance structures to support our ambitions and uphold our commitment to excellence and integrity.



GOVERNANCE



We are dedicated to advancing our ESG agenda further in 2024 by exchanging best practices and further establishing policies across our entities. Inspired by the same spirit of innovation that we apply to creating games

and entertainment, we want to keep strengthening our governance structures and processes to provide a more sustainable, equitable, and prosperous future for all our stakeholders.

CORE VALUES



SCRAPPY

Creates something from nothing. Digs for information and can put pieces together.



CARES

Genuine interest and pride in their work, peers, and the company's success as a whole.



CREATIVE PROBLEM SOLVER

Thinking outside of the box, uncovering every stone before asking for help or giving up.



SEEKS CONTEXT

Understands the big picture and can frame decision-making accordingly.



AVID LEARNER

Constantly interested in learning and growing professionally and personally.



ADAPTABLE

Able to shift gears quickly and is open and welcoming to changes.

MANAGEMENT REPORT

ONE GROUP – CROSS FUNCTIONAL EFFICIENCIES

An important part of the growth of Maximum Entertainment, is the integration of acquired companies

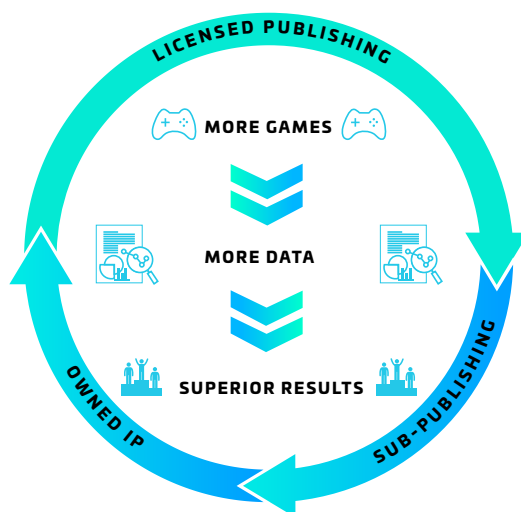
to create cross-functional efficiencies and form a scalable group. Maximum Entertainment therefore works actively with a continuous process development and group-wide working methods, and it is our opinion that an equivalent working method creates good conditions for equal treatment.

INTERCONNECTIVITY ACROSS OUR PORTFOLIO ENHANCES RESULTS

The synergy among our owned IP, publishing, and sub-publishing activities allows Maximum Entertainment (MaxEnt) to initiate a flywheel effect by creating more games, accumulating more data and progressively achieving superior results

MORE DATA

- MaxEnt leverages learnings across the entire portfolio of 100+ games each year to form a deeper understanding of the industry
- Utilizes proprietary data and insights available in real-time from its extensive library of first party and third party titles
- Empowers MaxEnt to deeply understand the industry's overarching dynamics, customer behavior and even genre-specific trends
- Not solely reliant on data from researchers



SUPERIOR RESULTS

- Ability to adjust demand forecasts throughout the development cycle
- Ability to pivot or, when required, halt projects before the advance too extensively
- Studios operating independently may lack the foresight to detect issues early
- Leveraging data, MaxEnt also initiates community building at an earlier stage in the development cycle. This allows for earlier feedback in the development process, contributing to the successful launch of games

THE MAXIMUM ENTERTAINMENT SHARE

General Information

Maximum Entertainment Series B shares were listed on NGM Nordic SME in November 2018 at a subscription price of SEK 5.90. In 2021, the company switched trading venues to Nasdaq First North Growth Market.

The share capital shall amount to a minimum of SEK 1,800,000 and a maximum of SEK 7,200,000 divided into a minimum of 18,000,000 shares and a maximum of 72,000,000 shares.

The A-shares of Maximum Entertainment may not exceed 2,000,000 shares, which are only kept private.

The number of B-shares may amount to a maximum of 70,000,000 shares.

As of the balance sheet date, the share capital amounted to SEK 5,111,015.20 divided into 51,110,152 shares. The quota value is SEK 0.10 per share. All shares of Maximum Entertainment are denominated in Swedish kronor (SEK) and are issued in accordance with Swedish law. All issued shares are fully paid and freely transferable.

Authorization

At the Annual General Meeting on June 8, 2023, it was decided that the Meeting authorizes the Board to resolve, on one or more occasions during the period until the next Annual General Meeting, to issue new shares, convertibles and/or warrants, with or without deviation from shareholders' preferential rights. The increase in the share capital, which includes the issuance of, conversion to or new subscription of shares, may correspond to a dilution amounting to a maximum of 20 percent of the share capital at the time the authorization is used for the first time to issue shares, convertibles and/or warrants.

The authorization aims to enable Maximum Entertainment to effectively acquire companies, businesses or parts of these, or to broaden the ownership structure. Payment may be made in cash and/or with conditions to pay with assets other than cash or by set-off, or other conditions.

Rights Associated with the Shares

Maximum Entertainment shares have been issued in accordance with the Swedish Companies Act. Rights associated with the shares issued by Maximum Entertainment, including the rights arising from its articles of association, can only be adjusted in accordance with the procedures given in the above-mentioned law. Each A-share has ten (10) votes, while each B-share has one (1) vote. Each share, regardless of class, has equal rights to the assets and profits of Maximum Entertainment.

At the Annual General Meeting, each shareholder has the right to vote for all shares held by him/her in the Company. In the event of a new issue of shares, warrants or convertibles through a cash or set-off issue, the shareholders are, as a general rule, given preferential rights to subscribe for such securities in relation to the number of shares held for the issue. However, the issues may take place with deviation from preferential rights that follow from the Articles of Association.

Owners with Significant Influence

According to the register of owners established by Euroclear, as of December 31, 2023, Maximum Entertainment had 3,686 shareholders. Below is an account of the top 10 shareholders.

Name	Maximum Entertainment A	Maximum Entertainment B	Capital	Votes
Christina Seelye	1,000,000	6,369,954	14.42%	23.69%
Philippe Cohen		6,562,651	12.84%	9.50%
Avanza Pension		4,989,897	9.76%	7.22%
Prioritet Finans		2,315,372	4.53%	3.35%
Matti Larsson	500,000	1,643,500	4.19%	9.61%
Viktor Vallin		2,009,033	3.93%	2.91%
Knutsson Holdings AB		2,000,000	3.91%	2.89%
Luke Keighran		1,756,187	3.44%	2.54%
Joanne Keighran		1,756,187	3.44%	2.54%
David Wallsten		1,750,000	3.42%	2.53%
Total 10	1,500,000	31,152,781	63.89%	66.78%
Other	500,000	17,957,371	36.11%	33.22%
Total number of owners		3,686		
Total number of shares		51,110,152		
Total number of votes		69,110,152		

Lock-Up Agreements and Shareholder Agreements

As of the balance sheet day, there were lock-up commitments regarding shares in Maximum Entertainment, which have arisen in connection with new issues. These agreements entail an undertaking to refrain from, with certain reservations, directly or indirectly selling their respective holdings in the Company during the lock-up period agreed. There are no shareholder agreements or other agreements between the Company's shareholders that aim at joint influence over the Company. Nor are there any other agreements that can lead to a significant change in control in the Company.

Dividend Policy

Maximum Entertainment has no adopted dividend policy. All decisions regarding dividends are based on the company's profitability, future development and acquisition opportunities as well as financial position

Central Management of Securities

Maximum Entertainment is connected to Euroclear's account-based securities system in accordance with the Act (1198:1479) on central securities depositories and the accounting of financial instruments. This register is maintained by Euroclear. No share certificates have been issued for the Company's shares. The account operator is Euroclear.

MANAGEMENT REPORT

SIGNIFICANT RISKS, FACTORS OF UNCERTAINTY, AND MITIGATION

The Company's risk factors derive from both industry and business-related risks for the operational activities. There are also financial risks attributable to Maximum Entertainment being a public company as well as currency exposure risks. The estimates and assessments made in the accounts are also subject to some risks. In addition, there are a number of legal risks.

OPERATIONAL RISKS

Commercial Success of Games

The games that Maximum Entertainment launches depend on living up to market expectations and on maintaining an interest from the market. There is a risk that the demand for the launched games does not correspond to the level that the Group expected. In cases where the risk is incorporated, this may mean a loss of revenue, which in turn has a negative effect on the earnings and financial position of Maximum Entertainment. The company aims to mitigate this risk by diversifying its revenue sources through a mix of own-IP, publishing and sub-publishing titles. This portfolio approach, along with building up a back catalog of titles over the long term, helps mitigate the risk of operating in a highly competitive, risk-prone industry. Performance of similar companies in the sector might also impact overall market sentiment and affect Maximum Entertainment's perceived potential. In order to mitigate this type of risk, Maximum Entertainment is communicating with key stakeholders and partners on a regular basis and making sure that it remains transparent in its communication.

Employee Retention

The gaming industry is characterized by a rapid pace of change, and it is of great importance for Maximum Entertainment to both attract and retain employees with relevant competence, experience and understanding of the Group's operations.

The high demand for competent personnel in the gaming industry may lead to expectations regarding increased remuneration levels that are potentially driven by highly capitalized companies that are larger than Maximum Entertainment, which is why there is a risk that Maximum Entertainment will not be able to retain key personnel and recruit competent personnel.

Governance and a culture that values diversity and employee well-being help mitigate this risk. Maximum Entertainment's efforts to provide a safe and sustainable

work environment that values creativity and rewards employee contributions helps retain talent in this highly competitive industry.

Risks associated with operational delays

Maximum Entertainment develops games internally and externally as a publisher. Delays can potentially occur in both internal and external game development processes, which in turn can have a negative impact on other projects, thus undermining the Group's earnings and financial position. Maximum Entertainment's expertise across the entire value chain of video game production, along with its experienced in-house talent helps mitigate this risk and balance between managing lead time and insuring product quality upon release.

Risks associated with IT infrastructure

To develop, produce and distribute its products, Maximum Entertainment relies on functioning infrastructure for its IT systems. In the Group's game development process, software is used for animation, programming and design, among other things. It is also highly relevant that the suppliers of Maximum Entertainment have well-functioning IT systems, as the Group uses external suppliers in the development of certain games and the distribution of the Group's games takes place through global gaming channels. Maximum Entertainment is thus exposed to risks related to disruptions and system failures in both its own and its partners' IT systems.

In the context of its integration into one company, Maximum Entertainment has standardized processes and deployed security tools across the entire company to help mitigate these risks.

Technology

Advancements in technology and the reliance of gaming projects on available tech can render some of the company's games obsolete or outdated. The continual emergence of new hardware, software, and gaming platforms, along with elevated industry standards, may necessitate substantial investments to replace, upgrade, or modify existing and upcoming titles. Given that some games undergo development over multiple years, the introduction of new technology during this period may require adaptations to ensure compatibility, leading to escalated development expenses and potential delays in game launches. The company manages this risk by staying up to date on upcoming technologies, releasing its content on multiple platforms, and in the case of certain titles, by developing its own technology framework to optimize game performance.

FINANCIAL RISKS

Financing of Investments in Games

The group's strategic direction entails acquisitions as well as investments in IP rights and publishing operations, and Maximum Entertainment may need to raise additional capital. In the event of a future need for capital, there is a risk that additional capital cannot be raised on favorable terms, that such raised capital is not sufficient to finance the operations, or that capital cannot be raised at all.

At the end of 2023, Maximum Entertainment holds MSEK 72 and additional financing available through existing loan agreements of USD 1M. Maximum Entertainment believes that these resources, in addition to the cost reductions already acted in 2023 for which the benefits will be seen in 2024 and the launch of OIP and publishing games in 2024 will generate the liquidity necessary for the group's 2024 targets.

Exchange Rate Risk

The revenue of Maximum Entertainment is mainly in USD, EUR and GBP, while the reporting currency is in SEK. Exchange rate fluctuations in relation to SEK may have a negative impact on the competitiveness of Maximum Entertainment in relation to competitors who report in another currency.

Interest risk

During 2023, Maximum Entertainment relied on financing from credit institutions that include obligations to pay interest at variable rates. Fluctuations in interest rates can impact the cost of borrowing and our ability to make future investments, potentially affecting our profitability. We closely monitor market conditions and adjust our financing and investment decisions to reflect our risk-return profile.

LEGAL RISKS

IP Rights

Maximum Entertainment depends on protecting its intellectual property rights, as these are an integral part of the Group's business. The Group holds a large number of intellectual property rights, mainly in the form of copyrights to games developed or acquired by the Group.

As part of its consolidation into one integrated company, Maximum Entertainment established a group-level legal team to protect its intellectual property rights across its portfolio.

Personal Data

The activities of Maximum Entertainment include the processing of personal data of, among others, users and employees. Personal data about users is mainly collected when registering for newsletters, registering for game updates and in competitions. Personal data on employees mainly relates to what is necessary to collect for the purposes of employment. The Group's processing of personal data is subject to Regulation (EU) 2016/679 of the European Parliament and of the Council on the protection of natural persons with regard to the processing of personal data and on the free movement of such data ("GDPR"), which is a law that affects, among other things, how Maximum Entertainment must manage, control and document the processing of the data. Maximum Entertainment risks misinterpreting and thus misapplying laws and requirements and, in the event of an infringement, sanctions are imposed, which then require resources that could otherwise be spent on the business.

Changes in Legislation

Maximum Entertainment operates in markets in and outside of Sweden, hence the laws and regulations of a number of jurisdictions become applicable. As of the balance sheet date 2023, Maximum Entertainment is located in Sweden, Hungary, France, UK, Ireland, Brazil, USA, and Romania. Risks may also arise as a result of changes in legislation and other applicable regulations related to taxation and fees and other conditions applicable to operations in the various geographic markets. The activities of Maximum Entertainment in other countries may affect its ability to exercise or enforce its rights and obligations in other jurisdictions and legal proceedings may be expensive, time consuming and their outcome uncertain.

STRATEGIC RISKS

Dependence on geopolitical and environmental factors:

The Group's operations may be affected by general external factors such as political or economic instability, climate change, pandemics, or the general economic climate. Maximum Entertainment has no direct or indirect operations in either Ukraine, Russia, or the Middle East, and the Company's operations have therefore not been significantly affected by the ongoing wars.

PERFORMANCE AND FINANCIAL POSITION

MULTIPLE YEAR OVERVIEW

Operational key figures	2023	2022	2021	2020	2019
Net sales	1,145,843	1,138,271	462,866	9,030	11,113
Adjusted EBITDA	131,554	93,376	71,541	6,818	2,180
EBITDA	214,054	94,792	71,541	6,818	2,180
Operational EBIT	69,957	69,957	50,552	5,637	1,217
EBIT	-80,361	-61,732	21,272	4,876	1,217
EBITDA margin %	19	8	15	76	20
Operational EBIT margin %	6	6	11	62	11
EBIT margin %	-7	-5	5	54	11

Other key figures	2023	2022	2021	2020	2019
Balance sheet total	1,551,297	1,727,966	1,672,169	92,886	41,631
Equity	654,072	698,358	717,290	77,274	28,775
Number of shares outstanding	51,110,152	42,866,231	40,484,515	18,957,042	13,050,847
Average number of shares	46,988,192	41,675,373	29,720,779	15,607,874	13,050,847
Net earnings per share, SEK	-4.05	-1.80	-0.04	0.23	0.06
Equity ratio %	42	40	43	83	69
Operational EBIT margin %	6	6	11	62	11
EBIT margin %	-7	-5	5	54	11

KEY FIGURES FOR THE PARENT COMPANY

Parent key figures	2023	2022	2021	2020	2019
Net sales	16,663	9,144	10,976	5,895	11,048
Balance sheet total	922,318	979,365	951,386	85,014	40,576
Equity	827,247	697,995	653,464	72,057	27,423
Equity ratio %	90	71	69	85	68

	2023
Share premium reserve	853,680,605
Retained earnings	-52,291,200
Profit for the year	20,746,795
Total	822,136,200

PROPOSED APPROPRIATION OF PROFIT OR LOSS

	2023	2022
The following funds are available to the Annual General Meeting		
Share premium	853,680	746,000
Retained earnings	-52,291	-49,929
Profit for the year	20,747	-2,363
Total	822,136	693,708

No dividend is suggested.

CONSOLIDATED INCOME STATEMENT

KSEK	NOTE	2023	2022
Operating income			
Net sales	3	1,145,843	1,138,271
Capitalized own development work		91,903	55,207
Other operating income	4	114,634	30,148
Total income		1,352,381	1,223,626
Operating costs			
Cost of goods sold		-785,061	-821,434
Other external costs	5,6	-124,928	-115,328
Personnel costs	7	-188,821	-153,074
Depreciation and amortization of fixed assets	13,14	-294,415	-156,524
Other operating expenses	8	-39,517	-38,998
Total operating expenses		-1,432,742	-1,285,358
Operating income (EBIT)		-80,361	-61,732
Income from financial items			
Interest income and similar items	9	8	33,839
Interest costs and similar items	10	-70,719	-32,116
Total result from financial items		-70,712	1,723
Income after financial items		-151,073	-60,009
Income before tax			
Tax on profit for the year	11	-22,696	-12,828
Profit for the year		-173,769	-72,825
Attributable to:			
The parent company's shareholders		-173,769	-72,825

FINANCIAL REPORTS

CONSOLIDATED BALANCE SHEET

ASSETS (KSEK)	NOTE	12/31/23	12/31/22
Fixed assets			
Intangible fixed assets			
Capitalized expenditure for development work and similar work		320,733	175,870
Trademarks		4,645	5,371
Licenses		791	1,048
Goodwill		766,251	1,007,781
Total intangible fixed assets	12	1,092,420	1,190,070
Tangible fixed assets			
Equipment, tools, fixtures and fittings	13	10,486	11,185
Total tangible fixed assets		10,486	11,185
Financial assets			
Deferred tax assets		7,999	883
Other non-current receivables	14	323	182
Total financial fixed assets		8,322	1,065
Total fixed assets		1,111,228	1,202,320
Current assets			
Inventories		99,311	155,038
Total inventories	15	99,311	155,038
Current receivables			
Accounts receivable		209,510	205,949
Tax assets		2,780	8,409
Other receivables		15,491	6,691
Prepayments and accrued income	16	40,963	48,741
Total current receivables		268,744	269,790
Cash and cash equivalents			
Cash and bank	29	72,014	100,510
Total current assets		440,069	525,338
TOTAL ASSETS		1,551,297	1,727,658

EQUITY AND LIABILITIES (KSEK)	NOTE	31/12/23	31/12/22
Equity			
Share capital		5,111	4,287
Other contributed capital		853,681	746,000
Retained earnings including net profit for the year		-204,719	-51,928
Equity attributable to the parent company's shareholders		654,072	698,358
Non-controlling interests		0	0
Total equity	17	654,072	698,358
Provisions			
Other provisions for pensions and similar obligations	18	438	374
Deferred tax liabilities	19	7,242	2,494
Other provisions	20	221,233	481,838
Total provisions		228,912	484,706
Non-current liabilities			
Other liabilities to credit institutions	21,22	331,296	75,848
Other non-current liabilities		36,367	0
Total non-current liabilities		367,663	75,848
Current liabilities			
Liabilities to credit institutions	23	87,484	109,952
Accounts payable		96,197	151,271
Tax liabilities		4,274	14,437
Other current liabilities		89,110	128,495
Accruals and deferred income	24	23,586	64,589
Total current liabilities		300,650	468,744
TOTAL EQUITY AND LIABILITIES		1,551,297	1,727,658

CONSOLIDATED CHANGES IN EQUITY

KSEK	Share Capital	Other contributed capital	Other equity including net result for the period	Non-controlling interests	Total equity
Opening balance equity 2022-01-01	4,048	700,248	12,992	2	717,290
New issue (net after issuance costs)	238	45,773			46,012
Repurchase of warrants		-22			-22
Profit for the year			-72,837		-72,837
Translation differences			7,917		7,917
Other				-2	-2
Equity 2022-12-31	4,286	746,000	-51,928	0	698,358
Opening balance equity 2023-01-01	4,286	746,000	-51,928	0	698,358
New issue (net after issuance costs)	826	107,681			108,506
Repurchase of warrants	-1				-1
Profit for the year			-173,769		-173,769
Translation differences			21,034		21,034
Other			-56		-56
Equity 2023-12-31	5,111	853,681	-204,719	0	654,072

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CONSOLIDATED CASH FLOW STATEMENT

	NOTE	2023	2022
Income after financial items		-151,073	-60,009
Adjustments for items not included in cash flow	28	215,719	145,661
Taxes Paid		-23,183	-15,749
Interest Paid		-29,626	-30,213
Cash flow from operating activities before changes in working capital		11,837	39,690
Cash flow from changes in working capital			
Changes in inventories		56,703	-29,373
Changes in accounts receivable		-5,050	34,205
Changes in operating receivables		-15,958	-833
Changes in accounts payable		-53,041	37,835
Changes in operating payables		-43,683	-52,164
Cash flow from operating activities		-49,193	29,359
Acquisitions or divestments of intangible fixed assets		-205,103	-129,674
Acquisitions or divestments of tangible fixed assets		-3,705	-6,599
Acquisitions of subsidiaries, net liquidity impact		-25,194	30
Acquisition of financial assets		-20,541	3,425
Cash flow from investing activities		-254,544	-132,817
New issuance		590	0
Issuance costs		0	0
Warrants		-1	0
Borrowings		379,388	42,389
Amortization of loans payable		-56,303	-4,643
Changes in other financing-related items		-49,985	-9,779
Cash flow from financing activities		273,689	27,966
Cash flow for the period		-30,048	-75,492
Cash and cash equivalents at the beginning of the period		100,510	163,107
Exchange rate difference on cash and cash equivalents		1,552	12,895
Cash and cash equivalents at the end of the period		72,015	100,510

CONSOLIDATED ADDITIONAL DISCLOSURES

NOTE 1: ACCOUNTING AND VALUATION POLICIES

This annual report and the consolidated financial statements comprise the Swedish parent company Maximum Entertainment AB, with a corporate identity number 556778-7691 and its subsidiaries.

Basis for Preparation

The consolidated financial statements have been prepared based on the assumption of going concern and in accordance with the Swedish Annual Accounts Act and to the general recommendations of the Swedish Accounting Standards Board BFNAR2012:1 Annual accounts and consolidated financial statements (K3).

Unless otherwise indicated, the accounting policies stated below have been applied consistently to all periods presented in the consolidated financial statements. Furthermore, the parent company applies the same accounting principles as the Group, except where noted in Parent Company Accounting Policies.

CONSOLIDATED FINANCIAL STATEMENTS

Subsidiary Undertakings

Subsidiaries are companies in which the parent company directly holds more than 50% of the voting rights or otherwise has a controlling influence. Controlling influence means a right to formulate a company's financial and operational strategies in order to obtain financial benefits. Subsidiaries are included in the consolidated financial statements from the date on which controlling influence is obtained by the Group and are excluded from the consolidated financial statements from the date on which the controlling interest ceases.

Business Combinations

The recognition of business combinations is based on the Purchase Method subject to subsequent evaluation, meaning that the acquisition analysis is conducted on the date on which the acquiring party gains a controlling interest. From this point onwards, the acquirer and the acquired entity are regarded as an accounting unit. Application of the unitary view also means that all assets and liabilities, as well as income and expenses, are included in their entirety even for part-owned subsidiaries. The cost of a subsidiary is calculated as the sum of fair value on the date of acquisition for purchased assets, plus accrued and assumed liabilities as well as issued equity instruments, expenses directly attributable to the business acquisition,

and any contingent consideration. The acquisition analysis determines, with some exceptions, the fair value of the identifiable assets acquired, the liabilities assumed, and minority interest, at the acquisition date. Minority interests are measured at fair value at the acquisition date. As of the acquisition date, the acquired company's income and expenses, identifiable assets and liabilities, as well as any goodwill or negative goodwill, are included in consolidated financial statements.

At least once each year, the value of subsidiary undertakings are subject to a subsequent evaluation which is based on a combination of fair value and discounted cash flow for each cash generating unit.

Change in Ownership Stake

No additional acquisition analysis is prepared when additional shares are acquired in companies that already are subsidiaries, as the parent company already has a controlling influence. Because changes in the ownership of companies that are subsidiaries are purely transactions between owners, gains or losses are not recognized in profit or loss and the effect of the transaction is recognized only in equity. When additional interests are acquired in a company, hence making it a subsidiary, an acquisition analysis is drawn up. The previously held shares are considered divested. Shares in a subsidiary have been acquired. The gain or loss, calculated as the difference between the fair value and the carrying amount on consolidation, is recognized in the consolidated income statement. If shares in a subsidiary are divested or the controlling influence otherwise ceases, the shares are regarded as divested in the consolidated financial statements, and the resulting gain or loss is recognized in the consolidated income statement. When controlling influence ceases, any remaining shares are recognized with the fair value on the date of acquisition as cost.

Elimination of Transactions Between Group Companies

Intra-group receivables and liabilities, income and expenses and unrealized gains or losses arising from transactions between group companies are eliminated in their entirety.

Goodwill

Goodwill on consolidation arises when the cost of acquiring an interest in a subsidiary exceeds the value of the identifiable net assets of the acquiree as determined by the acquisition analysis. Goodwill is recognized at cost less accumulated amortization and any impairment.

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Contingent Consideration

If, at the acquisition date, it is probable that the purchase price will be adjusted at a later date and the amount thereof can be estimated reliably, the amount shall be included in the calculated final cost of the unit acquired. Within twelve months of the acquisition date, adjustments to the value of the contingent consideration affect goodwill. Adjustments made later than twelve months after the acquisition date are recognized in the consolidated income statement.

Adjustment of Acquisition Analysis

In cases where the prerequisites underlying the acquisition analysis are incomplete, the acquisition analysis is adjusted to better reflect the actual circumstances at the acquisition date. Adjustments within twelve months of the acquisition date are carried out retrospectively. Adjustments taking place later than twelve months after the acquisition date are accounted for as a change in accounting estimate.

CLASSIFICATION

Non-current assets and non-current liabilities primarily comprise of amounts that are expected to be recovered or paid more than twelve months from the balance-sheet date. Current assets and current liabilities primarily comprise of amounts that are expected to be realized within twelve months following the balance-sheet date.

INTANGIBLE ASSETS

Research & Development Costs

Development costs are recognized according to the capitalization model. That means that expenditures arising during the development phase are reported as assets when all of the following prerequisites are met:

- It is technically possible to complete the intangible fixed asset for use or sale.
- The intention is to complete the intangible fixed asset and to use it or sell it.
- Conditions exist to use or sell the intangible fixed asset.
- It is likely that the intangible fixed asset will generate future economic benefits.
- Sufficient and adequate technological, financial and other resources are available to complete the development and use or sell the intangible asset.
- The costs that are attributable to the intangible asset can be calculated reliably.

Internally generated intangible assets are recognized at cost less accumulated amortization and impairment. The cost of an internally generated intangible asset is all directly attributable development expenditure.



Other Intangible Fixed Assets

Other intangible fixed assets acquired are reported at cost less accumulated depreciation and impairment losses. Expenses for internally generated goodwill and trademarks are recognized in the income statement as expenses as they arise.

Amortization

Amortization is recognized on a straight-line basis over the asset's estimated useful life. Amortization is recognized as an expense in the income statement.

Intangible Assets

Capitalized Development/ Investment in Games 3-4 years
Licenses 5 years
Trademarks 5 years
Software 3 years
Goodwill 10 years

TANGIBLE FIXED ASSETS

Tangible fixed assets are recognized at cost less accumulated depreciation and impairment. In addition to the original purchase price, cost includes expenditure that is directly attributable to the acquisition.

Additional Expenses

Additional expenses that meet the asset criteria are included in the carrying amount of the asset. Expenditure relating to routine maintenance and repairs is recognized as an expense as incurred.

Depreciation

Depreciation is recognized on a straight-line basis over the asset's estimated useful life, since this reflects the expected pattern of consumption of the future economic benefits embodied in the asset. Depreciation is recognized as an expense in the income statement.

Computers, development kits & other technical equipment 3-7 years
Office equipment, fixtures and fittings, motor vehicles 3-7 years
Leasehold improvements 6 years

IMPAIRMENT LOSSES

Tangible and intangible fixed assets and participations in Group companies.

At least once each year, an assessment is made as to whether there is any indication that an asset value is lower than its carrying amount. If such an indication exists, the asset's recoverable amount is calculated.

The recoverable amount is a combination of the fair value less costs to sell and the value in use. The value in use is calculated as the present value of future cash flows that the asset is expected to generate in the operating activities. The discount rate applied is before tax and reflects assessments, based on market conditions, of the time value of money and the risks associated with the asset. An impairment loss recognized in prior periods is only reversed if there has been a change in the estimates used to determine the asset's recoverable amount since the last recognition of impairment loss.

BORROWING COSTS

Borrowing costs are recorded as a reduction in debt as they are incurred and are amortized over the remaining duration of the associated loan.

LEASES

All leases have been classified as operational leases. Leasing fees under operating leases, including increased first-time rent but excluding expenses for services such as insurance and maintenance, are recognized as expenses on a straight-line basis over the leasing period.

FOREIGN CURRENCY

Items in Foreign Currency

Monetary items in foreign currency are translated at the exchange rate at the balance sheet date. Non-monetary items are not translated but are recognized at the exchange rate at the date of acquisition. Exchange differences arising on the settlement of monetary items or on translation of monetary items are recognized in profit or loss for the year in which they arise.

Translation of Foreign Operations

Assets and liabilities, including goodwill and other surpluses and deficits on consolidation, are translated into the reporting currency at the exchange rate at the balance sheet date. Income and expenses are translated at the average exchange rate for the period. Exchange rate differences arising on translation are recognized directly in equity.

Foreign Subsidiaries

The income statements and cash flow statements of subsidiaries whose currency is other than Swedish Kronor (SEK) are translated using the average exchange rate for the financial period. Balance sheet assets and liabilities are translated into Swedish Kronor using the exchange rate at the balance sheet date.

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Translation differences arising from different exchange rates are recognized as translation differences in the Group's equity.

INVENTORY

Inventories are stated at the lower of cost and net realizable value, defined as sales price less selling expenses. The risk of inventory obsolescence has been taken into account. The cost is determined using average cost method.

FINANCIAL ASSETS AND LIABILITIES

Financial assets and liabilities are reported in accordance with Chapter 11 (Financial instruments valued based on cost) in BFNAR 2012:1.

Recognition and derecognition in the balance sheet

A financial asset or financial liability is recognized in the balance sheet when the company becomes a party to the contractual terms of the instrument. A financial asset is derecognized when the contractual right to receive the cash flows from the asset has expired or been settled. The same applies when the risks and advantages associated with the ownership are, in all material respects, transferred to another party and the company no longer has control of the financial asset. A financial liability shall be derecognized when the contractual obligation is fulfilled or has ceased to exist.

Valuation of Financial Assets

Financial assets are valued at cost upon acquisition, including any transaction expenses that are directly attributable to the acquisition of the asset. After initial recognition, current financial assets are measured at net realizable value at the balance sheet date. Accounts receivable and other receivables that are current assets are measured individually at the amount expected to be collected.

Valuation of Financial Liabilities

Financial liabilities are initially reported at acquisition value after deduction for transaction costs which are amortized (see Borrowing Costs).

REMUNERATION OF EMPLOYEES

Short-Term Employee Benefits

Short-term employee benefits include salaries, social security contributions, paid annual leave, compensated absences, health care and bonuses. Short-term employee benefits are recognized as expenses and liabilities



when there is a legal or constructive obligation to pay a remuneration.

Post-Employment Employee Benefits

The company's post-employment benefit plans are defined contribution plans. Under defined contribution plans, fixed fees are paid to another company, generally an insurance company, with no further obligations to the employee once the fee has been paid. The size of the employee's postemployment remuneration depends on the fees that were paid and the returns that the fees generate.

Pension

The Group's pension plans are administered by various external insurance institutions. The Group principally has defined contribution pension plans with the exception of one defined benefit pension plan. Payments made under defined contribution plans are recognized as personnel costs in the income statement during the period in which the employees perform the services that they relate to. Accruals for defined benefit pension plans are recorded in the income statement as personnel costs and are based on annual actuarial calculations.

Share-Based Remuneration

The group has no share-based remuneration programs in place at the close of the fiscal year.

TAX

Tax on profit for the year in the income statement consists of current tax and deferred tax liabilities. Current tax is income tax for the current financial year, which relates to the taxable profit for the year and the part of the previous financial year's income tax that has not yet been reported. Deferred tax is income tax for taxable profit for future financial years as a result of past transactions or events. Deferred tax liabilities are recognized for all taxable temporary differences except temporary differences arising from the initial recognition of goodwill. Deferred tax assets are reported for deductible temporary differences and for the carryforward of unused tax losses. The valuation is based on how the recognized value of the corresponding asset or liability is expected to be recovered or settled. The amounts are based on tax rates and tax laws that have been enacted before the balance sheet date and are not calculated in present value terms. Deferred tax assets are measured at no more than the amount that will likely be returned based on present and future taxable earnings. The valuation is reassessed on every balance sheet date.

PROVISIONS

A provision is recognized in the balance sheet when the company has a legal or informal obligation as a result of a past event when it is probable that an outflow of resources is required to settle the obligation and a reliable estimate of the amount can be made.

On initial recognition, provisions are measured at the best estimate of the amount that will be required to settle the liability on the balance sheet date.

CONTINGENCIES

A contingent liability is recognized when there is a possible obligation arising from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company, or when there is an existing obligation that is not recognized as a liability or provision because it is not probable that an outflow of resources will be required to settle the obligation or because the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are a summary term for such guarantees, financial obligations and any liabilities that are not included in the balance sheet.

REVENUE

The inflow of economic benefits received and receivable by the Company on its own account is recognized as revenue. Revenue is recognized at the fair value of the consideration received or receivable after deductions for discounts.

Service Assignments - Fixed Price

Contract revenue relating to fixed-price service assignments is recognized as and when performance obligations are completed. Contract expenses are recognized as work is performed or third-party costs are incurred.

Sales of Physical Goods

Revenue from the sale of goods is recognized at the time when control of the goods has passed to the customer. This occurs when the Group has a contractual right to payment for the goods, the customer has legal ownership of the goods, the goods have been delivered to the customer and/or the customer has significant risks and rewards of ownership of the goods.

Digital Revenue

Digital Revenue is recognized on an accrual basis in accordance with the substance of the relevant agreement.

Right of Return and Discounts

When a customer contract specifies a right to return the goods within a specified period of time, the Group recognizes this right of return by applying the expected value method, which is based on historical experience of the customer or similar customers as well as expected future deliveries. Liabilities are reported for expected future discounts, calculated on the basis of assumptions and empirical values relating to product life cycle and price development.

FINANCIAL INCOME AND COSTS

Interest income and interest costs are recognized in profit or loss using the effective interest method.

INTEREST AND DIVIDEND

Interest is recognized as revenue according to the effective interest method. Dividend is recognized when the competent body has decided that a dividend shall be paid.

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CASH FLOW STATEMENT AND CASH EQUIVALENTS

The cash flow statement is drawn up using the indirect method. The reported cash flow covers only operations resulting in cash transactions. Cash and cash equivalents comprise cash on hand, bank balances, and short-term deposits with a maturity less than three months from the date of acquisition.

NOTE 2: ESTIMATES AND ASSESSMENTS

Estimates and assessments are reviewed regularly and are based on past experience and other factors, including expectations of future events that are considered to be reasonable. A significant amount of judgement is used in these assessments.

Goodwill

Goodwill for acquired assets is reported at cost less accumulated amortization and impairment losses. The Group tests for impairment on a regular basis and no less than annually each fiscal year. An assessment of Goodwill is based upon an evaluation of future cash flows and fair values of acquired assets.

Capitalization of Development Expenditure

The Group incurs development expenditure relating to game development, which is recognized as intangible

assets. After initial recognition, the assets are tested for impairment as soon as there is an indication of decrease in value. The Group estimates the useful life in connection with the initial recognition. The useful life is reviewed annually and adjusted as needed.

Contingent Liabilities

Provisions for contingent liabilities reflect management's assessment of the likely outcome. These are subject to ongoing assessment and are revised if an outcome other than the previous estimate is deemed more likely. According to management, the current evaluation as described in Note 26, provides a relevant assessment of the Group's financial situation for the actual periods.

Inventory

Inventory is measured at the lower of cost and net realizable value. Calculation of net realizable value is based on factors such as assessments of future sales prices, which also consider expected price reductions. The actual outcome of future sales prices may differ from the assessments made. On December 31st, 2023, it is management's view that the book value of the inventories, as described in Note 15, does not exceed its fair value.

NOTE 3: NET SALES

	Group	
	2023	2022
Sweden	7,902	6,378
EU countries	454,892	428,915
Non-EU countries	683,049	702,978
Total	1,145,843	1,138,271

	Group	
	2023	2022
Sales from Goods	1,140,352	1,138,271
Sales from Services	5,491	0
Total	1,145,843	1,138,271

NOTE 4: OTHER OPERATING INCOME

	2023	2022
Group		
Exchange gains on receivables/liabilities of an operating nature	264	1,203
Provision for earn-out	114,343	28,322
Capital gains	-	39
Other	28	585
Total	114,634	30,148

NOTE 5: FEES AND REIMBURSEMENT OF COSTS TO AUDITORS

	Group	
	2023	2022
PwC		
Audit assignment	2,653	1,568
Audit work in addition to the audit assignment	40	-
Tax consultancy services	85	70
Other tasks	338	0
Sum PwC	3,117	1,638
Other auditors		
Audit assignment	1,269	1,258
Audit work in addition to the audit assignment	-	201
Tax consultancy services	1,050	1,401
Other tasks	696	91
Sum other	3,015	2,951
TOTAL	6,132	4,589

NOTE 6: OPERATING LEASES

	Group	
	2023	2022
Maximum Entertainment as leasetaker		
Future minimum lease fees to be paid in respect of non-cancellable leases:	50,592	58,231
Due for payment within one year	9,444	8,961
Due for payment later than one but within 5 years	26,692	29,707
Due for payment later than 5 years	14,456	19,563
Leasing fees expensed during the period	-	-

	Group	
	2023	2022
Maximum Entertainment as lessor		
Future minimum lease payments that will be received in respect of non-cancelable leases:	1,678	2,776
Due for payment within one year	1,239	1,245
Due for payment later than one but within 5 years	438	1,531
Due for payment later than 5 years	-	-
Leasing fees expensed during the period	-	-

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NOTE 7: EMPLOYEES, PERSONNEL COSTS AND FEES TO THE BOARD

Average number of employees	2023	Of whom men	2022	Of whom men
Parent company				
Sweden	4	75%	6	85%
Total in parent company	4	75%	6	85%
Subsidiaries				
Sweden	18	77%	23	73%
France	16	63%	25	84%
Hungary	47	94%	42	95%
The United Kingdom	35	69%	37	73%
Germany	1	0%	1	0%
Romania	32	84%	-	-
The United States	80	68%	78	67%
Total in subsidiaries	229	75%	206	76%
Total in the Group	233	76%	212	76%

Salary and other benefits inc. social contribution	2023			2022		
	Board of Directors, CEO & other senior executives	Other employees	Total	Board of Directors, CEO & other senior executives	Other employees	total
Salary and other benefits	16,859	153,591	170,450	17,265	120,670	137,935
Social contributions	1,611	1,477	3,087	1,805	14,586	16,392
Pension costs	959	7,017	7,976	975	7,017	7,992
Total	19,428	162,085	181,513	20,045	142,274	162,319

Salary and other benefits inkl. social contribution board and executive team	2023			2022		
	Board remuneration	Salary	Other benefits	Board remuneration	Salary	Other benefits
Board of Directors	560	-	-	2,679	-	-
CEO & other senior executives	-	15,840	1,551	-	14,392	1,445
Total	560	15,840	1,551	2,679	14,392	1,445

Current and prior board members hold 175 000 open Warrants issued in 2021 which must be exercised on or before July 31, 2024

NOTE 8: OTHER OPERATING EXPENSES

	Group	
	2023	2022
Adjustments to Earn Out	31,369	26,900
Other	8,148	12,098
Total	39,517	38,998

NOTE 9: OTHER INTEREST INCOME AND SIMILAR ITEMS

	Koncernen	
	2023	2022
Dividends	0	0
Interest	8	1
Currency adjustments, gain	0	33,838
Gain/loss on sales on other sales	0	0
Total	8	33,839

NOTE 10: INTEREST COSTS AND SIMILAR ITEMS

	Group	
	2023	2022
Currency adjustments, loss	17,175	0
Interest cost & amortised loan fees	53,544	32,109
Other	0	7
Total	70,719	32,116

NOTE 11: INCOME TAX FOR THE YEAR

	Group	
	2023	2022
Current tax	16,998	14,215
Deferred tax	5,698	-1,387
Tax on the year's result	22,696	12,828

NOTE 12: INTANGIBLE ASSETS

	Group	
	2023	2022
Capitalized Expenses for Game Development		
Accumulated cost at the beginning of the year	200,701	118,215
New milestone payments and internal development	201,333	110,500
Reclassification	-	-34,897
Translation differences for the year	-10,369	6,883
At year-end	391,665	200,701
Accumulated amortization at the beginning of the year	-24,831	-23,781
Depreciation for the year	-47,834	-41,051
Reclassification	0	14,213
Impairment for the year	0	26,548
Translation differences for the year	1,733	-760
At year-end	-70,932	-24,831
Carrying amount at year-end	320,733	175,870
Licenses and Trademarks		
Accumulated cost at the beginning of the year	8,056	820
New purchases	1,710	5,560
Reclassification	-	1,468
Translation differences for the year	-269	209
At year-end	9,497	8,056
Accumulated amortization at the beginning of the year	-1,638	0
Amortization for the year	-2,593	-1,588
Reclassification	-	-6
Translation differences for the year	170	-44
At year-end	-4,061	-1,638
Carrying amount at year-end	5,436	6,418

Goodwill	2023	2022
Accumulated cost at the beginning of the year	1,154,946	1,010,697
Additions	4,342	27,551
Translation differences for the year	-12,329	116,699
At year-end	1,146,959	1,154,946
At the beginning of the year	-147,165	-30,688
Write down	-123,164	16
Amortization for the year	-116,998	-110,854
Translation differences for the year	6,619	-5,640
At year-end	-380,709	-147,165
Carrying amount at year-end	766,250	1,007,781
TOTAL INTANGIBLE ASSETS	1,092,420	1,190,069

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NOTE 13: TANGIBLE ASSETS

	Group	
	2023	2022
Equipment, tools and installations		
Accumulated cost		
At the beginning of the year	22,703	10,246
New purchases	3,705	13,309
Business acquisition	-	-
Sales/Disposals for the year	-2,136	-3,186
Translation differences for the year	-428	2,334
At year-end	23,844	22,703
Accumulated amortization		
At the beginning of the year	-11,518	-2,629
Amortization for the year	-3,826	-3,031
Sales/Disposals for the year	1,813	-4,516
Translation differences for the year	175	-1,342
At year-end	-13,357	-11,518
Carrying amount at year-end	10,486	11,185

NOTE 14: FINANCIAL ASSETS

	Group	
	2023	2022
Deposit for rent	323	182
At year end	323	182

NOTE 15: INVENTORY

	Group	
	2023	2022
Inventory of merchandise	109,148	169,034
Deduction for obsolescence	-9,837	-13,996
At year end	99,311	155,038

NOTE 16: PREPAID COSTS AND ACCRUED REVENUE

	Group	
	2023	2022
Accrued interest	-	-
Prepaid Royalty	15,029	19,640
Prepaid costs for future game releases	3,990	13,941
Prepaid rent	880	358
Prepaid Insurance	2,046	1,578
Prepaid Fees	346	0
Accrued Income	16,057	10,632
Other	2,615	2,593
At year-end	40,963	48,741

NOTE 17: EQUITY

	12/31/23	12/31/22
Equity		
Share Capital	5,111	4,287
Other Contributed Capital	853,681	746,000
Other equity including profit for the year	-204,719	-51,928
Equity attributable to the parent company's shareholders	654,072	698,358

NUMBER OF SHARES AND QUOTA VALUE

	12/31/23	12/31/22
A shares		
Number of shares	2,000,000	2,000,000
Quota value, SEK	0.1	0.1
B shares		
Number of shares	49,110,152	40,866,231
Quota value, SEK	0.1	0.1
Total number of shares	51,110,152	42,866,231

NOTE 18: PROVISION FOR PENSION AND SIMILAR LIABILITIES

	Group	
	2023	2022
Balance at the beginning of the year	374	315
New provisions	63	59
At years-end	438	374

FINANCIAL REPORTS

NOTE 19: PROVISIONS FOR DEFERRED TAXES

	Group	
	2023	2022
Opening balance	2,494	3,711
Movement for year	4,748	-1,237
Adjustments as a result of changes in present values and other temporary differences	0	20
At years-end	7,242	2,494

NOTE 20: PROVISIONS FOR ADDITIONAL PURCHASE COSTS

	Group	
	2023	2022
Opening balance	481,838	474,014
Amounts utilized	-176,757	-47,349
Reversal of reserve	-114,343	-28,332
Provision during year	31,369	26,900
Translation differences	-874	56,606
At years-end	221,233	481,838

NOTE 21: LONG-TERM LIABILITIES

Long term liabilities fall due for payment as follows:

	Group					
	2023			2022		
	Between 1 to 5 years	later than 5 years	Total	Between 1 to 5 years	later than 5 years	Total
Liabilities to credit institutions	316,587	14,709	331,296	75,848	-	75,848
Total	316,587	14,709	331,296	75,848	-	75,848

NOTE 22: LIABILITIES RELATING TO SEVERAL ITEMS

	Group	
	2023	2022
Long-term liabilities		
Other debts to credit institutions	331,296	75,848
Current liabilities		
Other debts to credit institutions	87,484	109,952
Total	418,780	185,800

Current liabilities to credit institutions is the short term portion of long term loans contracted by the group and other short term loans.

NOTE 23: OVERDRAFT FACILITY

	Group	
	2023	2022
Granted Overdraft	0	15,000
Utilized Overdraft	0	-13,636
Total	0	1,364

NOTE 24: ACCRUALS AND DEFERRED INCOME

	Group	
	2023	2022
Accrued royalties	8,443	2,177
Accrued purchases (goods and services)	858	310
Accrued interest, other	377	29,654
Accrued Wages, bonus and holiday pay	9,094	10,517
Other accruals and deferred income	4,815	21,931
Total	23,586	64,589

NOTE 25: COLLATERAL PLEDGED

	Group	
	12/31/23	12/31/22
Pledged collateral for own liabilities and provisions.		
Pledged Assets	354,117	310,600
Rent guarantee for subsidiary	0	98
Business mortgages for over-draft facility	0	13,810
Total	354,117	324,508

Pledged assets include shares in certain affiliates. As the group has fully integrated at year end and does not evaluate goodwill per entity, pledged assets are presented at equity value with no goodwill.

NOTE 26: CONTINGENT LIABILITIES

There are no contingent liabilities.

NOTE 27: CONTINGENT ASSETS

There are no contingent assets.

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NOTE 28: ITEMS THAT ARE NOT PART OF THE CASH FLOW

	Group	
	2023	2022
Depreciation/amortization and impairment	168,969	156,524
Other	239	352
Change in earn-out provision	-82,969	-1,416
Goodwill Impairment	123,164	-
Amortised Loan Fees	6,314	0
Accrued interest	0	-40,012
Total adjustments	215,719	115,448

NOTE 29: CASH AND BANK

	Group	
	2023	2022
The following subcomponents are included in cash and cash equivalents		
Bank balances	72,014	100,510
Total	72,014	100,510

NOTE 30: RELATED PARTY TRANSACTIONS

	Group	
	2023	2022
Rental Agreements with sellers of acquired assets/shareholders	9,774	8,214
Total	9,774	8,214

NOTE 31: EVENTS AFTER THE BALANCE SHEET DATE

New Game Announcements:

- A Brand-new partnership with Paramount Game Studios, developing a multiplayer fighting game focused on Nickelodeon's Avatar: The Last Airbender franchise
- Publisher announcement – Selfloss
- Own IP VR title: Smalland: Survive The Wilds VR

Game launches and dates:

- Smalland: Survive the Wilds 1.0 release
- Maximum Football dev update
- Morbid: The Lords of Ire release date
- Whisker Waters release date
- Until Then release date

Other news:

- Portzamparc (BNP Paribas Group) and TP IPAC have initiated coverage of Maximum Entertainment
- Transition to IFRS reporting formats in Q1 2024
- Change liquidity provider to Pareto Securities AB
- Date of Annual General Meeting changed to June 4, 2024

PARENT COMPANY'S INCOME STATEMENT

KSEK	Note	2023-01-01 – 2023-12-31	2022-01-01 – 2022-12-31
Operating income			
Net sales	3	16,663	9,144
Other operating income	4	1,477	763
		18,140	9,908
Operating costs			
Cost of goods sold		-1,454	-13,162
Other external expenses	5,8	-20,859	-4,440
Personnel costs	6	-18,389	-15,199
Depreciation and amortization of fixed assets	7,13	-192	-169
Other operating expenses		-1,004	-20
Operating income (EBIT)		-23,759	-23,082
Income from financial items			
Result from participation in group companies	9	45,546	-14,130
Interest income and similar items	10	66,782	114,130
Interest expenses and similar items	11	-67,822	-79,294
Result from financial items		44,506	20,706
Income after financial items		20,747	-2,363
Income before tax		20,747	-2,363
Tax on profit for the year	12	0	0
Profit for the year		20,747	-2,363

FINANCIAL REPORTS

PARENT COMPANY'S BALANCE SHEET

ASSETS TSEK	Note	12/31/23	12/31/22
Fixed assets			
Intangible fixed assets			
Trademarks		101	101
Licenses and similar rights		608	801
Total intangible fixed assets	7,13	709	902
Financial assets			
Investments in subsidiaries	14	508,217	489,397
Non-current receivables in group companies		357,286	457,129
Other non-current receivables		93	93
Total financial fixed assets		865,596	946,619
TOTAL FIXED ASSETS		866,305	947,521
Current assets			
Accounts receivable		80	179
Receivables, group		51,549	28,610
Tax receivables		469	0
Other receivables		1,536	2,183
Prepayments and accrued income, other	15	479	635
Total current receivables		54,113	31,606
Cash and cash equivalents			
Cash and bank	16	1,899	238
Total current assets		56,012	31,844
TOTAL ASSETS		922,318	979,365

EQUITY AND LIABILITIES	Note	12/31/23	12/31/22
Equity			
Restricted equity			
Share capital		5,111	4,287
Total restricted equity		5,111	4,287
Unrestricted equity			
Share premium		853,681	746,000
Retained earnings		-52,291	-49,929
Profit for the year	25	20,747	-2,363
Total unrestricted equity		822,136	693,708
Total equity	17	827,247	697,995
Provisions			
Other provisions	18	64,863	126,685
Total provisions		64,863	126,685
Non-current liabilities			
Other liabilities to credit institutions		0	0
Longterm liabilities to Group companies	19	5,566	0
Other non-current liabilities		0	0
Total non-current liabilities		5,566	0
Current liabilities			
Overdraft facility	20	0	13,636
Liabilities to credit institutions		0	67,101
Accounts payable		1,220	736
Liabilities to Group companies		17,113	12,521
Other current liabilities		217	25,821
Accruals and deferred income	21	6,091	34,870
Total current liabilities		24,642	154,685
TOTAL EQUITY AND LIABILITIES		922,318	979,365

PARENT COMPANY'S CHANGES IN EQUITY

KSEK	Share Capital	Development fund	Share premium	Retained earnings including net profit for the year	Total equity
Opening balance equity 2022-01-01	4,048	38,214	699,174	-87,972	653,464
New issue (net after issuance costs)	238				238
Repurchase of warrants					0
Adjustment previous year		545		-741	-196
Profit for the year				-2,338	-2,338
Changes in fund for development costs		-38,759	46,826	38,759	46,826
Equity 2022-12-31	4,286	0	746,000	-52,292	697,995
Opening balance equity 2023-01-01	4,286	0	746,000	-52,292	697,995
New issue (net after issuance costs)	824		107,681		108,505
Repurchase of warrants					0
Adjustment previous year					0
Profit for the year				20,747	20,747
Changes in fund for development costs					0
Equity 2023-12-31	5,111	0	853,681	-31,545	827,247

PARENT COMPANY'S CASH FLOW STATEMENT

KSEK	Note	2023	2022
Income after financial items		20,747	-2,363
Adjustment for items not included in cash flow	23	-46,764	-29,083
Interest paid		-31,028	0
Cash flow before changes in working capital		-57,045	-31,446
Changes in accounts receivable		0	-5,425
Changes in operating receivables		433	-1,754
Changes in accounts payable		484	-6,078
Changes in operating payables		0	-322
Cash flow from operating activities		-56,128	-45,025
Investing activities			
Acquisition of intangible fixed assets		0	-415
Acquisition of financial assets		138,527	-12,823
Cash flow from investing activities		138,527	-13,238
Financing activities			
New issuance including issuance costs		0	0
Borrowings		0	21,288
Amortization of loans payable		-80,737	-2,053
Repurchase of warrants		-1	0
Changes in other financing-related items		0	0
Cash flow from financing activities		-80,738	19,235
Cash flow for the year		1,661	-39,028
Cash and cash equivalents at the beginning of the period		238	39,266
Cash and cash equivalents at the end of the period		1,899	238

FINANCIAL REPORTS

PARENT COMPANY'S ADDITIONAL DISCLOSURES

NOTE 1: ACCOUNTING AND VALUATION POLICIES

Intangible Assets

Trademarks are not amortized in the parent company.

Borrowing Costs

In the parent company, borrowing costs are recognized in profit or loss.

Leases

Financial leases are recognized as operational lease agreements in the parent company.

Foreign Currency

An exchange rate difference relating to a monetary item that is part of the parent company's net investment in a foreign operation and that is measured at cost is recognized in profit or loss when it arises in the parent company.

Participations in Subsidiaries, Associated Companies and Joint Ventures

Participations in subsidiaries, associated companies and joint ventures are recognized at cost less accumulated impairment. In addition to the original purchase price, cost includes expenditure that is directly attributable to the acquisition.

Tax

Deferred tax relating to untaxed reserves is not recognized separately in the parent company.

Equity

Equity is divided into restricted and unrestricted capital, in accordance with what is set forth in the Annual Accounts Act.

Appropriations

Changes in untaxed reserves are recognized as appropriations in the income statement.

NOTE 2: ESTIMATES AND ASSESSMENTS

Estimates and assessments are reviewed regularly and are based on experience and other factors, including expectations of future events that are judged to be reasonable taking current conditions into consideration.



NOTE 3: NET SALES

	2023	2022
Sweden	1,376	1,882
EU countries	7,580	987
Non-EU countries	7,708	6,275
Total	16,663	9,144

NOTE 4: OTHER OPERATING INCOME

	2023	2022
Exchange gains on receivables/liabilities of an operating nature	1,130	388
Other	347	376
Total	1,477	763

NOTE 5: FEES AND REIMBURSEMENT OF COSTS TO AUDITORS

	2023	2022
PwC		
Audit assignment	1,868	1,583
Audit work in addition to the audit assignment	40	-
Tax consultancy services	85	70
Other tasks	75	-
Sum PwC	2,068	1,653

NOTE 6: EMPLOYEES, PERSONNEL COSTS AND FEES TO THE BOARD

	2023	Of whom men	2022	Of whom men
Average number of employees	4	3	6	5
Average number of boardmembers	6	4	6	5

Wages and other remuneration, incl employers contributions, to board and other employees	2023		2022	
	Board of Directors and CEO	Other	Board of Directors and CEO	Other
Salary and other benefits	1,815	5,560	2,032	5,855
Social contributions	570	1,839	638	2,354
Pension costs	119	662	0	1,366
Social contributions	29	161	0	305
Total	2,533	8,222	2,670	9,880

FINANCIAL REPORTS

NOTE 7: DEPRECIATIONS, WRITE-DOWNS AND REVERSALS

License agreement	2023	2022
Accumulated amortization		
At the beginning of the year	-159	0
Amortization for the year	-192	-159
At year end	-351	-159

NOTE 8: OPERATING LEASES

Maximum Entertainment as lessee	2023	2022
Future minimum lease fees to be paid in respect of non-cancellable leases:		
Due for payment within one year	720	645
Due for payment later than one but within 5 years	446	1,513
Due for payment later than 5 years		
Leasing fees expensed during the period	1,154	605

Maximum Entertainment AB as lessor	2023	2022
Future minimum lease payments that will be received in respect of non-cancellable leases:		
Due for payment within one year	200	200
Due for payment later than one but within 5 years		
Due for payment later than 5 years		
Leasing fees expensed during the period		

NOTE 9: RESULT FOR PARTICIPATION IN GROUP COMPANIES

	2023	2022
Dividends received	45,545	23,142
Result for sale of child entity	0	-103
Write-down of participation in child entity	0	-37,169
Total	45,545	-14,130

NOTE 10: INTEREST INCOME AND SIMILAR ITEMS

	2023	2022
Interest	19,063	22,098
Translation differences for the year	47,719	92,032
Total	66,782	114,130
Of which group	66,782	114,130

NOTE 11: INTEREST COSTS AND SIMILAR ITEMS

	2023	2022
Interest	3,750	26,871
Translation differences for the year	64,072	52,422
Total	67,822	79,294
Of which group	56,954	52,453

NOTE 12: INCOME TAX FOR THE YEAR

	Parent	
	2023	2022
Current tax	0	0
Deferred tax	0	0
Tax on the year's result	0	0

	Parent	
	2023	2022
Profit before tax	20,747	-2,363
Tax calculated according to the applicable tax rate (20,6 %)	4,274	-487
Tax effect of non-deductible costs	0	0
Tax effect of non-taxable income	-9,382	-4,767
Tax effect of non-taxable capital gains	0	7,678
Tax attributable to previous years' reported results	0	0
Effect of changed tax rates	5,109	-2,424
Reported tax expense	0	0

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NOTE 13: INTANGIBLE ASSETS

Licenses	2023	2022
At the beginning of the year	960	545
New purchases	0	415
At year-end	960	960
Accumulated amortization at the beginning of the year	-159	0
Amortization for the year	-192	-159
At year-end	-351	-159
Carrying amount at year-end	608	801
Trademarks	2023	2022
At the beginning of the year	101	101
At year-end	101	101
Carrying amount at year-end	101	101
Total intangible assets	709	902

NOTE 14: INVESTMENT IN SUBSIDIARIES

	2023	2022
Participation in child entities	508,217	489,397
At years end	508,217	489,397

INVESTMENT IN SUBSIDIARIES IS AS FOLLOWS (SEK):

	Comp reg. No	Residence	Ownership interest %
Maximum Entertainment Sweden AB (Dimfrost Studio AB)	559120-3517	Norrköping, Sweden	100%
Maximum Entertainment Hungary kft (Invictus Games Kft)	09-09-007215	Hungary	100%
Maximum Entertainment France (Just For Games SAS)	52,956,777,800,012	France	100%
Merge Games Ltd	7,113,176	United Kingdom	100%
Zordix Racing AB	559348-0600	Umeå, Sweden	100%
MGI Acquisition Corporation Inc	36-5009558	USA	100%

	Ownership interest %	Posting value 2023	Posting value 2022
Maximum Entertainment Sweden AB (Dimfrost Studio AB)	100%	11,120	2,861
Maximum Entertainment Hungary kft (Invictus Games Kft)	100%	12,589	12,589
Maximum Entertainment France (Just For Games SAS)	100%	229,852	229,852
Merge Games Ltd	100%	253,461	244,070
Zordix Racing AB	100%	1,195	25
MGI Acquisition Corporation Inc	100%	0	0
Carrying amount at year-end		508,217	489,397

LONG TERM RECEIVABLES FROM SUBSIDIARIES CONSIST OF THE FOLLOWING (SEK):

	2023	2022
Initial acquisition value	457,129	386,164
Additional receivables	14,716	63,086
Amortizations, outgoing receivables	-150,128	-49,123
Currency adjustments	35,570	57,001
Closing reported value	357,285	457,129

NOTE 15: PREPAID COSTS AND ACCRUED REVENUE

	2023	2022
Prepaid rent	171	120
Prepaid insurance	37	28
Other	271	487
At year-end	479	635

NOTE 16: CASH AND BANK

	2023	2022
Bank balances	1,899	238
Total	1,899	238

NOTE 17: EQUITY

	2023	2022
Share Capital	5,111	4,286
Share premium	853,681	746,000
Retained earnings	-52,292	-49,954
Net profit for the year	20,747	-2,338
At year-end	827,247	697,995

NOTE 18: PROVISIONS FOR ADDITIONAL PURCHASE COSTS

	2023	2022
At the beginning of the year	126,685	202,264
Reclass of provision	0	-17,649
New provisions	17,596	0
Revaluation	3,143	13,816
Provision utilised	-82,561	-48,516
Assessment of contingent consideration	0	-23,230
At year-end	64,863	126,685

FINANCIAL REPORTS

NOTE 19: NON-CURRENT LIABILITIES

Liabilities fall due for payment as follows:

	2023			2022		
	Between 1 to 5 years	More than 5 years	Total	Between 1 to 5 years	More than 5 years	Total
Liabilities to credit institutions			0			0
Liabilities to group	5,566		5,566			0
At year-end	5,566	0	5,566	0	0	0

NOTE 20: OVER-DRAFT FACILITY

	Parent	
	2023	2022
Granted overdraft facility	0	15,000
Utilized overdraft	0	-13,636
Remaining overdraft facility	0	1,364

NOTE 21: ACCRUALS AND DEFERRED INCOME

	Parent	
	2023	2022
Accrued interest, other	0	29,654
Accrued bonus	980	1,700
Vacation pay	311	1,191
Taxes for pension plan	532	0
Employer contributions	405	909
Other	3,864	1,417
Total	6,091	34,870

NOTE 22: COLLATERAL PLEDGED

	12/31/23	12/31/22
Rent guarantee for subsidiary	0	98
Business mortgages for over-draft facility	0	13,810
Total	0	13,908

NOTE 23: NON CASH-FLOW ITEMS

	2023	2022
Depreciation and amortization	192	169
Adjustment of other provisions	-	28,832
Other	-2,450	-
Result from participation in group companies	-45,546	-
Accrued interest	1,040	82
Total adjustments	-46,764	29,083

NOTE 24: TRANSACTIONS WITH RELATED PARTIES

During the financial year, customary trade has been conducted between the group's companies.

NOTE 25: APPROPRIATIONS OF PROFIT OR LOSS

	2023	2022
The following funds are available to the Annual General Meeting		
Share premium	853,680	746,000
Retained earnings	-52,291	-49,929
Profit for the year	20,747	-2,363
Total	822,136	693,708

No dividend is suggested.

SIGNATURES

STOCKHOLM, THE 30TH OF APRIL, 2024

CHRISTINA SEELYE
CHIEF EXECUTIVE OFFICER

STEFAN LAMPINEN
BOARD MEMBER

STEFAN LINDEBERG
CHAIRMAN OF THE BOARD

PETTER HJERSTEDT
BOARD MEMBER

DAVID ERIKSSON
BOARD MEMBER

KARLA MARTIN
BOARD MEMBER

OUR AUDIT REPORT WAS SUBMITTED ON APRIL 30TH, 2024
ÖHRLINGS PRICEWATERHOUSECOOPERS AB

NIKLAS RENSTRÖM
AUKTORISERAD REVISOR

Audit Report

To the general meeting in Maximum Entertainment AB (publ), org.nr 556778-7691

Report on the annual accounts and consolidated accounts

Opinion

We have performed an audit of the annual report and consolidated accounts for Maximum Entertainment AB (publ) for the year 2023. The company's annual report and consolidated accounts are included on pages 6-48 of this document.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and give a true and fair view in all material respects of the parent company's and the group's financial position as of 31 December 2023 and of their financial results and cash flow for the year in accordance with the Annual Accounts Act. The management report is compatible with the other parts of the annual report and consolidated accounts.

We therefore recommend that the general meeting approve the income statement and balance sheet for the parent company and the group.

Basis for opinion

We have performed the audit in accordance with International Standards on Auditing (ISA) and good auditing practice in Sweden. Our responsibilities under these standards are described in more detail in the Auditor's Responsibilities section. We are independent in relation to the parent company and the group in accordance with good accounting practice in Sweden and have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate as a basis for our statements.

Responsibilities of the Board of Directors and the CEO

It is the board of directors and the managing director who are responsible for the preparation of the annual accounts and the consolidated accounts and that they present a true and fair view in accordance with the Annual Accounts Act. The board and the CEO are also responsible for the internal control they deem necessary to prepare an annual report and consolidated accounts that do not contain any material errors, whether these are due to irregularities or mistakes.

When preparing the annual report and the consolidated accounts, the board and the managing director are responsible for the assessment of the company's and the group's ability to continue operations. They disclose, when applicable, conditions that may affect the ability to continue operations and to use the going concern assumption. However, the assumption of continued operation is not applied if the board and the managing director intend to liquidate the company, cease operations or have no realistic alternative to doing any of this.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high degree of assurance, but is no guarantee that an audit performed in accordance with ISA and good auditing practice in Sweden will always detect a material misstatement if one exists. Misstatements may arise due to irregularities or mistakes and are considered material if individually or collectively they can reasonably be expected to influence the financial decisions that users make based on the annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual report and the consolidated accounts can be found on the Auditorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Report on other legal and regulatory requirements

Opinion

In addition to our audit of the annual report and the consolidated accounts, we have also carried out an audit of the management of the board and the managing director for Maximum Entertainment AB (publ) for the year 2023 and of the proposal for dispositions regarding the company's profit or loss.

We recommend that the general meeting dispose of the profit according to the proposal in the management report and grant the members of the board and the managing director discharge from liability for the financial year.

Basis for opinion

We have performed the audit in accordance with good auditing practice in Sweden. Our responsibility according to this is described in more detail in the Auditor's responsibility section. We are independent in relation to the parent company and the group in accordance with good accounting practice in Sweden and have otherwise fulfilled our professional ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate as a basis for our statements.

Responsibilities of the Board of Directors and the CEO

It is the board that is responsible for the proposal for dispositions regarding the company's profit or loss. In the case of a proposal for a dividend, this includes, among other things, an assessment of whether the dividend is justifiable taking into account the requirements that the company's and the group's nature of operations, scope and risks place on the size of the parent company's and the group's equity capital, consolidation needs, liquidity and position in general.

The board is responsible for the company's organization and the management of the company's affairs. This includes, among other things, continuously assessing the company's and the group's financial situation, and ensuring that the company's organization is designed so that the accounting, fund management and the company's financial affairs in general are controlled in a reassuring manner. The managing director must manage the day-to-day administration according to the board's guidelines and instructions and, among other things, take the measures necessary for the company's accounting to be completed in accordance with the law and for the fund management to be handled in a reassuring manner.

Auditor's responsibilities

Our goal regarding the audit of the administration, and thus our statement on freedom from liability, is to obtain audit evidence in order to be able to assess with a reasonable degree of certainty whether any board member or the managing director in any material respect:

- has taken any action or been guilty of any negligence that may give rise to liability for compensation against the company, or
- acted in any other way in violation of the Swedish Companies Act, the Annual Accounts Act or the articles of association.

Our goal regarding the audit of the proposal for dispositions of the company's profit or loss, and thus our statement on this, is to assess with a reasonable degree of certainty whether the proposal is compatible with the Swedish Companies Act.

Reasonable assurance is a high degree of assurance, but no guarantee that an audit carried out in accordance with good auditing practice in Sweden will always discover measures or omissions that may give rise to liability for compensation against the company, or that a proposal for dispositions of the company's profit or loss is not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration can be found on the Inspectorate's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Stockholm April 30th 2024
Öhrlings PricewaterhouseCoopers AB

Niklas Renström
Authorized Public Accountant