

MAG INTERACTIVE

MAG INTERACTIVE AB [PUBL]
INTERIM REPORT
SEP-MAY 2021/22

2021/22

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SEP—MAY 2021/22

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, 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 MAR UNTIL MAY 2022

- The Group's net sales for the period were 91,162 KSEK (81,381 KSEK), an increase of 12% compared to the same period the previous year. The period's net sales include 14,706 KSEK relating to a transfer bonus from Applovin. Adjusted net sales are 76,456 KSEK, see note 4
- EBITDA for the period was 25,631 KSEK (15,252 KSEK)
- Adjusted EBITDA for the period was 10,965 KSEK (15,409 KSEK) (adjustments for EBITDA relate to effects from transfer bonus revenue, acquisition costs and social contribution costs from revaluation of option programs), see note 4
- The Group's game contribution for the period was 45,841 KSEK (48,912 KSEK), a decrease of 6% compared to the same period the previous year. Note that the transfer bonus is not included in the contribution calculation, see note 5
- Average revenue per daily active user (ARPPDAU) for the period was 5.8 US cents (5.5 US cents), an increase of 7% compared to the same period the previous year
- The result per share during the quarter was 0.38 SEK/share (0.05 SEK/share)
- The cost of user acquisition for the period was 21,589 KSEK (23,323 KSEK)
- Daily and monthly active users (DAU and MAU) were 1.5 million and 4.3 million respectively during the quarter, a decrease of 23% and 30% compared to the same period the previous year

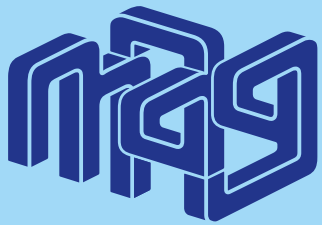
SUMMARY OF THE PERIOD SEP 2021 UNTIL MAY 2022

- The Group's net sales for the period were 237,773 KSEK (216,937 KSEK), an increase of 10% compared to the same period the previous year. The period's net sales include 14,706 KSEK relating to a transfer bonus from Applovin. Adjusted net sales are 223,067 KSEK, see note 4
- EBITDA for the period was 64,305 KSEK (34,874 KSEK)
- Adjusted EBITDA for the period was 50,685 KSEK (37,079 KSEK) (adjustments relate to effects from transfer bonus revenue, acquisition costs and social contribution costs from revaluation of option programs), see note 4
- The Group's game contribution for the period was 147,734 KSEK (129,427 KSEK), an increase of 14% compared to the same period the previous year, see note 5
- The result per share during the period was 0.81 SEK/share (-0.03 SEK/share)

SIGNIFICANT EVENTS DURING AND AFTER THE PERIOD SEP 2021 UNTIL MAY 2022

- The puzzle adventure game Tile Mansion was soft launched in April





MAG INTERACTIVE

FROM THE CEO A NEW GROWTH GAME FOR MAG

2021/22

Platform shift enabled record revenues

This quarter saw an extraordinary income of 15 MSEK from a transfer bonus connected to our move to a new ad mediation platform. Adjusted for the bonus, net sales were 76 MSEK - on par with the previous quarter - and down 6% compared to the same quarter last year. The change relative to last year can primarily be traced back to Word Mansion which enjoyed a strong Q3 2021 that included a high User Acquisition (UA) spend and high sales. The sales numbers for the quarter are boosted relative to last year thanks to a stronger USD.

Looking at the total sales in Q3 we conclude that we reached the highest revenue in one single quarter since our founding in 2010. Revenues during Q3 reached 91 MSEK, and the EBITDA was 26 MSEK.

We see the transfer bonus as a receipt of the significant value of our user base and its associated advertising inventory. We are not bound to stay on the new mediation platform, but were incentivized to move our biggest titles to the platform by a one time bonus payment. The ad monetization performance we have seen since the transfer to the new platform is on par with or better than that of our previous ad mediation service provider.

Tile Mansion goes global

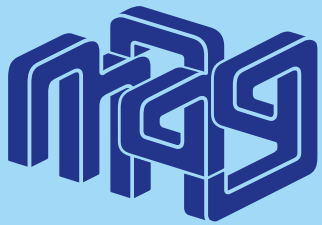
We are excited to announce that Tile Mansion is now ready to proceed to a global launch. Thousands of daily players are already playing the game, and, revenue-wise, it's currently generating around 4% of our total daily revenues. The performance of UA for Tile Mansion is good, and we aim to continue to accelerate UA investments as we add more content and updates to the game in the coming weeks and months. Already, at this stage this is the highest average revenue per daily active user (ARPDau) game in the entire games portfolio; we haven't been this excited about a new game since the launch of Wordzee.

Tile Mansion is now considered a part of our growth games category, and we plan to expand the launch into more countries continuously throughout the summer months.

User Acquisition gaining momentum

It is encouraging to see the increasing amount of UA support that we are able to provide to our growth titles and how that trend has continued into the fourth quarter. Though increasing investments in UA has a negative short term impact on the reported profitability of the business, it is a sign of strength for our long term growth and profitability prospects. UA in Q3 was 7.6 MSEK higher than in Q2, reaching a total of 22 MSEK with 10 MSEK invested during the last month of the quarter.





MAG INTERACTIVE

FROM THE CEO A NEW GROWTH GAME FOR MAG

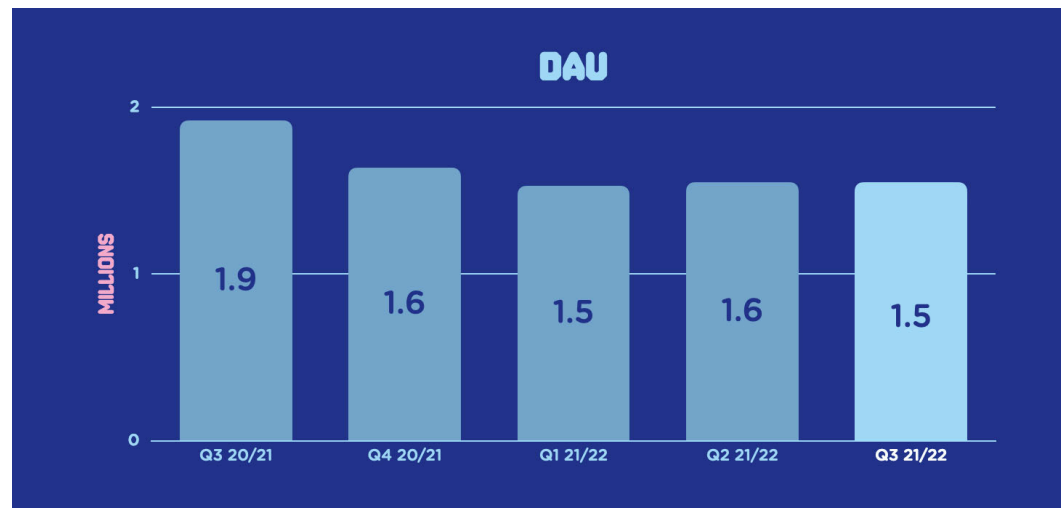
2021/22

The majority of UA investments in the quarter targeted Wordzee and Word Mansion, but we also saw good results for our new game Tile Mansion. During the first weeks of Q4, this pattern has continued with the highest daily UA volumes we have seen in more than a year. This is, of course, very encouraging as it is one of our main growth areas, and we continue to operate our UA with the same payback targets as we have done historically. We attribute the positive development mainly to improvements of our games, with creative wins from our in-house advertising team also being a contributing factor.

Potentially, there are also external factors that decrease the UA competition in terms of other businesses becoming more cautious with marketing due to the uncertainty of future funding rounds, costs of capital etc. In a scenario where the market is becoming more risk averse we have a good chance of gaining ground thanks to our strong cash position and data driven approach where we can treat UA as investments rather than risk.

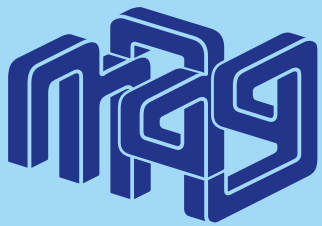
Daily active user development

We can conclude that the daily active user (DAU) level has remained relatively stable since Q4 of last financial year, even though it is down 23% relative to last year's Q3. As customary in our Q3 reporting I would like to share a reminder of the seasonality in our business where the summer months are relatively weaker in both player engagement and ad monetization. Coming into Q1 the pattern normally reverses, and we should see an increase in these aspects of the business again. Given the strong development of UA we have seen since late Q3 we might be able to counter some of the seasonality this year.



Daily active users development - last five quarters





MAG INTERACTIVE

FROM THE CEO A NEW GROWTH GAME FOR MAG

2021/22

Strengthened product portfolio

During Q3 we had six games in market tests. Several of these games show promising early performance, and we have now consolidated our development efforts into building a common wrapper where we can integrate the core mechanics of these games. We use the term “wrapper” to describe everything in a game that is not the actual core mechanic. To compete with the top games in the casual category, we believe we need a compelling narrative and a meta game set in a world where the player wants to spend time. The characters that drive the story forward give the games personality and improve their marketability. Our ambition is to develop a great looking wrapper to give our core mechanics the best possible shot to get in front of players and help a given game succeed in the market.

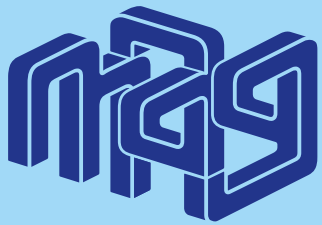
This approach is similar to one we are taking with Word Mansion and Tile Mansion where we are reusing a proven, marketable wrapper with two very different core mechanics. Through this consolidated approach, we aim to get a world class wrapper built that can truly compete with the top games in the industry. This is an exciting step-change in capabilities from our new games department, and we aim to have a first test using the new wrapper within a couple of months and continue to build on that going into the next financial year.



Portfolio product mix

Our core growth pillars - live game development, UA investments and new game launches - continue to be the focus of the organization. During Q3 we delivered on the first two pillars through the improvement of live games with new event types in Wordzee and QuizDuel as well as with the mentioned boosted investments in UA. The third pillar of new game launches also looks good; Tile Mansion has shown great progress throughout the quarter and is ready to move to be a globally launched game during Q4.





MAG INTERACTIVE

FROM THE CEO A NEW GROWTH GAME FOR MAG

2021/22

Our growth games generated 46 MSEK of revenues this quarter, and the Live Operated (Live Ops) games generated about 25 MSEK. Live Ops games are operated by a team of just seven people, showcasing the profitability and efficiency of games in that part of the life cycle.

Preparing for deeper game experiences

Our goal as a company is to compete against the absolute best game developers in the industry. We have had a large number of number one positions on the charts across the globe since we started the company back in 2010, and that is something we strive to repeat. As the market and competition change over time, we need to adapt the games we develop to be able to compete for those top positions.

One thing that has become more important over the years is to get the marketability component right. Many of the top casual games now offer players a deeper experience that goes beyond the core gameplay. We will benefit from having an easily adaptable game wrapper that can help us achieve such experiences while keeping our team sizes small.

Coming into the fall of 2022 we will be prepared to build games that are deeper and richer than before and setting us up for a very exciting future.

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

DANIEL HASSELBERG, CEO



SUMMARY OF THE BUSINESS' KEY PERFORMANCE INDICATORS

2021/22

		Mar 22-may	Mar 21-may 21	Y/Y change	Sep 21-may 22	Sep 20-may 21	Y/Y change	FY 20/21
Net sales	KSEK	91,162	81,381	12%	237,773	216,937	10%	286,584
Adjusted Net sales	KSEK	76,456	81,381	-6%	223,067	216,937	3%	286,584
Currency (USD)	SEK/USD	9.65	8.43	14%	9.26	8.50	9%	8.51
Net sales USD (In-app + advertising)	KUSD	7,924	9,653	-18%	24,113	25,530	-6%	33,656
In-app purchases	KSEK	30,624	30,669	-0%	85,581	86,463	-1%	111,602
Advertising sales	KSEK	45,830	50,259	-9%	137,464	130,020	6%	174,259
Other net sales ²	KSEK	14,708	453		14,728	454		723
User acquisition	KSEK	-21,589	-23,323	-7%	-50,111	-61,692	-19%	-76,718
Game contribution	KSEK	45,841	48,912	-6%	147,734	129,427	14%	177,350
EBITDA	KSEK	25,631	15,252	68%	64,305	34,874	84%	56,617
EBITDA margin ¹	%	28%	19%	9	27%	16%	11	20%
Adjusted EBITDA	KSEK	10,965	15,409	-29%	50,685	37,079	-37%	57,508
Adjusted EBITDA margin ¹	%	14%	19%	-5	21%	17%	4	20%
EBIT	KSEK	11,938	2,578	363%	23,843	-1,447		7,358
Operating profit margin ¹	%	13%	3%	10	10%	-1%	11	3%
Profit	KSEK	9,999	1,327	654%	21,485	-853		7,027
Earnings per share	KSEK	0.38	0.05		0.81	-0.03		0.27
Free cashflow	KSEK	30,644	8,609	256%	38,655	-57,614		-50,377
Average employees		113	103	10%	113	103	10%	105
Daily active users (DAU)	Millions	1.5	1.9	-23%	1.5	1.9	-22%	1.9
Monthly active users (MAU)	Millions	4.3	6.2	-30%	4.8	6.2	-23%	6.0
Monthly unique payers (MUP)	Thousand	47	53	-11%	48	55	-13%	53
ARPDau	US \$ cent	5.8	5.5	7%	5.8	4.8	21%	4.9

¹Y/Y change in percentage points² Transfer bonus from Applovin and other

Unique word game with high ARPDAU

Wordzee is MAG's unique word game where players challenge each other to form words from letter tiles that are placed on a special game board. The player who fills the entire board takes home "Wordzee" and extra bonus points. The game was released globally in November 2019 and has shown a high average revenue per daily active user (ARPDAU) since then. In Q3, ARPDAU increased compared to the same quarter last year, and as a result of increased volumes in user acquisition (UA), Wordzee also grew during the quarter.

Mini-season events increase player engagement

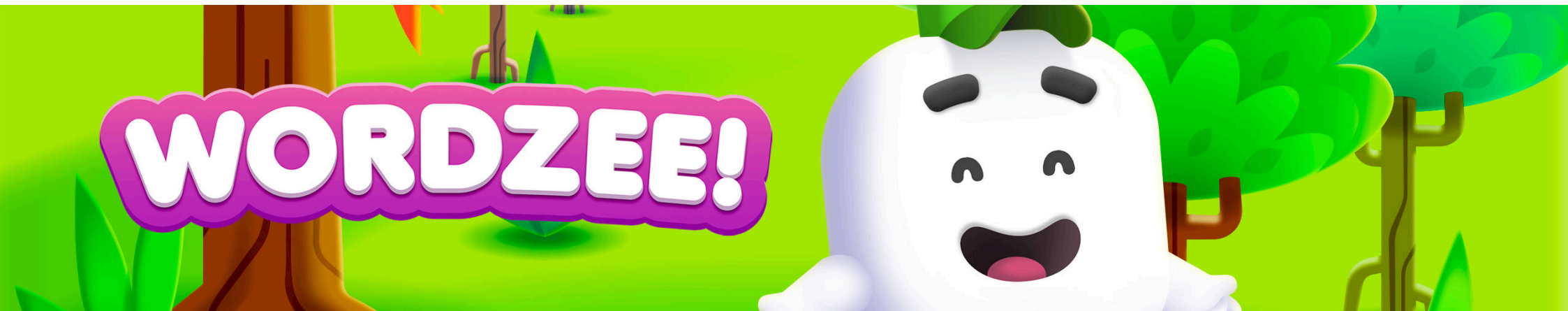
Wordzee launched several new events during Q3. The mini-season event is a new event format where players receive special rewards when they play against others over the course of seven days. The first mini-event was introduced in April and increased both player engagement and revenue during the event period. A new Journey event with an Easter theme was also launched in which players received both a new letter title as a reward and the opportunity to collect letter badges from previous Easter events. This resulted in an increased number of games per player as well as improved advertising revenue during the period.

Thanks to the positive effects on both player engagement and revenue, Wordzee will launch more Journey events on a monthly basis and continue to optimize mini-events to further improve in-game monetization.

Focus on optimizing in-app purchases and rewarded videos in Q4

In addition to launching additional events, Wordzee will review how the entire user experience can be optimized during the summer months with, among other things, more letter titles and an improved first-time user experience. Wordzee also focuses on further optimization of in-app purchases (IAP) and better monetization of the non-paying players through so-called rewarded ads, where players watch a video to gain access to currency or bonuses in the game.

Wordzee is one of MAG's most important growth games in the portfolio, and the company believes in continued development and increased revenue for the game in 2022.



The biggest trivia game on mobile in Europe

In the trivia game QuizDuel, players challenge friends and other users around the world in quizzes. The game is MAG's largest product in terms of daily active users and also the largest trivia game on mobile in Europe.

In addition to classic duels against friends, QuizDuel also includes several other game modes: 1) *Arena*, where the player competes against four other people to climb the charts, 2) events, such as *Solo* and *Question Streak* and 3) *QuizDuel Live*, the live trivia mode for the German audience.

New events set in-app purchase record

The new event *Question Streak* was launched during the quarter, where players choose a question category and try to answer many questions in a row correctly. If players answer incorrectly, they can pay with in-game currency to continue playing. The new event significantly increased the number of in-app purchases (IAP) and set a record for the number of IAPs made in one day. *Question Streak* also had a positive effect on the number of players and improved the average revenue per daily active user (ARPDau) during the event period. The event has since continued to be optimized and at the end of the quarter, an updated new version of *Question Streak* was launched. A new *Solo* event, with an Easter theme, was also launched in Q3. As in previous quarters, *Solo* drives player engagement and improves monetization in the game.

All KPIs were positively affected by both *Question Streak* and *Solo*. MAG has seen that events are an effective way to maintain active play, raise engagement per player and increase revenue. During Q3, both IAP revenues and ARPDau increased compared to the same quarter last year.

Event focus during the summer months

The game team has seen that alternating several different events improves both player engagement and monetization, and, therefore, additional events will be launched during the summer. *Star Streak* is a daily mini quiz that will be a permanent game mode in QuizDuel to increase daily engagement and improve the in-game economy. At the beginning of Q4, *Quinder* is also planned to be launched, a true-or-false event that players will be able to play for a couple of weeks.

QuizDuel now offers more game modes than ever, and MAG continues to invest in the game, which is one of the company's most important growth products.



WordBrain improves in-game economy and ARPDAU

The word game WordBrain has been live for over eight years and has grown into a strong evergreen for MAG with a stable revenue stream. Live Operations (Live Ops) continued during Q3 to optimize the new event system launched in the previous financial year. In Live Ops' goal is to find a balance in difficulty to increase engagement and monetization, the version with two different difficulty levels instead of three so far has shown the best results. Thanks to these continuous updates of the event system, WordBrain improved both revenue and increased average revenue per daily active user (ARPDAU) compared to the same quarter last year.

Increased engagement in Word Domination

The tactical word game Word Domination was released globally in 2018, has reached over 10 million downloads and has developed into one of the company's finest evergreens.

During Q3, new so-called "boosters" were launched - features that give players tactical bonuses - which led to an increase in the number of games per player. Live Ops will also focus on launching new content, creating more events and stabilizing the game for an improved game experience during Q4.

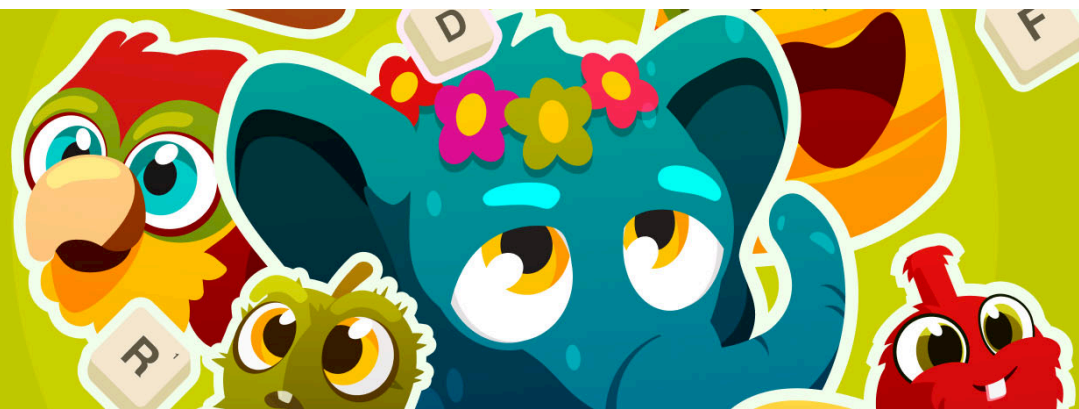
Word Domination has very engaged VIP users, players who pay a subscription fee every month to receive in-game bonuses. These players account for an increasing degree of all in-app purchases (IAP) in the game; in Q3, they accounted for just over 44% of all IAP in Word Domination, compared to 42% in Q2.

Ruzzle - evergreen with loyal player base

Ruzzle is MAG's first word game success; earlier this spring it celebrated 10 years since its global launch. The game has strong KPIs and is very stable in terms of both number of players and revenue. Ruzzle is one of MAG's most important evergreens in the portfolio, which generates predictable income thanks to its loyal player base.

Ruzzle continues to be optimized to increase the game's technical stability and will also introduce more variants of existing "boosters" - which, for example, can give players extra time during a game round - to improve its in-game economy.

MAG views the development of Live Ops with a positive outlook in 2022.



Swedish game studio an audience of millions

Apprope is a Swedish mobile game studio that was started in 2012 and acquired by MAG in January 2021. Apprope mainly develops games in the word category, has reached over 55 million users and several of their games have ranked high on top lists in the U.S.

In 2020, Apprope released the word puzzle adventure Word Mansion, a game framed by a story that revolves around renovation and decoration. The game has a high average revenue per daily active user (ARPDau) and has passed over one million downloads.

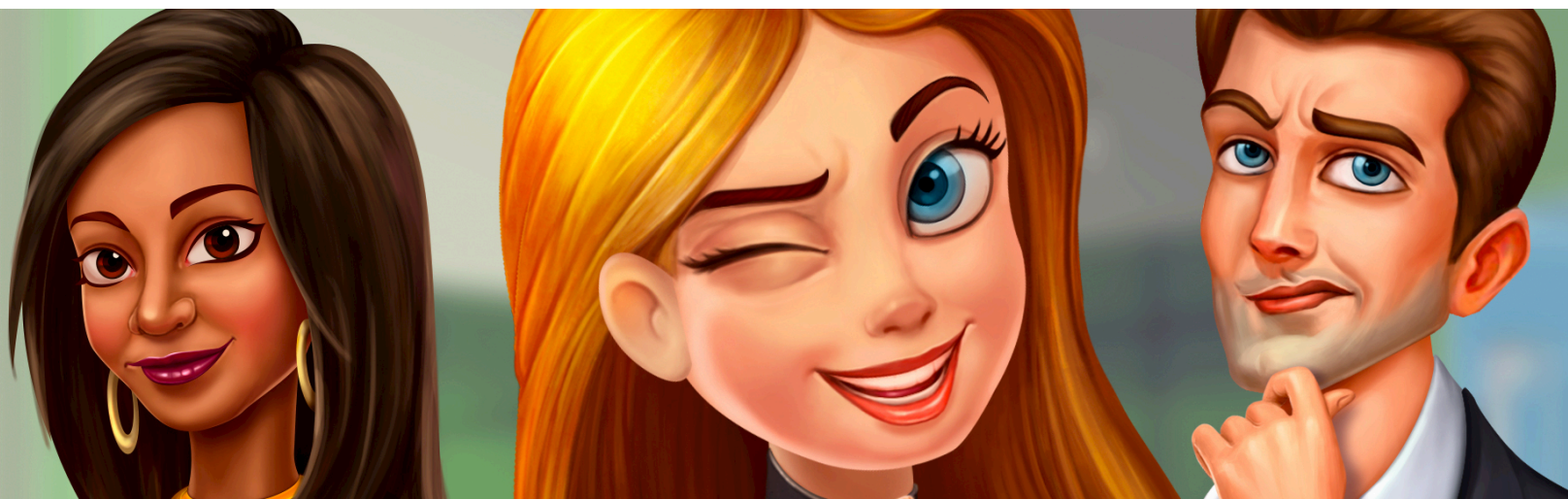
Further development of Tile Mansion

During the quarter, Apprope mainly developed Tile Mansion, which was soft-launched in the beginning of Q3. The game is developed based on Word Mansion's game engine, where different parts of the engine can be replaced in modules - with a different basic mechanic or theme, for example. This means that Apprope can quickly test new combinations of categories and gain learnings about which ones work best on the market. Tile Mansion has a basic mechanic inspired by mahjong that is combined with Word Mansion's renovation and decoration theme.

During Q3, Apprope, together with MAG, continued to further develop Tile Mansion by adding features, including new daily puzzles, level adjustments and tweaks to difficulty. Thanks to the common game engine with Word Mansion, Apprope has also been able to launch content that has had positive effects on the retention of players both in Tile Mansion and also in Word Mansion without extra development time.

Together with MAG, Apprope has also increased its focus on the development of its in-game economy, where MAG has contributed with expertise for optimizing in-app purchases (IAP). The development of Tile Mansion is the most involved collaboration between MAG and Apprope to date.

Apprope will continue to optimize and develop the game in Q4 in combination with geared-up user acquisition (UA). The game shows positive KPIs, and the highest ARPDau in the portfolio. MAG is preparing to launch the game globally in Q4.



Leading in live trivia in the Nordics

Primetime is a popular live quiz app and was acquired by MAG on September 1, 2020. The app broadcasts live quizzes with a presenter seven days a week and players compete to win a sum of money by answering up to 11 questions correctly. Primetime was released in Sweden in 2018 and has since also released localized versions in Norway, Denmark and Finland. It is now the leading player in live trivia in the Nordics.

The app is monetized through sponsorship campaigns, a business model that differs from other games in MAG's portfolio and has worked well for Primetime. The app has a stable user base with a high average revenue per daily active user (ARPDau). Primetime plans to launch lifesavers in the future as in-app purchases (IAP), an aid that players can use up to question seven to continue playing if they have answered incorrectly, which could increase the potential for new revenue.

New partner with radio test in Norway

Primetime has entered into an official collaboration with the media company Bauer Media to find new synergies with the radio operations in Norway. On Saturdays, Primetime will broadcast a program on Norwegian radio after the popular radio program *Pop Quiz* called *Pop Quiz Open*. Listeners can either follow the program via radio or via the Norwegian Primetime app, and within the app players can directly answer the questions asked in the program. The joint broadcast is a marketing test that will last a couple of months and will be evaluated after the summer.

QuizDuel Live tests increasing in the number of broadcasts

The live trivia mode *QuizDuel Live* in QuizDuel was designed by the QuizDuel team together with Primetime and released to the German audience in March 2021. The game mode concept is based on Primetime's live quizzes, and these live shows are also broadcast from Primetime's studio in Stockholm.

In Q3, *QuizDuel Live* ran a test for three weeks to increase the frequency of broadcasts by adding three additional broadcasts a day between Monday and Thursday, which ended up as four or five shows in total per day. The analysis of the test is still ongoing, but initial results showed an increase in the number of players of *QuizDuel Live* during the period.

MAG and Primetime continue to further develop *QuizDuel Live* to find new synergies between the companies.



CONSOLIDATED PROFIT/LOSS AND CASH FLOW FOR THE PERIOD MAR UNTIL MAY 2022

2021/22

OPERATING INCOME

The Group's net sales for the period totalled 91,162 KSEK (81,381 KSEK), an increase of 12%.

Own work capitalised totalled 7,861 KSEK (9,246 KSEK). See below for further details of capitalized expenses as well as depreciation of the same.

The group's net sales was primarily attributable to the games QuizDuel, Wordzee, Ruzzle, WordBrain, Word Domination, Word Mansion and Primetime and a transfer bonus from Applovin as a one time payment.

OPERATING EXPENSES, EBITDA AND OPERATING PROFIT/LOSS

Operating expenses totalled 74,904 KSEK (76,508 KSEK). Of these, 16,815 KSEK (16,799 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 21,589 KSEK (23,323 KSEK) were costs of user acquisition and 8,276 KSEK (9,767 KSEK) were other external operating expenses.

User acquisition costs in the third quarter is mainly attributable to the games Wordzee and Word Mansion.

Personnel expenses totalled 28,224 KSEK (26,618 KSEK), an increase of 6%

EBITDA for the period was 25,631 KSEK (15,252 KSEK).

Depreciation of tangible and intangible assets totalled 13,693 KSEK (12,674 KSEK), of which 7,762 KSEK (6,866 KSEK) was depreciation of capitalized development expenses.

The Group's operating profit was 11,938 KSEK (2,578 KSEK) and profit before tax 12,587 KSEK (1,740 KSEK).

FINANCIAL ITEMS

Financial income totalled 1,183 KSEK (95 KSEK) and financial expenses totalled -534 (-933 KSEK). The financial income referred to exchange rate gains from cash and cash equivalents, and the financial expenses to exchange rate losses from cash and cash equivalents and to financial leasing.

PROFIT/LOSS AFTER TAX

Profit after tax totalled 9,999 KSEK (1,327 KSEK).

The profit after tax per share was 0.38 SEK/share (0.05 SEK/share).

The average number of shares during the period was 26,495 (26,495).

CASH FLOW FOR THE PERIOD

The Group's cash flow from operating activities during the quarter was 38,763 KSEK (18,055 KSEK). Cash flow from investing activities was -8,119 KSEK (-9,446 KSEK). Cash flow from financing activities was -2,421 KSEK (-2,312 KSEK).

CONSOLIDATED PROFIT/LOSS FOR THE PERIOD SEP 2021 UNTIL MAY 2022

2021/22

OPERATING INCOME

The Group's net sales for the period totalled 237,773 KSEK (216,937 KSEK), an increase of 10%.

Own work capitalised totalled 25,201 KSEK (27,446 KSEK). See below for further details of capitalised expenses as well as impairments and depreciation of the same.

The group's net sales was primarily attributable to the games QuizDuel, Wordzee, Ruzzle, WordBrain, Word Domination, Word Mansion and Primetime a transfer bonus from Applovin as a one time payment in the third quarter.

OPERATING EXPENSES, EBITDA AND OPERATING PROFIT/LOSS

Operating expenses totalled 202,359 KSEK (212,148 KSEK). Of these, 47,762 KSEK (47,614 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 50,111 KSEK (61,692 KSEK) were costs of user acquisition and 23,915 KSEK (26,360 KSEK) were other external operating expenses.

Personnel expenses totalled 80,570 KSEK (76,483 KSEK) an increase of 5%. The average number of employees during the period was 113 (103) an increase of 10%.

EBITDA for the period was 64,305 KSEK (34,874 KSEK).

Depreciation and impairments of tangible and intangible assets totalled 40,462 KSEK (36,320 KSEK), of which 22,878 KSEK (19,789 KSEK) was depreciation of capitalised development expenses.

The Group's operating profit was 23,843 KSEK (-1,447 KSEK) and profit before tax 28,459 KSEK (-3,072 KSEK).

FINANCIAL ITEMS

Financial income totalled 1,131 KSEK (246 KSEK) and financial expenses totalled 3,485 KSEK (-1,871 KSEK). The financial income referred to exchange rate gains from cash and cash equivalents and the financial expenses were mainly attributable to financial leasing.

ADJUSTED EBITDA (NOTE 4)

Adjusted EBITDA for the period was 50,685 KSEK (37,079 KSEK).

PROFIT/LOSS AFTER TAX

Profit after tax totalled 21,485 KSEK (-853 KSEK).

The profit after tax per share was 0.81SEK/share (-0.03SEK/share).

The average number of share during the period was 26,495 (26,495).



PARENT COMPANY PROFIT/LOSS FOR THE PERIOD MAR UNTIL MAY 2022

2021/22

OPERATING INCOME

The parent company's net sales for the period were 75,204 KSEK (61,338 KSEK), an increase of 23% compared with the same period the previous year.

OPERATING EXPENSES AND OPERATING PROFIT/LOSS

Operating expenses totalled 65,095 KSEK (60,990 KSEK).

Of these 14,440 KSEK (13,865 KSEK) were sales related costs originating primarily from fees to Apple App Store and Google Play, costs of user acquisition were 14,803 KSEK (11,633 KSEK) and 14,256 KSEK (15,749 KSEK) was other external operating expenses.

Personnel expenses totalled 21,595 KSEK (19,743 KSEK) an increase of 9%.

Depreciation of tangible and intangible assets totalled 4,774 KSEK (4,877 KSEK).

The parent company's operating profit for the period was 6,723 KSEK (-3,423 KSEK).

FINANCIAL ITEMS

Financial income totalled 666 KSEK (0 KSEK) and financial expenses totalled 0 KSEK (-492 KSEK). The financial income and expenses referred to exchange rate gains and losses from cash and cash equivalents.

PROFIT AFTER TAX

Profit after tax totalled to 5,079 KSEK (-3,636 KSEK).



PARENT COMPANY PROFIT/LOSS FOR THE PERIOD SEP 2021 UNTIL MAY 2022

2021/22

OPERATING INCOME

The parent company's net sales for the period were 194,976 KSEK (182,535 KSEK), an increase of 7% compared with the same period the previous year.

OPERATING EXPENSES AND OPERATING PROFIT/LOSS

Operating expenses totalled 178,438 KSEK (188,444 KSEK)

Of these costs 40,574 KSEK (41,490 KSEK) were sales related costs originating primarily from fees to Apple App Store and Google Play. Costs of user acquisition were 35,115 KSEK (45,491 KSEK) and 42,071 KSEK (43,510 KSEK) was other external operating expenses.

Personnel expenses totalled 60,677 KSEK (57,952 KSEK) an increase of 5%.

Depreciation and impairments of tangible and intangible assets totalled 14,411 KSEK (14,617 KSEK).

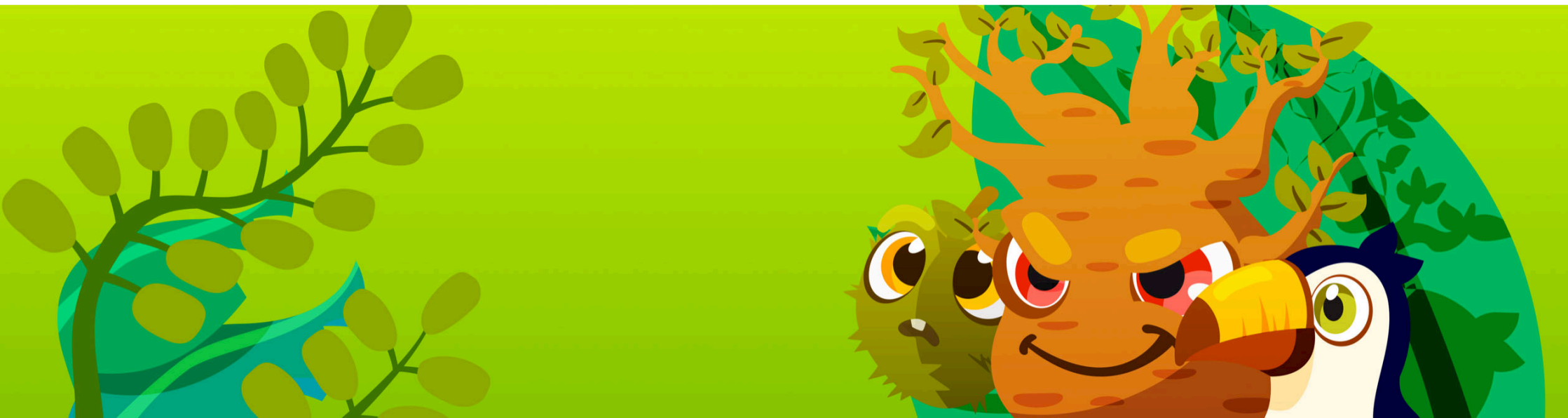
The parent company's operating profit for the period was 5,840 KSEK (-17,670 KSEK).

FINANCIAL ITEMS

Financial income totalled 2,603 KSEK (5 KSEK) and financial expenses totalled 2,104 KSEK (-596 KSEK). The financial income referred to exchange rate gains from cash and cash equivalents.

PROFIT AFTER TAX

Profit after tax totalled to 5,178 KSEK (-16,209 KSEK).



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

2021/22

Intangible non-current assets at the end of the period totalled 264,090 KSEK (271,111 KSEK), of which 161,087 KSEK (160,627 KSEK) relates to goodwill and 103,003 KSEK (110,485 KSEK) to other intangible assets. The latter consists primarily of capitalized development expenses on own account and acquired intellectual property.

Cash and cash equivalents at the end of the period totalled 131,994 KSEK (81,598 KSEK).

Equity at the end of the period totalled 345,857 KSEK (315,231 KSEK), corresponding to 13.1 SEK/share (11.9 SEK/share).

The equity/assets ratio at the same time was 68.7% (66.1%).

Other long-term liabilities consist of a long-term part of the earn out for the acquisitions of the Sventertainment Group and Apprope AB and amount to 37,950 KSEK (43,739 KSEK). The earn out for Apprope AB and Sventertainment AB are both structured as profit sharing, and are based on the EBIT for each respective company over three years after the acquisition. The amount in the balance is an estimated amount based of projections, it may be updated in future reports. An earn out of 3,308 KSEK was paid for Apprope AB during the period.

The group has interest bearing debt of 43,356 KSEK (47,839 KSEK) which refers to financial lease.

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

Cash and cash equivalents at the end of the period totalled 105,906 KSEK (70,422 KSEK).

Equity at the end of the period totalled 272,943 KSEK (264,989 KSEK).



KEY INDICATORS FOR THE BUSINESS PERIOD MAR UNTIL MAY 2022

2021/22

DISTRIBUTION OF REVENUES BY BUSINESS MODEL

The Group's net sales are distributed primarily between in-app purchases (purchases made inside games via the Apple App Store or Google Play) and in-app advertising.

The Group's net sales from in-app purchases for the period were 30,624 KSEK (30,669 KSEK), a decrease of 0% compared to the same period the previous year.

The Group's net sales from in-app advertising were 45,830 KSEK (50,259 KSEK), a decrease of 9% compared with the same period the previous year.

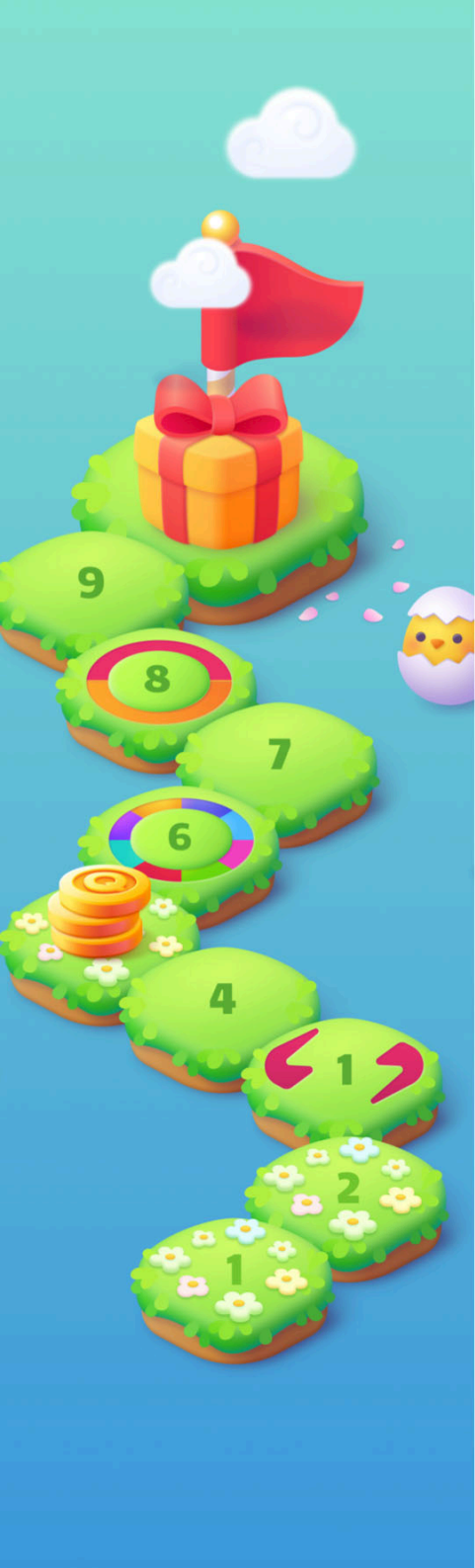
GAME CONTRIBUTION

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 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 45,841 KSEK (48,912 KSEK), a decrease of 6% compared to the same period the previous year.

COMMENTS ON THE DISTRIBUTION OF INCOME AND CONTRIBUTIONS FROM SALES ACTIVITIES

Net sales and contribution are calculated after adjusting for the transfer bonus from Applovin. The performance shows a stable development with a somewhat weakened ad income. Game contribution is somewhat weakened from lower sales and slightly higher user acquisition.



KEY INDICATORS FOR THE BUSINESS CONTO.

2021/22



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 average exchange rate per month is used for translation into USD.

THE BUSINESS'S KEY INDICATORS DURING THE PERIOD

DAU for the period 1.5 million (1.9 million), a decrease of 23% compared with the same period the previous year.

MAU for the period 4.3 million (6.2 million), a decrease of 30% compared with the same period the previous year.

MUP for the period 47 thousand (53 thousand), a decrease of 11% compared with the same period the previous year.

ARPDau for the period 5.8 US \$ cent (5.5 US \$ cent), an increase of 7% compared with the same period the previous year.

COMMENTS TO THE KPIs

DAU and MAU declines primarily as an effect of lower user acquisition spend. DAU is stable compared to the previous quarter.

ARPDau is up slightly compared to the same quarter last year and signifies a stable portfolio on a new level of income per player.



PARENT COMPANY

The parent company MAG Interactive AB (publ), corporate ID number 556804-3524, has its registered office in Stockholm with 77 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 ten subsidiaries in the group. MAG Games Ltd, with its registered office in Brighton and 20 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 a subsidiary group consisting of six companies and was acquired during the first quarter 2020/21. Sventertainment is the developer and publisher of the trivia app Primetime and has 14 employees. Apprope AB, is the developer being mobile casual games like Word Mansion. Apprope AB was acquired during the second quarter of 2020/21 and has 2 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 2020/2021.

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 2020/2021.

MAG Interactive does not have any significant exposure to the Russian market.

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.

PERSONNEL

The average number of employees during the quarter was 113 compared to 103 the same period the previous year.

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.

2021/22

FURTHER REPORTING DATES

Interim and Year-End Report Q4 September 2021 – Aug 2022
Interim Report Q1 September 2022 – November 2022
Annual General Meeting 2021/2022

Oct 19, 2022
January 18, 2023
January 18, 2023

AUDIT

This report has not been reviewed by auditors.

TWITCH STREAM

On June 29, 2022 at 10:00 CET, CEO Daniel Hasselberg and CFO Magnus Wiklander will present the Interim Report live on Twitch. The presentation will be held in English. Link to the Twitch feed www.twitch.com/maginteractive
Daniel Hasselberg will also take questions on 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 June 29, 2022

DANIEL HASSELBERG
CEO, Board member

JONAS ERIKSSON
Chairman of the Board

TAINA MALÉN
Board member

ANDRAS VAJLOK
Board member

ASBJOERN SOENDERGAARD
Board member

TEEMU HUUHTANEN
Board member

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**2021/22**

Amounts in KSEK	Note	Mar 22-may 22	Mar 21-may 21	Sep 21-may 22	Sep 20-may 21	FY 20/21
Operating income						
Net sales	1	91,162	81,381	237,773	216,937	286,584
Own work capitalised		7,861	9,246	25,201	27,446	35,026
Other operating income		1,511	1,133	3,691	2,639	3,373
Total		100,535	91,759	266,664	247,022	324,983
Operating expenses						
Sales related costs	2	-16,815	-16,799	-47,762	-47,614	-61,674
User acquisition		-21,589	-23,323	-50,111	-61,692	-76,718
Other external expenses		-8,276	-9,767	-23,915	-26,360	-34,171
Personnel costs		-28,224	-26,618	-80,570	-76,483	-95,803
Total operating expenses		-74,904	-76,508	-202,359	-212,148	-268,367
EBITDA		25,631	15,252	64,305	34,874	56,617
Depreciation and write downs of tangible and intangible non-current assets	3	-13,693	-12,674	-40,462	-36,320	-49,258
Operating profit/loss (EBIT)		11,938	2,578	23,843	-1,447	7,358
Financial items						
Interest income		1,183	95	5,484	246	495
Interest expense*		-534	-933	-868	-1,871	-1,589
Total financial items		649	-838	4,616	-1,625	-1,094
Profit/loss after financial items		12,587	1,740	28,459	-3,072	6,264
Taxes		-2,587	-413	-6,974	2,218	764
Profit/loss for the period		9,999	1,327	21,485	-853	7,027
Other comprehensive result						
Exchange rate differences		-471	14	764	307	429
Total comprehensive income for the period		9,528	1,341	22,249	-546	7,457

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)	0.38	0.05	0.81	-0.03	0.27
Average number of shares during the period ('000)	26,495	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	26,495

*The positive amount in Financial expenses in the period Sep 21-May 22 is due to a classification error within the group of accounts in Q1

**CONSOLIDATED BALANCE SHEET
ASSETS****2021/22**

Amounts in KSEK	Note	31/5 2022	31/5 2021	31/8 2021
ASSETS				
Goodwill		161,087	160,627	160,696
Other intangible assets		103,003	110,485	108,376
Total intangible assets		264,090	271,111	269,071
Right-of-use assets		41,223	45,715	43,341
Equipment, tools, fixtures and fittings		6,585	8,931	8,157
Total tangible assets		47,808	54,646	51,498
Other long-term receivables		4,121	4,104	4,107
Deferred tax assets		1,830	9,091	7,615
Total financial non-current assets		5,951	13,195	11,722
Total non-current assets		317,849	338,952	332,291
Current assets				
Trade and other receivables		33,947	39,640	33,153
Current tax assets		10,874	9,386	8,744
Other current receivables		1,753	1,079	1,156
Prepaid expenses and accrued income		7,349	5,913	5,707
Cash and cash equivalents		131,994	81,598	95,515
Total current assets		185,918	137,615	144,277
TOTAL ASSETS		503,766	476,567	476,568

CONSOLIDATED BALANCE SHEET LIABILITIES AND EQUITY

2021/22

Amounts in KSEK	Note	31/5 2022	31/5 2021	31/8 2021
EQUITY AND LIABILITIES				
Equity				
Share capital		688	688	688
Other contributed capital		284,431	284,070	284,295
Reserves*		-992	-1,892	-1,756
Retained earnings incl. comprehensive income for the period		61,730	32,365	40,245
Total equity		345,857	315,231	323,472
Long-term liabilities				
Deferred tax liabilities		23,543	23,604	22,325
Long-term lease liabilities		32,314	38,446	36,127
Long-term bank loans		0	83	0
Other long-term liabilities		37,950	43,739	43,739
Total long-term liabilities		93,806	105,873	102,191
Current liabilities				
Trade and other payables		20,199	13,158	12,528
Current tax liability		320	-266	392
Short-term bank loans		0	71	137
Accrued expenses and prepaid income		17,919	20,567	16,587
Short-term lease liabilities		11,042	9,322	9,391
Other current liabilities*		14,623	12,610	11,869
Total current liabilities		64,103	55,463	50,904
TOTAL EQUITY AND LIABILITIES		503,766	476,567	476,568

* An adjustment of the previous year's balance sheet has been made due to a balance sheet post belonging to Other current liabilities (56 KSEK) was incorrectly reported under the post Reserves. This has been corrected for the comparative year in this report.

CONSOLIDATED CASH FLOW STATEMENT**2021/22**

Amounts in KSEK	Note	Mar 22-may 22	Mar 21-may 21	Sep 21-may 22	Sep 20-may 21	FY 20/21
Operating activities						
Profit/loss before financial items		11,938	2,578	23,843	-1,447	7,358
Adjustments for items not part of cash flow						
LTIP		-578	226	-128	427	652
Depreciations and write-downs	3	13,693	12,674	40,462	36,320	49,259
Interest received		38	0	38	5	5
Interest paid		-284	-313	-868	-979	-1,277
Income tax paid		-957	-374	-2,409	936	394
Cash flow from operating activities before change in working capital		23,849	14,791	60,938	35,262	56,390
Change in current operating receivables		4,920	246	-2,612	-340	6,427
Change in current operating liabilities		9,994	3,019	9,404	568	-12,797
Change in working capital		14,914	3,264	6,792	228	-6,370
Cash flow from operating activities		38,763	18,055	67,730	35,490	50,020
Investing activities						
Capitalized work		-7,861	-9,246	-25,201	-27,446	-35,026
Investments in and merged tangible non-current assets		-259	-200	-565	-2,567	-2,231
Payment for acquisition of subsidiary, net of cash acquired		0	0	-3,308	-63,091	-63,091
Change in financial investments		1	0	-2	0	-48
Cash flow from investing activities		-8,119	-9,446	-29,075	-93,104	-100,397
Free cashflow		30,644	8,609	38,655	-57,614	-50,377
Financing activities						
Warrants		265	0	265	1,468	1,468
Amortization		-2,686	-2,277	-8,148	-20,675	-16,385
Cash flow from financing activities		-2,421	-2,312	-7,883	-19,207	-14,917
Increase/decrease in cash and cash equivalents						
Cash flow for the period		28,215	6,296	30,780	-76,821	-65,293
Effects of exchange rate changes		713	-525	5,699	-2,212	178
Opening cash and cash equivalents		103,066	75,827	95,515	160,630	160,630
Closing cash and cash equivalents		131,994	81,598	131,994	81,598	95,515

**CONSOLIDATED STATEMENT OF
CHANGES IN EQUITY****2021/22**

KSEK	Share capital	Other external capital	Reserves*	Retained earnings	Total equity
Opening balance 1/9 2021	688	284,295	-1,756	40,245	323,472
Profit/loss for the period				21,485	21,485
Exchange rate differences			764		764
Total comprehensive income			764	21,485	22,249
LTIP		136			-249
Closing balance 31/5 2022	688	284,431	-992	61,729	345,857

KSEK	Share capital	Other external capital	Reserves*	Retained earnings	Total equity
Opening balance 1/9 2020	687	282,176	-2,241	33,218	313,840
Profit/loss for the period				-853	-853
Exchange rate differences			350		307
Total comprehensive income			350	-853	-503
LTIP	1	1,894			1,710
Closing balance 31/5 2021	688	284,070	-1,934	32,365	315,231

*Due to a correction of the reserves the opening balance this year differs from the closing balance last year and therefor previous year's exchange rate differences has been updated .

PARENT COMPANY'S INCOME STATEMENT

2021/22

Amounts in KSEK	Note	Mar 22-may 22	Mar 21-may 21	Sep 21-may 22	Sep 20-may 21	FY 20/21
Operating income						
Net sales		75,204	61,338	194,976	182,535	234,101
Other operating income		1,388	1,106	3,713	2,856	3,661
Total operating income		76,592	62,444	198,689	185,391	237,762
Operating expenses						
Sales related costs		-14,440	-13,865	-40,574	-41,490	-53,016
User acquisition		-14,803	-11,633	-35,115	-45,491	-51,245
Other external expenses		-14,256	-15,749	-42,071	-43,510	-59,173
Personnel costs		-21,595	-19,743	-60,677	-57,952	-69,664
Total operating expenses		-65,095	-60,990	-178,438	-188,444	-233,099
EBITDA		11,497	1,455	20,251	-3,053	4,663
Depreciation of tangible and intangible non-current assets	3	-4,774	-4,877	-14,411	-14,617	-19,494
Operating profit/loss		6,723	-3,423	5,840	-17,670	-14,831
Financial items						
Financial income		666	0	2,603	5	275
Financial expenses*		0	-492	2,104	-596	-6
Total financial items		666	-492	4,707	-591	269
Profit/loss after financial items		7,390	-3,915	10,547	-18,261	-14,562
Taxes		-2,311	279	-5,369	2,051	766
Profit/loss for the period		5,079	-3,636	5,178	-16,209	-13,796

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

*The positive amount in Financial expenses in the period Sep 21-May 22 is due to a classification error within the group of accounts.

PARENT COMPANY'S BALANCE SHEET

ASSETS

2021/22

Amounts in KSEK	Note	31/5 2022	31/5 2021	31/8 2021
ASSETS				
Goodwill		6,824	20,471	17,059
Other intangible assets		20,680	24,440	23,500
Total intangible assets		27,504	44,911	40,559
Equipment, tools, fixtures and fittings		4,613	6,174	5,648
Total tangible non-current assets		4,613	6,174	5,648
Participation in Group companies		176,151	176,151	176,151
Other long-term receivables		3,765	11,077	9,599
Long-term receivables from Group companies		264	0	166
Total financial non-current assets		180,180	187,228	185,915
Total non-current assets		212,297	238,313	232,122
Current assets				
Trade and other receivables		25,116	28,270	24,795
Short-term receivable from Group companies		23	0	32
Other receivables		1,441	10,298	9,451
Prepaid expenses and accrued income		5,772	5,025	4,694
Total current assets		41,771	43,593	38,972
Cash and cash equivalents		105,906	70,422	80,306
TOTAL ASSETS		359,974	352,328	351,400

PARENT COMPANY'S BALANCE SHEET LIABILITIES AND EQUITY

2021/22

Amounts in KSEK	Note	31/5 2022	31/5 2021	31/8 2021
EQUITY AND LIABILITIES				
Restricted equity				
Share capital		688	688	688
Non-restricted equity				
Other contributed capital		315,821	315,459	315,684
Retained earnings incl. comprehensive income for the period		-43,566	-51,158	-48,745
Total equity		272,943	264,989	267,628
Provisions				
Deferred tax liabilities		4,377	5,035	4,841
Other provisions		37,950	43,739	43,739
Total provisions		42,327	48,774	48,580
Current liabilities				
Trade and other payables		13,583	10,001	9,001
Liabilities to Group companies		3,307	1,602	3,997
Other liabilities		13,190	9,799	9,335
Accrued expenses and prepaid income		14,624	17,162	12,858
Total current liabilities		44,705	38,565	35,192
TOTAL EQUITY AND LIABILITIES		359,974	352,328	351,400

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 and reports the platform share as Sales related costs. The Platform fee is normally 30% of the item price (Apple and Google).
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 related costs such as office space, for 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.
Platform fee	30% of the In-app purchases are costs to the platform, primarily Google Play and Apple App Store. Subscriptions have a reduced fee of 15% after a user has been a subscriber for 12 months.
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 and depreciation.
Equity/asset ratio	Equity as a percentage of total assets.
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 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.
ARPPDAU	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

2021/22

	Mar 22-may 22	Mar 21-may 21	Sep 21-may 22	Sep 20-may 21	FY 20/21
Amounts in KSEK					
NOTE 1: DISTRIBUTION OF NET SALES					
In-app purchases	30,624	30,669	85,581	86,463	111,602
Advertising income	45,830	50,259	137,464	130,020	174,259
Other	14,708	453	14,728	454	723
Total	91,162	81,381	237,773	216,937	286,584
NOTE 2: SALES RELATED COSTS					
Platform fee	-9,026	-9,146	-25,222	-25,818	-32,516
Server costs	-4,828	-4,447	-13,370	-13,541	-17,688
Other sales related costs	-2,962	-3,206	-9,170	-8,255	-11,470
Total sales related costs	-16,816	-16,799	-47,762	-47,614	-61,674

NOTES TO THE INTERIM REPORT

2021/22

	Mar 22-may 22	Mar 21-may 21	Sep 21-may 22	Sep 20-may 21	FY 20/21
Amounts in KSEK					
NOTE 3: DEPRECIATIONS AND DISPOSALS					
Group					
Right-of-use assets	-2,649	-2,431	-7,666	-7,274	-9,705
Equipment, tools, fixtures and fittings	-717	-812	-2,223	-2,395	-3,212
Intellectual properties	-2,565	-2,565	-7,695	-6,862	-9,427
Own work capitalized	-7,762	-6,866	-22,878	-19,789	-26,914
Total	-13,693	-12,674	-40,462	-36,320	-49,259
Parent					
Goodwill	-3,412	-3,412	-10,236	-10,236	-13,647
Equipment, tools, fixtures and fittings	-422	-525	-1,355	-1,561	-1,076
Intellectual properties	-940	-940	-2,820	-2,820	-3,759
Intercompany related depreciations	0	0	0	0	0
Total	-4,774	-4,877	-14,411	-14,617	-19,494
NOTE 4: ADJUSTED NET SALES, EBITDA AND EBIT					
Net sales	91.162	81.381	237.773	216.937	286.584
Transfer bonus from Applovin	-14,706	0	-14,706	0	0
Adjusted Net sales	76,456	81,381	223,067	216,937	286,584
Transfer bonus from Applovin	-14,706	0	-14,706	0	0
Acquisition cost	0	0	0	525	525
Social contribution from re-evaluation of option programs	40	157	1,086	1,680	366
Total adjustments	-14,666	157	-13,620	2,205	891
EBITDA	25.631	15.252	64.305	34.874	56.617
Adjusted EBITDA	10,965	15,409	50,685	37,079	57,508
EBIT	11.938	2.578	23.843	-1.447	7.358
Adjusted EBIT	-2,728	2,735	10,223	758	8,249

NOTES TO THE INTERIM REPORT

2021/22

	Mar 22-may 22	Mar 21-may 21	Sep 21-may 22	Sep 20-may 21	FY 20/21
Amounts in KSEK					
NOTE 5: GAME CONTRIBUTION					
Group					
In-app purchases	30,624	30,669	85,581	86,463	111,602
Advertising income	45,830	50,259	137,464	130,020	174,259
Other	14,708	453	14,728	454	723
Net sales	91,162	81,381	237,773	216,937	286,584
Transfer bonus from Applovin	14,706	0	14,706	0	0
Net sales without Transfer bonus	76,456	81,381	223,067	216,937	286,584
Platform fee	-9,026	-9,146	-25,222	-25,818	-32,516
User acquisition	-21,589	-23,323	-50,111	-61,692	-76,718
Game contribution	45,841	48,912	147,734	129,427	177,350

GOOD TIMES