

MAG INTERACTIVE

MAG INTERACTIVE AB [PUBL]
INTERIM AND YEAR END REPORT
SEP—AUG 2023/24

2023/24

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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, WORDZEE, PRIMETIME, WORD BUBBLES, WORD MANSION, TILE MANSION, RUZZLE, WORD DOMINATION AND WORDBRAIN, 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 2024 UNTIL AUG 2024

- Adjusted EBITDA for the period was 18,829 KSEK (23,713 KSEK), a decrease of 4,885 KSEK
- The Group's net sales for the period was 66,484 KSEK (80,095 KSEK), a decrease of 17%
- The Group's game contribution for the period was 47,120 KSEK (53,942 KSEK), a decrease of 13%
- Average revenue per daily active user (ARPDau) for the period was 6.5 US cents (7.0 US cents), a decrease of 6%
- Earnings per share during the quarter was 0.05 SEK/share (0.25 SEK/share)
- Adjusted earnings per share during the quarter was 0.13 SEK/share (0.29 SEK/share)
- The cost of user acquisition for the quarter was 8,858 KSEK (14,995 KSEK)
- Daily and monthly active users (DAU and MAU) were 1.1 million and 2.7 million respectively during the quarter, a decrease of 10% and 16%

SUMMARY OF THE PERIOD SEP 2023 UNTIL AUG 2024

- Adjusted EBITDA for the period was 75,837 KSEK (52,381 KSEK), an increase of 23,455 KSEK
- The Group's Net sales for the period was 283,432 KSEK (362,182 KSEK), a decrease of 22%
- The Group's game contribution for the period was 203,606 KSEK (187,472 KSEK), an increase of 9%
- Average revenue per daily active user (ARPDau) for the period was 6.5 US cents (7.4 US cents), a decrease of 12%
- Earnings per share during the period was -0.12 SEK/share (0.02 SEK/share)
- Adjusted earnings per share during the period was 0.90 SEK/share (-0.14 SEK/share)
- The cost of user acquisition for the period was 40,632 KSEK (126,472 KSEK)
- Daily and monthly active users (DAU and MAU) were 1.1 million and 2.9 million respectively during the period, a decrease of 11% and 16%

SIGNIFICANT EVENTS DURING AND AFTER THE PERIOD JUN 2024 UNTIL AUG 2024

- No significant events have occurred during or after the quarter.





MAG INTERACTIVE

FROM THE CEO

GAME UPDATES DRIVE Q4 STABILITY

2023/24

Strong game updates during summer

We are pleased to report yet another profitable quarter with continued strong cash generation. As expected during the summer period, we saw a slight drop in revenues compared to Q3; however, this year's decline was less than in a typical year. An increase of in-app revenues between Q3 and Q4 compensated for some, though not all, of this year's seasonal CPM (cost per mille) drop that negatively impacts advertising revenues. The uplift in in-app revenues is thanks to significant updates in QuizDuel and Wordzee, with the new Card King feature in QuizDuel being a standout highlight.

Overall revenues in Q4 decreased 5% relative to Q3, coming in at 66 MSEK. The decline in revenues by 17% compared to the previous year is directly related to lower user acquisition (UA) investments throughout this financial year. We recognize the need to increase UA volumes to return to a growth trajectory and are actively focusing on this area.

Daily active users (DAU) in Q4 was 1.1 M, which is the same level as the three previous quarters of this financial year. Monthly unique payers (MUP) in Q4 also remained at the same level as the previous quarter. This stability of the user base reflects the maturity of our portfolio and constitutes a great foundation to build on for the future.

As previously communicated, we have reduced our office space and are actively managing costs overall to optimize our cash generation. Our cash position improved to 122 MSEK, while EBITDA stood at 19 MSEK, resulting in a healthy EBITDA margin of 28%. Free cash flow in the quarter was 10 MSEK.

Being profitable and debt-free means we are in control, have limited business risk, and are confident in investing in our future potential.

Crozzle continues its soft launch

The soft launch of our new crossword game, Crozzle, continues to develop well. As we still see optimization opportunities from numerous A/B tests throughout the quarter, we aim to implement these improvements before the global launch. We are diligently working towards achieving a full UA investment payback within 180 days, which is our ultimate trigger for a global launch.





MAG INTERACTIVE

FROM THE CEO

GAME UPDATES DRIVE Q4 STABILITY

2023/24

Adapting our portfolio to a more modular platform

Our modular game-making strategy, detailed over the past year, is becoming the cornerstone of future development. As described in the Q3 report, we aim to migrate our biggest existing live games to the platform for maximal leverage. We began with one of our smaller live ops games, Wordalot, to verify this approach's feasibility. The successful launch of Wordalot on our new platform in Q4 is a significant milestone, demonstrating not only the platform's robustness but also positioning us to accelerate the integration of other games, thereby enhancing operational efficiency.

Getting both new and old games on the same platform will enable us to run the same events and features across multiple games without any additional development work. Our goal is to become a faster and more efficient developer, while doubling down on a common toolset that will help boost our live operations capacity across all our major games.

We are confident that our investments in the platform and game development will position us strongly for future growth.

Wrapping up the year

We continue to be profitable both quarterly and annually. While revenues and DAU are declining due to lower UA volumes than desired, our efficient operations and cost control have maintained our profitability despite significant investments in our new platform and game development.

Our aim is to globally launch Crozzle in the coming months, provided we meet our UA investment payback criteria. Thanks to our new platform, we also see opportunities to unlock UA volumes for other games in the portfolio during the year and return to a growth path.

Finally, I want to thank all employees and shareholders of MAG for your continued support and confidence in our exciting future.

A handwritten signature in blue ink, appearing to read 'D. Hasselberg'.

DANIEL HASSELBERG, CEO



SUMMARY OF THE BUSINESS' KEY PERFORMANCE INDICATORS

2023/24

		Note	Jun 24-Aug 24	Jun 23-Aug 23	Y/Y change	Sep 23-Aug 24	Sep 22-Aug 23	Y/Y change
Net sales	KSEK	1, 7	66,484	80,095	-17%	283,432	362,182	-22%
Currency (USD)	SEK/USD		10.55	10.70	-1%	10.62	10.65	-0%
Net sales USD (In-app + advertising)	KUSD		6,301	7,486	-16%	26,681	34,018	-22%
In-app purchases	KSEK	1, 7	35,824	38,107	-6%	139,566	170,314	-18%
Advertising sales	KSEK	1	30,229	41,914	-28%	142,721	191,793	-26%
User acquisition	KSEK		-8,858	-14,995	-41%	-40,632	-126,472	-68%
Game contribution	KSEK	3	47,120	53,942	-13%	203,606	187,472	9%
EBITDA	KSEK		18,829	22,944		55,237	56,064	
EBITDA margin ¹	%		28%	29%	-0	19%	15%	4
Adjusted EBITDA	KSEK	6	18,829	23,713		75,837	52,381	
Adjusted EBITDA margin ¹	%		28%	30%	-1	27%	14%	12
EBIT	KSEK		2,059	8,837		-4,621	21	
EBIT margin ¹	%		3%	11%	-8	-2%	0%	-2
Adjusted EBIT	KSEK	6	4,059	9,606		17,979	-3,662	
Adjusted EBIT margin ¹	%		6%	12%	-6	6%	-1%	7
Profit	KSEK		1,428	6,630		-3,216	561	
Earnings per share	SEK		0.05	0.25		-0.12	0.02	
Adjusted earnings per share	SEK	6	0.13	0.29		0.90	-0.14	
Free cashflow	KSEK		9,689	14,460		12,440	5,897	
Average employees	FTE		106	108	-2%	107	106	1%
Daily active users (DAU)	Millions		1.1	1.2	-10%	1.1	1.3	-11%
Monthly active users (MAU)	Millions		2.7	3.2	-16%	2.9	3.4	-16%
Monthly unique payers (MUP)	Thousands		42	42	-1%	41	48	-13%
ARPPDAU	US \$ cent	7	6.5	7.0	-6%	6.5	7.4	-12%

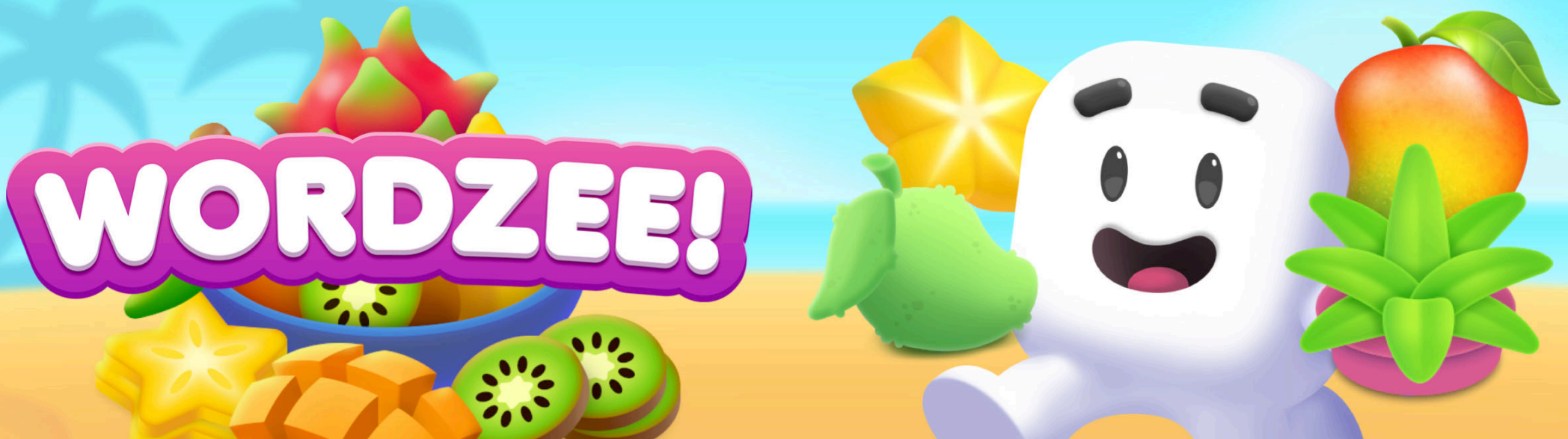
¹Y/Y change in percentage points

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.



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 2024 UNTIL AUG 2024

2023/24

OPERATING INCOME

The Group's net sales for the period totalled 66,484 KSEK (80,095 KSEK), a decrease of 17%.

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

Own work capitalised totalled 10,010 KSEK (6,365 KSEK).

Other operating income for the period totalled to 235 KSEK (262 KSEK) and consists of exchange rate gains and rental income from subletting of office space.

OPERATING EXPENSES, EBITDA AND OPERATING PROFIT/LOSS

Operating expenses totalled 57,900 KSEK (63,776 KSEK). Of these, 16,993 KSEK (18,386 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 8,858 KSEK (14,995 KSEK) were costs of user acquisition and 7,190 KSEK (6,988 KSEK) were other external operating expenses.

User acquisition costs during the period are mainly attributable to the games Wordzee, Quizduel, Crozzle, Word Mansion, Tile Mansion and Word Domination.

Personnel costs totalled 24,860 KSEK (23,407 KSEK), an increase of 6%.

EBITDA for the period was 18,829 KSEK (22,944 KSEK). Adjusted EBITDA was 18,829 KSEK (23,713 KSEK).

Depreciation of tangible and intangible assets totalled 16,770 KSEK (14,108 KSEK), of which 9,132 KSEK (8,260 KSEK) was depreciation of capitalized development expenses. During the financial year, the Intellectual Property Rights in the Group for Sventertainment's game Primetime were written down by 2 MSEK. This was the result of impairment testing.

The Group's operating profit/loss (EBIT) was 2,059 KSEK (8,837 KSEK). Adjusted EBIT was 4,059 KSEK (9,606 KSEK). Profit/loss before tax 2,225 KSEK (9,019 KSEK).

FINANCIAL ITEMS

Financial income totalled 913 KSEK (687 KSEK) and financial expenses totalled 748 KSEK (504 KSEK). The financial income refers to interest income and the financial expenses to interest expenses and exchange rate loss from cash & cash equivalent.

PROFIT/LOSS FOR THE PERIOD

Profit/loss before the period 1,428 KSEK (6,629 KSEK). Earnings per share was 0.05 SEK/share (0.25 SEK/share).

Adjusted earnings per share was 0.13 KSEK (0.29 KSEK). The average number of shares during the period was 26,494,653 (26,494,653).

CASH FLOW FOR THE PERIOD

The Group's cash flow from operating activities during the quarter was 19,784 KSEK (20,925 KSEK). Cash flow from investing activities was -10,095 KSEK (-6,465 KSEK). Cash flow from financing activities was -2,959 KSEK (-2,416 KSEK).



CONSOLIDATED PROFIT/LOSS FOR THE PERIOD SEP 2023 UNTIL AUG 2024

2023/24

OPERATING INCOME

The Group's net sales for the period totalled 283,432 KSEK (362,182 KSEK), a decrease of 22%.

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

Own work capitalised totalled 46,168 KSEK (33,709 KSEK). See below for further details of impairments and depreciation of capitalised expenses.

Other operating income for the period totalled to 1,596 KSEK (1,159 KSEK) and consists of adjustments of reserved earn-out for Approe, exchange rate gains and rental income from subletting of office space.

OPERATING EXPENSES, EBITDA AND OPERATING PROFIT/LOSS

Operating expenses totalled 275,959 KSEK (340,986 KSEK). Of these, 66,893 KSEK (79,056 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 40,632 KSEK (126,472 KSEK) were costs of user acquisition and 32,273 KSEK (29,325 KSEK) were other external operating expenses.

The personnel costs, EBITDA and EBIT for the period contains the reversed RnD Claims (forskningsavdrag) after rejection by The Swedish Tax Agency and the reversed reservations regarding the retroactive RnD Claims (forskningsavdrag) after the rejection from the Administrative Court of Appeal. See Note 6: Adjusted Personnel costs, EBITDA, EBIT and profit/loss.

Personnel costs totalled 136,160 KSEK (106,134 KSEK) an increase of 28%. Personnel costs adjusted for RnD Claims (forskningsavdrag) were 114,594 KSEK (109,556 KSEK) an increase of 5%. The average number of employees during the period was 107 (106), a decrease of 1%.

EBITDA for the period was 55,237 KSEK (56,064 KSEK). Adjusted EBITDA for the period was 75,837 KSEK (52,381 KSEK).

Depreciation and impairments of tangible and intangible assets totalled 59,859 KSEK (56,043 KSEK), of which 34,868 KSEK (32,617 KSEK) was depreciation of capitalised development expenses. During the financial year, the Intellectual Property Rights in the Group for Sventertainment's game Primetime were written down by 2 MSEK. This was the result of impairment testing.

The Group's operating profit/loss (EBIT) was -4,621 KSEK (21 KSEK). Adjusted EBIT was 17,979 KSEK (-3,662 KSEK). Profit/loss before tax -3,701 KSEK (881 KSEK).

FINANCIAL ITEMS

Financial income totalled 4,433 KSEK (2,310 KSEK) and financial expenses totalled 3,513 KSEK (1,450 KSEK). The financial income referred to interest income from cash & cash equivalent. The financial expenses were mainly attributable to exchange rate losses from cash and cash equivalents, interest expense and interest on financial leasing.

PROFIT/LOSS FOR THE PERIOD

Profit/loss for the period totalled -3,216 KSEK (561 KSEK).

Earnings per share was -0.12 SEK/share (0.02 SEK/share).

Adjusted earnings per share was 0.90 KSEK (-0.14 KSEK).

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



PARENT COMPANY PROFIT/LOSS FOR THE PERIOD JUN 2024 UNTIL AUG 2024

2023/24

OPERATING INCOME

The parent company's net sales for the period were 64,550 KSEK (69,153 KSEK), a decrease of 7% compared with the same period the previous year.

OPERATING EXPENSES AND OPERATING PROFIT/LOSS

Operating expenses totalled 58,642 KSEK (57,199 KSEK).

Of these 16,115 KSEK (16,592 KSEK) were sales related costs originating primarily from fees to Apple App Store and Google Play. Costs of user acquisition were 8,858 KSEK (9,373 KSEK) and 15,578 KSEK (15,012 KSEK) was other external operating expenses.

Personnel costs totalled 18,091 KSEK (16,222 KSEK), an increase of 12%.

Depreciation of tangible and intangible assets totalled 4,318 KSEK (1,320 KSEK).

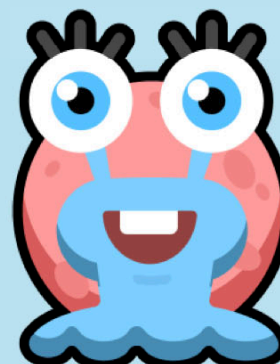
The parent company's operating profit/loss (EBIT) for the period was 2,158 KSEK (10,877 KSEK).

FINANCIAL ITEMS

Financial income totalled 913 KSEK (656 KSEK) and financial expenses totalled 34,239 KSEK (244 KSEK). The financial income referred to interest income from cash & cash equivalent, and the financial expenses referred to exchange rate losses from cash and cash equivalents in foreign currency as well as a write-down of shares in subsidiaries by 33,700 KSEK, of which 8,700 KSEK in Sventertainment AB and 25,000 KSEK in MAG Games Ltd due to impairment tests. These impairment tests did not reveal any additional surplus values in the group except for a small surplus value in intellectual property for Sventertainment, which has been written down by 2 MSEK as of the balance sheet date. This means that the total effect on the group for these impairments is 2 MSEK.

PROFIT/LOSS FOR THE PERIOD

Profit/loss for the period totalled to -32,211 KSEK (8,891 KSEK).



PARENT COMPANY PROFIT/LOSS FOR THE PERIOD SEP 2023 UNTIL AUG 2024

2023/24

OPERATING INCOME

The parent company's net sales for the period were 276,120 KSEK (308,466 KSEK), a decrease of 10% compared with the same period the previous year. 13,192 KSEK of the net sales were related to the merger of Apprope AB.

OPERATING EXPENSES AND OPERATING PROFIT/LOSS

Operating expenses totalled 278,379 KSEK (305,740 KSEK)

Of these costs 63,170 KSEK (70,523 KSEK) were sales related costs originating primarily from fees to Apple App Store and Google Play. 1 556 KSEK of the sales related costs were related to the merger of Apprope AB. Costs of user acquisition were 40,632 KSEK (96,985 KSEK) of which 3,853 KSEK were related to the merger of Apprope AB and 62,661 KSEK (56,678 KSEK) was other external operating expenses of which 332 KSEK were related to the merger.

Personnel costs totalled 111,916 KSEK (81,554 KSEK), an increase of 37%. 2,066 KSEK of the personnel costs were related to the merger of Apprope AB. The personnel costs for the period also contains the reimbursed previously made RnD Claims (forskningsavdrag) and reversed reservations regarding the retroactive RnD Claims (forskningsavdrag). For more information about the RnD claims see the Q2 2023/24 Interim Report.

Depreciation and impairments of tangible and intangible assets totalled 17,274 KSEK (8,732 KSEK). These include consolidated revaluations of 7,999 KSEK from the merger of Apprope AB. For more information about these please see Note 4: Depreciation and write-downs of tangible and intangible non-current assets.

The parent company's operating profit/loss (EBIT) for the period was -18,352 KSEK (-4,318 KSEK). -2,409 KSEK of the EBIT was related to the merger of Apprope AB and the associated consolidated revaluations. The EBIT was also affected by the reimbursed previously made RnD Claims (forskningsavdrag).

FINANCIAL ITEMS

Financial income totalled 4,432 KSEK (1,867 KSEK) and financial expenses totalled 46,427 KSEK (433 KSEK). The financial income referred to interest income from cash & cash equivalent. The financial expenses referred to exchange rate losses from cash and cash equivalents, an expense interest due to the rejected and reimbursed RnD Claims (forskningsavdrag) that were previously made and write-down of shares in subsidiaries by 43,700 KSEK, of which 18,700 KSEK in Sventertainment AB and 25,000 KSEK in MAG Games Ltd due to impairment tests. These impairment tests did not reveal any additional surplus values in the group except for a small surplus value in intellectual property for Sventertainment, which has been written down by 2 MSEK as of the balance sheet date. This means that the total effect on the group for these impairments is 2 MSEK.

PROFIT/LOSS FOR THE PERIOD

Profit/loss for the period totalled to -59,250 KSEK (-3,215 KSEK). -2,750 KSEK of the profit/loss was related to the merger of Apprope AB and the associated consolidated revaluations.



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

2023/24

NON-CURRENT ASSETS

Intangible non-current assets at the end of the period totalled 213,992 KSEK (215,234 KSEK), of which 126,184 KSEK (126,466 KSEK) relates to goodwill and 87,808 KSEK (88,769 KSEK) to other intangible assets. Other intangible assets consists primarily of capitalized development expenses on own account and acquired intellectual property.

CURRENT ASSETS

Trade and other receivables at the end of the period totalled 28,993 KSEK (36,937 KSEK).

Cash and cash equivalents at the end of the period totalled 121,835 KSEK (122,429 KSEK).

EQUITY

Equity at the end of the period totalled 334,972 KSEK (339,222 KSEK), corresponding to 12.6 SEK/share (12.8 SEK/share).

The equity/assets ratio at the same time was 83.3% (78.0%).

LIABILITIES

The group has interest bearing debt of 19,936 KSEK (29,001 KSEK) which refers to financial lease.



THE PARENT COMPANY'S FINANCIAL POSITION AT THE END OF THE PERIOD

2023/24

NON-CURRENT ASSETS

Intangible non-current assets at the end of the period totalled 40,718 KSEK (15,980 KSEK), of which 12,665 KSEK (0 KSEK) relates to goodwill and 28,053 KSEK (15,980 KSEK) to other intangible assets. Goodwill was recognized in the parent company after the merger of Apprope AB; it is depreciated over five years. Other intangible assets consist of acquired intellectual rights from FEO Media AB and Apprope AB, which was merged with the Parent company in 2020 respective April 2024, these are depreciated over 10 years,

The Parent company's Financial non-current assets consists mainly of Participation in group companies which, at the end of the period totalled 24,252 KSEK (135,418 KSEK). Participation in group companies consists of shares in the following subsidiaries, MAG Games Ltd 22,202 KSEK, MAG United 50 KSEK and Sventertainment AB 2,000 KSEK.

CURRENT ASSETS

Trade and other receivables that totalled 27,593 KSEK (31,425 KSEK), and Cash and cash equivalents that totalled 108,644 KSEK (85,275 KSEK).

EQUITY AND LIABILITIES

The Assets were financed mainly by Equity that at the end of the period totalled 182,649 KSEK (248,211 KSEK) and by Liabilities that totalled 31,658 KSEK (40,241 KSEK).



KEY INDICATORS FOR THE BUSINESS PERIOD JUN 2024 UNTIL AUG 2024

2023/24

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.

The Group's net sales from in-app purchases for the period were 35,824 KSEK (38,107 KSEK), a decrease of 6% compared to the same period the previous year.

The Group's net sales from in-app advertising were 30,229 KSEK (41,914 KSEK), a decrease of 28% compared with the same period the previous year.

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.

The Group's contribution from sales activities for the period was 47,120 KSEK (53,942 KSEK), a decrease of 13% compared to the same period the previous year.

COMMENTS ON THE DISTRIBUTION OF INCOME AND CONTRIBUTIONS FROM SALES ACTIVITIES

Revenues from both ads and in-app purchases are down as a consequence from lower marketing investments volumes.

As a result the game contribution is lower compared to the same period last year. The reduction in game contribution is counteracted by reduced marketing volumes and lower platform fees.





KEY INDICATORS FOR THE BUSINESS CONTO.

2023/24

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

DAU for the period 1.1 million (1.2 million), a decrease of 10% compared with the same period the previous year.

MAU for the period 2.7 million (3.2 million), a decrease of 16% compared with the same period the previous year.

MUP for the period 42 thousand (42 thousand), a decrease of 1% compared with the same period the previous year.

ARPDau for the period 6.5 US \$ cent (7.0 US \$ cent), a decrease of 6% compared with the same period the previous year.

COMMENTS TO THE KPIs

DAU and ARPDau have stabilized after a number of quarters with reduced marketing volumes.



PARENT COMPANY AND GROUP

The parent company MAG Interactive AB (publ), corporate ID number 556804-3524, has its registered office in Stockholm with 84 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 21 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, is the developer and publisher of the trivia app Primetime. Sventertainment was acquired during the first quarter 2020/21 and has 7 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 2022/2023.

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. The annual report will be published on the company website no later than 3 weeks before the Annual General Meeting, which will be held on January 22, 2025.

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 2022/2023.

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



OTHER DISCLOSURES CONTO.

2023/24



FURTHER REPORTING DATES

Annual General Meeting 2023/2024	January 22, 2025
Interim Report Q1 September – November 2024	January 22, 2025
Interim Report Q2 December 2024 – February 2025	April 2, 2025
Interim Report Q3 Mars – May 2025	June 25, 2025



AUDIT

This report has not been reviewed by auditors.

PRESENTATION

On October 23th, 2024 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 platform X, formally known as Twitter, during the course of the day, write to @d_hasselberg or @maginteractive.
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 23, 2024



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**2023/24**

Amounts in KSEK	Note	Jun 24-Aug 24	Jun 23-Aug 23	Sep 23-Aug 24	Sep 22-Aug 23
Operating income					
Net sales	1,7	66,484	80,095	283,432	362,182
Own work capitalised		10,010	6,365	46,168	33,709
Other operating income		235	262	1,596	1,159
Total		76,729	86,722	331,196	397,050
Operating expenses					
Sales related costs	2,7	-16,993	-18,386	-66,893	-79,056
User acquisition		-8,858	-14,995	-40,632	-126,472
Other external expenses		-7,190	-6,988	-32,273	-29,325
Personnel costs	6	-24,860	-23,407	-136,160	-106,134
Total operating expenses		-57,900	-63,776	-275,959	-340,986
EBITDA	6	18,829	22,944	55,237	56,064
Depreciation and write-downs of tangible and intangible non-current assets	4	-16,770	-14,108	-59,859	-56,043
Operating profit/loss (EBIT)	6	2,059	8,837	-4,621	21
Financial items					
Interest income		913	687	4,433	2,310
Interest expense		-748	-504	-3,513	-1,450
Total financial items		165	183	920	860
Profit/loss before tax	6	2,225	9,019	-3,701	881
Taxes		-797	-2,391	485	-320
Profit/loss for the period	6	1,428	6,629	-3,216	561
Other comprehensive result					
Exchange rate differences		195	533	-530	2,263
Total comprehensive income for the period		1,622	7,161	-3,746	2,824

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)	0.05	0.25	-0.12	0.02
Earnings per share fully diluted (based on average number of shares)	0.05	0.25	-0.12	0.02
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)	26,495	26,495	26,495	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)	26,495	26,495	26,495	26,495

**CONSOLIDATED BALANCE SHEET
ASSETS****2023/24**

Amounts in KSEK	Note	31/8 2024	31/8 2023
ASSETS			
Goodwill		126,184	126,466
Other intangible assets		87,808	88,769
Total intangible assets	4	213,992	215,234
Right-of-use assets		18,282	27,042
Equipment, tools, fixtures and fittings		1,777	3,615
Total tangible assets	4	20,059	30,658
Other long-term receivables		4,102	4,111
Deferred tax assets		3,721	8,524
Total financial non-current assets		7,823	12,635
Total non-current assets		241,874	258,527
Current assets			
Trade and other receivables		28,993	36,937
Current tax assets		464	6,577
Other current receivables		2,058	3,357
Prepaid expenses and accrued income		6,829	7,209
Cash and cash equivalents		121,835	122,429
Total current assets		160,179	176,509
TOTAL ASSETS		402,054	435,037

**CONSOLIDATED BALANCE SHEET
LIABILITIES AND EQUITY****2023/24**

Amounts in KSEK	Note	31/8 2024	31/8 2023
EQUITY AND LIABILITIES			
Equity			
Share capital		688	688
Other external capital		284,544	285,047
Reserves		847	1,378
Retained earnings incl. profit/loss for the period		48,893	52,109
Total equity		334,972	339,222
Long-term liabilities			
Deferred tax liabilities		18,088	23,857
Long-term lease liabilities		8,243	18,659
Total long-term liabilities		26,331	42,517
Current liabilities			
Trade and other payables		9,628	11,822
Current tax liability		1,461	1,908
Accrued expenses and prepaid income		13,497	13,100
Short-term lease liabilities		11,693	10,342
Other current liabilities		4,473	16,126
Total current liabilities		40,751	53,298
TOTAL EQUITY AND LIABILITIES		402,054	435,037

CONSOLIDATED CASH FLOW STATEMENT**2023/24**

Amounts in KSEK	Note	Jun 24-Aug 24	Jun 23-Aug 23	Sep 23-Aug 24	Sep 22-Aug 23
Operating activities					
Operating profit/loss (EBIT)		2,059	8,837	-4,621	21
Adjustments for items not part of cash flow					
LTIP		168	174	-485	409
Write-down of Earn-out		0	-261	-966	-261
Depreciations and write-downs	4	16,770	14,108	59,858	56,043
Reversal retroactive RnD claims (Forskningsavdrag) due to rejection from the Administrative Court of Appeal		0	0	5,290	0
Interest received		913	687	4,433	1,899
Interest paid		-159	-281	-1,606	-990
Tax paid		398	-172	-1,669	-2,031
Cash flow from operating activities before change in working capital		20,150	23,092	60,234	55,090
Change in current operating receivables		4,052	1,955	9,623	5,339
Change in current operating liabilities		-4,419	-4,121	-1,069	-17,459
Change in working capital		-366	-2,167	8,554	-12,120
Cash flow from operating activities		19,784	20,925	68,788	42,970
Investing activities					
Capitalized work		-10,010	-6,365	-46,168	-33,709
Investments in and merged tangible non-current assets		-85	-67	-328	-364
Payment for acquisition of subsidiary, net of cash acquired		0	0	-9,852	-3,015
Change in financial investments		0	-33	0	15
Cash flow from investing activities		-10,095	-6,465	-56,348	-37,073
Free cashflow		9,689	14,460	12,440	5,897
Financing activities					
Warrants		0	0	-18	0
Amortized leasing liabilities		-2,959	-2,416	-10,859	-10,379
Cash flow from financing activities		-2,959	-2,416	-10,878	-10,379
Increase/decrease in cash and cash equivalents					
Cash flow for the period		6,730	12,045	1,562	-4,481
Effects of exchange rate changes		-443	58	-2,157	970
Opening cash and cash equivalents		115,548	110,326	122,429	125,940
Closing cash and cash equivalents		121,835	122,429	121,835	122,429

**CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY****2023/24**

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

KSEK	Share capital	Other external capital	Reserves	Retained earnings	Total equity
Opening balance 1/9 2022	688	284,638	-886	51,548	335,988
Profit/loss for the period				561	561
Exchange rate differences			2,263		2,263
Total comprehensive income			2,263	561	2,824
LTIP		409			409
Closing balance 31/8 2023	688	285,047	1,378	52,109	339,222

PARENT COMPANY'S INCOME STATEMENT

2023/24

Amounts in KSEK	Note	Jun 24-Aug 24	Jun 23-Aug 23	Sep 23-Aug 24	Sep 22-Aug 23
Operating income	5, 7				
Net sales		64,550	69,153	276,120	308,466
Other operating income		567	244	1,181	1,688
Total operating income		65,117	69,397	277,301	310,154
Operating expenses	5, 7				
Sales related costs		-16,115	-16,592	-63,170	-70,523
User acquisition		-8,858	-9,373	-40,632	-96,985
Other external expenses		-15,578	-15,012	-62,661	-56,678
Personnel costs		-18,091	-16,222	-111,916	-81,554
Total operating expenses		-58,642	-57,199	-278,379	-305,740
EBITDA		6,476	12,197	-1,078	4,414
Depreciation of tangible and intangible non-current assets	4	-4,318	-1,320	-17,274	-8,732
Operating profit/loss		2,158	10,877	-18,352	-4,318
Financial items					
Financial income		913	656	4,432	1,867
Financial expenses		-34,239	-244	-46,427	-433
Total financial items		-33,326	413	-41,995	1,434
Profit/loss before tax		-31,168	11,289	-60,347	-2,884
Taxes		-1,043	-2,398	1,097	-331
Profit/loss for the period		-32,211	8,891	-59,250	-3,215

The parent company has no items recorded as other comprehensive income, and total comprehensive income therefore corresponds with the profit/loss for the period.

PARENT COMPANY'S BALANCE SHEET

ASSETS

2023/24

Amounts in KSEK	Note	31/8 2024	31/8 2023
ASSETS			
Goodwill	5	12,665	0
Other intangible assets	5	28,053	15,980
Total intangible assets	4	40,718	15,980
Equipment, tools, fixtures and fittings		1,466	2,738
Total tangible non-current assets	4	1,466	2,738
Participation in Group companies		24,252	135,418
Other long-term receivables		3,766	3,765
Long-term receivables from Group companies		65	171
Total financial non-current assets		28,083	139,355
Total non-current assets		70,267	158,073
Current assets			
Trade and other receivables		27,593	31,425
Short-term receivable from Group companies		267	316
Other current receivables	5	1,307	7,553
Prepaid expenses and accrued income		6,229	5,811
Total current assets		35,396	45,105
Cash and cash equivalents		108,644	85,275
TOTAL ASSETS		214,307	288,452

PARENT COMPANY'S BALANCE SHEET LIABILITIES AND EQUITY

2023/24

Amounts in KSEK	Note	31/8 2024	31/8 2023
EQUITY AND LIABILITIES			
Restricted equity			
Share capital		688	688
Non-restricted equity			
Other external capital		315,933	316,436
Retained earnings incl. profit/loss for the period		-133,972	-68,913
Total equity		182,649	248,211
Long-term liabilities			
Deferred tax liabilities	5	5,779	3,292
Total long-term liabilities		5,779	3,292
Current liabilities			
Trade and other payables		8,985	9,165
Liabilities to Group companies		2,935	2,741
Other current liabilities	5	3,165	14,856
Accrued expenses and prepaid income		10,794	10,187
Total current liabilities		25,879	36,949
TOTAL EQUITY AND LIABILITIES		214,307	288,452

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

2023/24

	Jun 24-Aug 24	Jun 23-Aug 23	Sep 23-Aug 24	Sep 22-Aug 23
Amounts in KSEK				
NOTE 1: DISTRIBUTION OF NET SALES				
In-app purchases	35,824	38,107	139,566	170,314
Advertising income	30,229	41,914	142,721	191,793
Other	431	74	1,144	75
Total	66,484	80,095	283,432	362,182
NOTE 2: SALES RELATED COSTS				
Platform fee	-10,506	-11,158	-39,194	-48,238
Server costs	-5,095	-5,317	-20,576	-21,768
Other sales related costs	-1,392	-1,912	-7,123	-9,049
Total sales related costs	-16,993	-18,387	-66,893	-79,055
NOTE 3: GAME CONTRIBUTION				
Group				
In-app purchases	35,824	38,107	139,566	170,314
Advertising income	30,229	41,914	142,721	191,793
Other	431	74	1,144	75
Net sales	66,484	80,095	283,432	362,182
Platform fee	-10,506	-11,158	-39,194	-48,238
User acquisition	-8,858	-14,995	-40,632	-126,472
Game contribution	47,120	53,942	203,606	187,472

NOTES TO THE INTERIM REPORT

2023/24

Jun 24-Aug 24 Jun 23-Aug 23 Sep 23-Aug 24 Sep 22-Aug 23

Amounts in KSEK

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

Group

Right-of-use assets	-2,684	-2,557	-10,564	-10,316
Equipment, tools, fixtures and fittings	-388	-725	-2,166	-2,850
Intellectual properties	-4,565	-2,565	-12,260	-10,260
Own work capitalized	-9,132	-8,260	-34,868	-32,617
Total	-16,769	-14,107	-59,858	-56,043

Parent

Goodwill	-2,375	0	-9,499	-3,412
Equipment, tools, fixtures and fittings	-378	-380	-1,515	-1,560
Intellectual properties	-1,565	-940	-6,260	-3,760
Total	-4,318	-1,320	-17,274	-8,732

NOTE 5: MERGER OF APPROPE AB

Apprope AB has per April 18, 2024 merged with the mother company MAG Interactive AB (publ):

Company name	Org.no	Day of merger
Apprope AB	556899-3967	2024-04-18

The merger of Apprope AB with its parent MAG Interactive AB (publ) was completed on April 18, 2024. Net income totalled 13,192 KSEK and EBIT totalled 5,590 KSEK has been included in MAGs profit and loss as of April. Consolidated values of assets and liabilities has been included in MAGs balance sheet as per below.

The subsidiary's assets, liabilities and consolidated revaluations as of the merger date recorded in the parent company summarized to the following:

Balance sheet in summary Apprope AB, KSEK	2024-04-18
Goodwill	15,831
IP	16,668
Current assets	1,703
Cash and cash equivalents	32,408
Total assets	66,610
Deferred tax liabilities	4,569
Current liabilities	98
Total liabilities	4,667

NOTES TO THE INTERIM REPORT

2023/24

	Jun 24-Aug 24	Jun 23-Aug 23	Sep 23-Aug 24	Sep 22-Aug 23
Amounts in KSEK				
NOTE 6: ADJUSTED PERSONNEL COSTS, EBITDA, EBIT AND PROFIT/LOSS				
Personnel costs	-24,860	-23,407	-136,160	-106,134
Net RnD Claims*	0	1,030	21,566	-3,422
Total adjustments of personnel costs	0	1,030	21,566	-3,422
Adjusted personnel costs	-24,860	-22,377	-114,594	-109,556
EBITDA	18,829	22,944	55,237	56,064
Adjusted earnout	0	-261	-966	-261
Net RnD Claims*	0	1,030	21,566	-3,422
Total adjustments of EBITDA	0	769	20,600	-3,683
Adjusted EBITDA	18,829	23,713	75,837	52,381

* For more information about the RnD claims see the Q2 2023/24 Interim Report

**NOTES TO THE INTERIM REPORT
CONTO.****2023/24**

	Jun 24-Aug 24	Jun 23-Aug 23	Sep 23-Aug 24	Sep 22-Aug 23
Amounts in KSEK				
COND. NOTE 6: ADJUSTED PERSONNEL COSTS, EBITDA, EBIT AND PROFIT/LOSS				
EBIT	2,059	8,837	-4,621	21
Adjusted earnout	0	-261	-966	-261
Net RnD Claims*	0	1,030	21,566	-3,422
Write down of IP	2,000	0	2,000	0
Total adjustments of EBIT	2,000	769	22,600	-3,683
Adjusted EBIT	4,059	9,606	17,979	-3,662
Profit/loss for the period	1,428	6,629	-3,216	561
Adjusted earnout	0	-261	-966	-261
Net RnD Claims*	0	1,030	21,566	-3,422
Write down of IP	2,000	0	2,000	0
Deferred tax on RnD Claims*	0	212	4,443	-705
Total adjustments of the profit/loss for the period	2,000	981	27,043	-4,388
Adjusted profit/loss for the period	3,428	7,610	23,827	-3,827
Adjusted earnings per share	0.13	0.29	0.90	-0.14

* For more information about the RnD claims see the Q2 2023/24 Interim Report

NOTE 7: DISCLOSURE OF PRIOR PERIOD ERRORS

During the annual closing it was discovered that the allocation between in-app revenue and platform fees for Q2 and Q3 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