



paradox
INTERACTIVE

YEAR-END REPORT

JANUARY - DECEMBER 2024

*Please note that this is a translation for information purposes only –
in case of any discrepancies between this version and the Swedish,
the Swedish version shall prevail.



YEAR-END REPORT

JANUARY - DECEMBER 2024

FOURTH QUARTER

- Revenues amounted to MSEK 709.1 (MSEK 995.6), a decrease by 29 % compared to the same period last year.
- Operating profit amounted to MSEK 395.3 (MSEK 123.9), an increase by 219 %. Operating profit includes write-downs amounting to MSEK 0.0 (MSEK 175.8).
- Profit after financial items amounted to MSEK 404.3 (MSEK 131.3), and profit after tax amounted to MSEK 310.8 (MSEK 98.3).
- Cash flow from operating activities amounted to MSEK 441.8 (MSEK 525.5), and cash flow from investing activities amounted to MSEK -158.9 (MSEK -146.6).
- By the end of the period cash amounted to MSEK 1,469.4 (MSEK 1,098.0).
- Earnings per share before dilution amounted to SEK 2.94 (SEK 0.93) and after dilution SEK 2.94 (SEK 0.93).
- Revenues in the quarter are mainly attributable to Cities: Skylines, Cities: Skylines II, Crusader Kings III, Hearts of Iron IV and Stellaris.

IMPORTANT EVENTS FOURTH QUARTER

- New downloadable content was release to games during the period; Götterdämmerung to Hearts of Iron IV, Wandering Nobles to Crusader Kings III, Grand Archive to Stellaris, Pivot of Empire to Victoria 3, Ways of War to Age of Wonders 4, Atomic Ambitions to Millennia, Urban Promenades and Modern Architecture to Cities Skylines II as well as Mountain Village and Map Pack 3 to Cities: Skylines.
- New ports to console for downloadable content was released during the period; Tours and Tournaments to Crusader Kings III as well as Galactic Paragons and First Contact to Stellaris.

- The new game Tlatoani, developed by Perspective Games and Bellwood Studios, published by Paradox Arc, was released in Early Access.
- The game Space Trash Scavenger, developed by SquarePlay Games and published by Paradox Arc, was released in 1.0.
- The game Mechabellum, developed by Game River and published by Paradox Arc, was sold back to the developer.
- The Board of Directors proposes an ordinary dividend of SEK 3.00 (SEK 3.00) per share and a special dividend of SEK 2.00 (SEK 0.00) per share.

FULL YEAR

- Revenues amounted to MSEK 2,200.9 (MSEK 2,642.1), a decrease by 17 % compared to last year.
- Operating profit amounted to MSEK 721.4 (MSEK 657.9), an increase by 10 %. Write-downs of MSEK 208.0 (MSEK 185.4) are included in the operating profit.
- Profit after financial items amounted to MSEK 757.3 (MSEK 687.8), and profit after tax amounted to MSEK 584.6 (MSEK 530.6).
- Earnings per share before dilution amounted to SEK 5.54 (SEK 5.02) and after dilution to SEK 5.53 (SEK 4.99).

SUBSEQUENT EVENTS

- Paradox Interactive entered into an agreement to purchase 100% of the shares in Bulgarian development studio Haemimont Games AD.



COMMENTS BY THE CEO

We close the year with a period of high revenue and good margins, supported by strong releases, successful marketing activities and a currency tailwind. While we are proud of the quarter's results and our financial position, we should not overly focus on any one period. There is a lot of variation between quarters, depending on what and how much we have released as well as which marketing activities we have carried out. This makes the persistent work over time most important, especially as the successes of any given quarter are driven by efforts that have been ongoing for a longer period.

In terms of games Hearts of Iron IV's Götterdämmerung is the big event of the period, released in tandem with the game's first ever Expansion Pass. We have also released good DLCs of various sizes for most of our major games. Not least of all, we started expanding Cities: Skylines II's content towards the end of the year. We've released free Region Packs and the game's first paid Content Creator Packs. In terms of expenses, our amortisations and other costs have been at a relatively low level.

For the full year, the picture is more divided both for the industry and for us. While we've seen a couple of big successes, many developers and projects in the industry are facing major challenges with a series of dire events as a result. In an environment like this, we cannot sit back and relax but must always strive to be better. In our own business, the underlying sales in our game catalog have been good in 2024, and we have released a lot of good content for our existing games. At the same time, we have also written down projects and delayed releases to ensure quality. Against this background, we have worked a lot on improving in the past year. In particular, we have worked on strengthening our publishing, reorganizing our work with third-party development, better managing our risk-taking and creating the best conditions for our own development, and especially focusing on games we know well. Meanwhile, Paradox Arc, our experimental workshop, is exploring

other ways to broaden our range of engaging games in a financially controlled manner.

While our focus remains on developing our core business, the current market creates opportunities for strategic acquisitions. At the same time, we remain cautious and meticulous in our decisions. Haemimont Games, an acquisition which we announced today, is a good example. It is a very skilled studio with long experience, deep knowledge and a close-knit team that complements our core business, and whom we already know well.

Finally, we have a very exciting 2025 ahead of us and we are more motivated than ever to deliver fantastic gaming experiences.

Fredrik Wester, CEO



PARADOX INTERACTIVE AT A GLANCE

Paradox Interactive is one of the premier developers and publishers of strategy and management games for PC and consoles. By developing long-lived games with downloadable content, renewing its game portfolio with engaging games and having a close relationship to its players, the company creates the strategy and management segments' best gaming experiences.

The group consists of publishing business and five studios in five countries that develop gaming experiences for the company's six million monthly active players. Amongst its most important active games are Cities: Skylines, Cities: Skylines II, Hearts of Iron IV, Crusader Kings III, Europa Universalis IV, Victoria 3, Stellaris and Age of Wonders 4.

Paradox strives for a healthy profit margin, a stable operating cash flow and strong growth. Thus, enabling stable operations and continuous investments in the company's future.

6

Million MAU

8

Games in pipeline

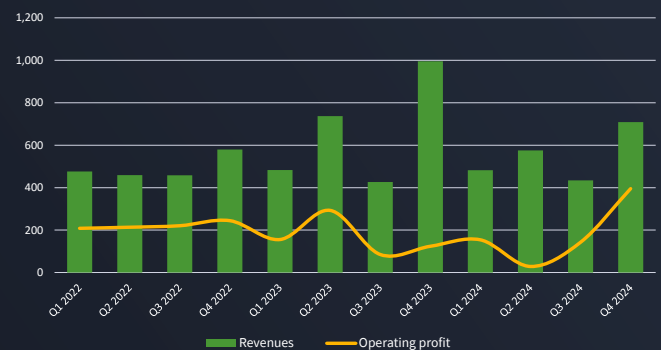
34 %

R12 profit margin

Rolling 12-month revenues and operating profit



Quarterly revenues and operating profit



RELEASES IN THE PERIOD



HEARTS OF IRON IV: GÖTTERDÄMMERUNG

Release date: 14 November 2024

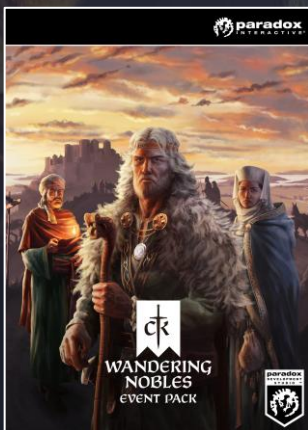
Platforms: PC

Price: USD 24.99

Description: Build the industrial and research foundation to survive the world's greatest conflict in Hearts of Iron IV: Götterdämmerung. In this expansion, players can write new histories of Germany, Austria, Hungary, Belgium, and Congo. Pursue exciting new research and military options, opening new paths for devastating new weapons and dramatic raids on strategic targets.

Publisher: Paradox Interactive

Developer: Paradox Development Studio



CRUSADER KINGS III: WANDERING NOBLES

Release date: 4 November 2024

Platforms: PC

Price: USD 4.99

Description: Learn more about the world and put this knowledge to productive use in Wandering Nobles, a new event pack for Crusader Kings III. Develop your character through a new Wandering Lifestyle option, designed for less sedentary people. New events will happen to characters as they travel, opening new storytelling possibilities.

Publisher: Paradox Interactive

Developer: Paradox Development Studio



CRUSADER KINGS III CONSOLE EDITION: TOURS AND TOURNAMENTS

Release date: 18 November 2024

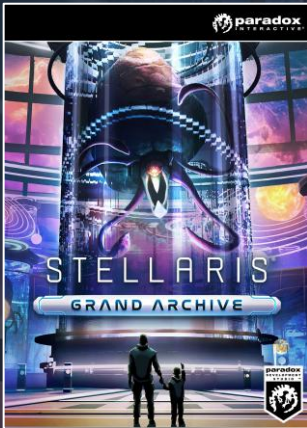
Platforms: Xbox Series X|S, PlayStation 5

Price: USD 29.99

Description: Life is a journey of chivalric adventure, so why don't you embrace yours, ruler? Create your very own epic story with the major expansion, Crusader Kings III: Tours & Tournaments. Be awed by the sights and events that await you, from bold, mock combat in the jousting area to adventuring perilous wilds with your royal entourage.

Publisher: Paradox Interactive

Developer: Paradox Development Studio and Dragons Lake (port)



STELLARIS: GRAND ARCHIVE

Release date: 29 October 2024

Platforms: PC

Price: USD 14.99

Description: In the Grand Archive Story Pack, uncover and showcase the rarest treasures across the cosmos—both living and inanimate. Amass an unparalleled collection of xeno-geological artifacts, relics of forgotten civilizations, and untamed space fauna in your Grand Archive.

Publisher: Paradox Interactive

Developer: Paradox Development Studio and Abrakam



STELLARIS CONSOLE EDITION: GALACTIC PARAGONS

Release date: 21 November 2024

Platforms: Xbox One, Playstation 4

Price: USD 14.99

Description: The galactic council is vast and full of personality! Add Galactic Paragons to your empires and experience a new level of character and story as great leaders rise to positions of power and follow your lead to the stars. With exclusive additions to the all-new Council mechanic, leaders who you can shape to amplify the vision for your empire, new civics, and much more, Galactic Paragons will shape the future in ways the galaxy has never seen before.

Publisher: Paradox Interactive

Developer: Paradox Development Studio and Tantalus Media (port)



STELLARIS CONSOLE EDITION: FIRST CONTACT

Release date: 21 November 2024

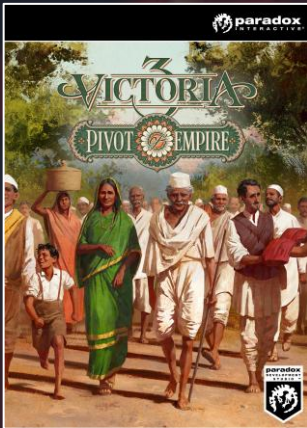
Platforms: Xbox One, Playstation 4

Price: USD 14.99

Description: The galaxy is vast and full of wonders, but it's also full of alien empires you're going to encounter, whether you're ready or not. First Contact offers a set of new origins and mechanics that give players the chance to tell stories about their civilizations' early encounters with visitors from the stars — ones that may not have come in peace!

Publisher: Paradox Interactive

Developer: Paradox Development Studio and Tantalus Media (port)



VICTORIA 3: PIVOT OF EMPIRE

Release date: 21 November 2024

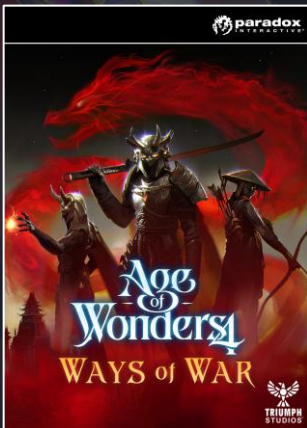
Platforms: PC

Price: USD 9.99

Description: Pivot of Empire focuses on the societal evolution of India, from government by a private enterprise to the beginnings of a movement for independence. Guide the varied cultures of the Indian subcontinent to prosperity and, potentially, freedom.

Publisher: Paradox Interactive

Developer: Paradox Development Studio



AGE OF WONDERS 4: WAYS OF WAR

Release date: 4 November 2024

Platforms: PC, Xbox Series X|S, PlayStation 5

Price: USD 14.99

Description: Embrace the Oathsworn culture and devote yourself to their warrior's code. Deploy disciplined monks and shadowy assassins. Investigate mysterious happenings that see your fellow Godir replaced by demons and dragons. Lead two new forms for your factions: the hulking Ogrekin or the strong Simians.

Publisher: Paradox Interactive

Developer: Triumph Studios



MILLENNIA: ATOMIC AMBITIONS

Release date: 12 November 2024

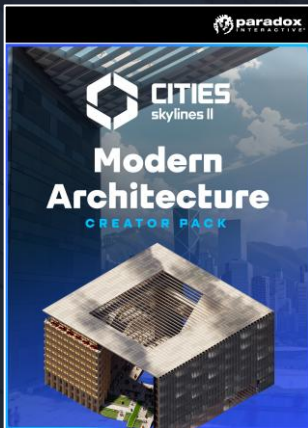
Platforms: PC

Price: USD 19.99

Description: Unleash the immense power concentrated in the building blocks of the universe. Explore the prosperity of a radioactively powered retro-future wonderland in the Age of Atom. Or pursue world domination using the most powerful weapons ever invented and risk plunging the world into the post-apocalyptic doom of the Age of Wasteland.

Publisher: Paradox Interactive

Developer: C Prompt Games



CITIES: SKYLINES II – CREATOR PACK: MODERN ARCHITECTURE

Release date: 2 December 2024

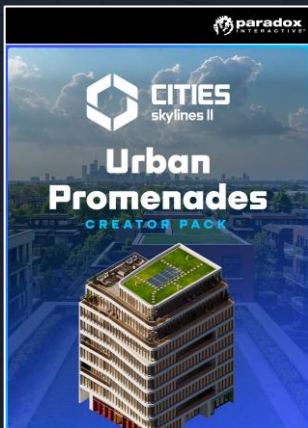
Platforms: PC

Price: USD 7.99

Description: Feel the pulse of progress with the Creator Pack ‘Modern Architecture’. Designed by community creator ‘Richard Shi’, this collection unlocks a wide array of top-tier service buildings and facilities for both residents and tourists. Transform your streets with sleek cutting-edge aesthetics and let your citizens enjoy everything from modern education to contemporary art.

Publisher: Paradox Interactive

Developer: Richard Shi



CITIES: SKYLINES II – CREATOR PACK: URBAN PROMENADES

Release date: 2 December 2024

Platforms: PC

Price: USD 7.99

Description: Step into the vibrant heart of city life with the Creator Pack ‘Urban Promenades’. Designed by the community creator ‘Feindbold’, this pack captures the essence of city living. Featuring a variety of service buildings and a mixed housing zone, this pack invites you to create bustling streetscapes and serene public spaces that pulse with urban energy.

Publisher: Paradox Interactive

Developer: Feindbold



CITIES: SKYLINES – CONTENT CREATOR PACK: MOUNTAIN VILLAGE

Release date: 24 October 2024

Platforms: PC, Xbox One, Xbox Series X|S, Playstation 4, PlayStation 5

Price: USD 5.99

Description: Embrace the charm of mountainous living with the “Mountain Village” pack from community creator Tomas13TO. This Content Creator Pack introduces 45 new buildings that capture the essence of life in a serene mountain village. The amenities range from hotels and lodges to service buildings and restaurants, enhancing the mountain village ambiance.

Publisher: Paradox Interactive

Developer: Tomas13TO



CITIES: SKYLINES – CONTENT CREATOR PACK: MAP PACK 3

Release date: 24 October 2024

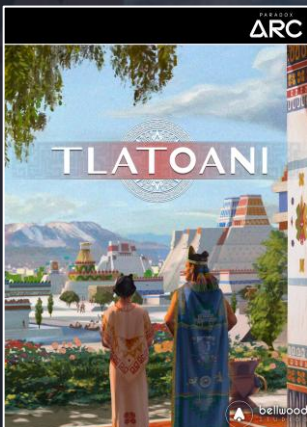
Platforms: PC, Xbox One, Xbox Series X|S, Playstation 4, Playstation 5

Price: USD 5.99

Description: Get ready to elevate your city with “Map Pack 3” from the community creator TeddyRadko. This Content Creator Pack introduces new maps, each inspired by breathtaking mountain landscapes. From towering peaks to serene valleys, these maps provide the perfect canvas for creating your next mountain-themed municipality. Explore the possibilities of the mountains with new scenarios as well as new intersections.

Publisher: Paradox Interactive

Developer: TeddyRadko



TLATOANI (EARLY ACCESS)

Release date: 31 October 2024

Platforms: PC

Price: USD 19.50

Description: Shape the history of the Aztec Civilization, one legendary city at a time. From a single metropolis, to multiple city-states and finally an empire. Conquer the wilderness of Mesoamerica, build a nation and rise as its destined emperor - Tlatoani.

Publisher: Paradox Arc

Developer: Perspective Games and Bellwood Studios



SPACE TRASH SCAVENGER 1.0

Release date: 14 November 2024

Platforms: PC

Price: USD 19.99

Description: Grab your jetpack and explore procedural asteroid fields, derelict spaceships and abandoned outposts. Build and automate your Space Rig to process scavenged trash. Craft, trade and fight your way home in this interstellar, open-world survival sandbox.

Publisher: Paradox Arc

Developer: SquarePlay Games



FINANCIAL OVERVIEW

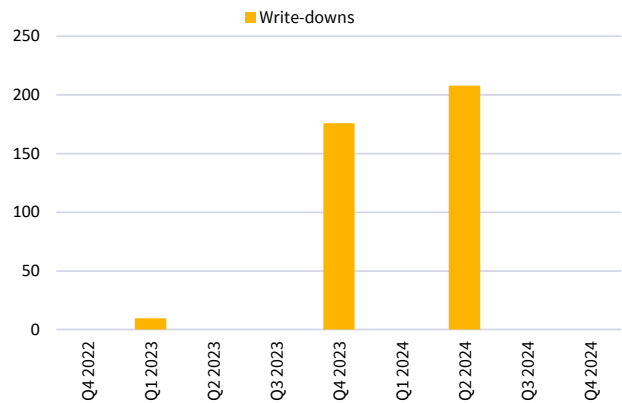
REVENUE AND PROFIT FOURTH QUARTER

Revenues amounted to MSEK 709.1 (MSEK 995.6), a decrease by 29 % compared to the same period last year. New downloadable content was release to games during the period; Götterdämmerung to Hearts of Iron IV, Wandering Nobles to Crusader Kings III, Grand Archive to Stellaris, Pivot of Empire to Victoria 3, Ways of War to Age of Wonders 4, Atomic Ambitions to Millennia, Urban Promenades and Modern Architecture to Cities Skylines II as well as Mountain Village and Map Pack 3 to Cities: Skylines. New ports to console for downloadable content were released during the period; Tours and Tournaments to Crusader Kings III as well as Galactic Paragons and First Contact to Stellaris. The new game Tlatoani, developed by Perspective Games and Bellwood Studios, published by Paradox Arc, was released in Early Access. The game Space Trash Scavenger, developed by SquarePlay Games and published by Paradox Arc, was released in 1.0. Revenues in the quarter are mainly attributable to Cities: Skylines, Cities: Skylines II, Crusader Kings III, Hearts of Iron IV and Stellaris. The decrease in revenue from last year is mainly due to the new games Cities: Skylines II and The Lamplighters League being released in the comparison period.

Cost of goods sold amounted to MSEK 262.7 (MSEK 712.0), attributable to game development, development support, operation and maintenance of games, costs of licenses, brands, and similar rights, as well as royalties and revenue based earn-outs to development studios and external rights holders.

Amortisation of released games amounted to MSEK 91.4 (MSEK 295.5). Amortisation has decreased mainly because of The Lamplighters League amortisations amounting to MSEK 149.6 in the comparison period.

Write-downs for the period within cost of goods sold amount to MSEK 0.0 (MSEK 175.8). Last year's write-downs included write-downs on The Lamplighters League amounting to MSEK 170.9.



Amortisations of licenses, brands, and similar rights amounted to MSEK 13.8 (MSEK 18.8).

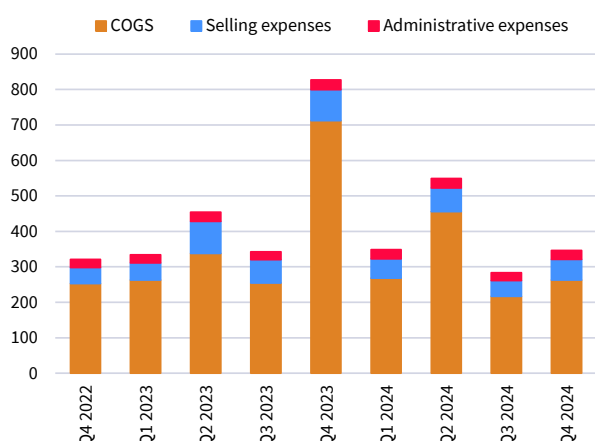
In addition to depreciation, amortisation and write-downs within the item, a total of MSEK 150.1 (MSEK 211.5) was expensed regarding non-capitalised development costs, development support, operation and maintenance of games, royalties and revenue based earn-outs.

Non-capitalised development costs and costs for development support, operation and maintenance of games increased marginally compared to the comparison period.

Royalties and revenue-based earn-outs have decreased compared to the comparison period due to lower sales of royalty generating games.

Selling expenses for the period amounted to MSEK 58.5 (MSEK 87.6). The decrease is related to the comparison period including costs in connection with the release of Cities: Skylines II and The Lamplighters League.

Administrative expenses for the period amounted to MSEK 25.0 (MSEK 27.3). Costs for administration are generally unchanged over time and are relatively unaffected by other operations.



Other income amounted to MSEK 32.9 (MSEK 2.1), and other expenses to MSEK -0.5 (MSEK -46.9). Other income and other expenses consist primarily of exchange rate effects on the group's cash and cash equivalents, operating receivables, and operating liabilities during the quarter. Other income also includes the sale of the game Mechabellum back to the developer Game River.

Operating profit amounted to MSEK 395.3 (MSEK 123.9).

Financial income amounted to MSEK 9.5 (MSEK 9.3) and mainly consists of interest income from bank accounts. Financial expenses amounted to MSEK 0.4 (MSEK 1.9) and consists of calculated interest on lease liabilities.

Profit after financial items amounted to MSEK 404.3 (MSEK 131.3), and profit after tax amounted to MSEK 310.8 (MSEK 98.3).

FINANCIAL POSITION

Capitalised development amounted to MSEK 1,454.3 (MSEK 1,463.2) by the end of the period. The item refers to both games that have not yet been released and games that have been released and subsequently amortised.

Licenses, brands, and similar rights amounted to MSEK 52.7 (MSEK 105.5).

Goodwill amounted to MSEK 23.1 (MSEK 22.4) attributable to the acquisition of Iceflake Studios.

Right-of-use assets for offices amounted to MSEK 69.7 (MSEK 112.5).

Accounts receivable amounted to MSEK 280.1 (MSEK 358.2).

Cash and cash equivalents amounted to MSEK 1,469.4 (MSEK 1,098.0).

Equity amounts to MSEK 2,909.6 (MSEK 2,620.5).

Long-term lease liabilities amount to MSEK 33.9 (MSEK 76.0) consisting of liabilities for office premises.

Deferred tax liabilities amount to MSEK 163.5 (MSEK 144.0), mainly relating to untaxed reserves and intangible assets from acquisitions.

Short-term lease liabilities amount to MSEK 30.9 (MSEK 32.6) consisting of short-term liabilities for office premises.

Accrued expenses and prepaid income amount to MSEK 326.1 (MSEK 493.9) by the end of the period.

Prepaid income has decreased compared to the previous year following the releases of downloadable content to Cities: Skylines II. Accruals for royalty to game developers has also decreased compared to last year.

CASH FLOW FOURTH QUARTER

Cash flow from operating activities amounted to MSEK 441.8 (MSEK 525.5), primarily attributable to the operating profit, adjusted for depreciation,



amortisation and write-downs. Cash flow from investing activities amounted to MSEK -158.9 (MSEK -146.6). Cash flow from financing activities amounted to MSEK -9.7 (MSEK -10.1) relating mainly to amortisation of lease liabilities for office premises.

FULL YEAR IN SUMMARY

Revenues amounted to MSEK 2,200.9 (MSEK 2,642.1) a decrease by 17 % compared to the same period last year. Cost of goods sold amounted to MSEK 1,203.6 (MSEK 1,567.3), primarily attributable to game development, development support, operation and maintenance of games, as well as royalties and revenue based earn-outs to third parties. Write-downs within cost of goods sold amounts to MSEK 208.0 (MSEK 185.4). Operating profit amounted to MSEK 721.4 (MSEK 657.9), an increase by 10 %. Profit after financial items amounted to MSEK 757.3 (MSEK 687.8), and profit after tax amounted to MSEK 584.6 (MSEK 530.6). Cash flow from operating activities amounted to MSEK 1,123.5 (MSEK 1,451.8). Cash flow from investing activities amounted to MSEK -403.2 (MSEK -848.3). Cash flow from investing activities included cash flow from investments in bonds amounting to MSEK 200.5 (MSEK -195.3). Cash flow from financing activities amounted to MSEK -355.2 (MSEK -249.0).

RELATED PARTY TRANSACTIONS

No transactions have taken place between the group and related parties that have affected the group's position and results.

PARENT COMPANY FOURTH QUARTER

The parent company houses the publishing business. Within the publishing business, the parent company buys development services from both external and wholly owned development studios and pays royalties to these where applicable. The parent company also provides administrative services to the subsidiaries. All in all, this leads to the parent company's turnover to a large extent making up the group's total turnover.

Parent company revenues for the quarter amounted to MSEK 712.9 (MSEK 1,002.3). Operating profit amounted to MSEK 485.5 (MSEK 12.7). Profit after financial items amounted to MSEK 509.7 (MSEK 19.8). Profit after tax amounted to MSEK 391.9 (MSEK 89.8).

ACCOUNTING PRINCIPLES

This interim report has been prepared in accordance with IAS 34, Interim Financial Reporting as well as RFR 1 and the annual accounts act. The parent company applies the Swedish Financial Reporting Board's recommendation RFR 2, accounting for legal entities. Accounting principles and calculation bases are in accordance with the principles applied in the company's most recent annual report. The carrying amount of the Group's long-term financial instruments valued at accrued acquisition value essentially corresponds to its fair value as the interest rate is in parity with current market interest rates. The carrying amount of the Group's short-term financial instruments valued at accrued acquisition value essentially corresponds to its fair value as the discounting effect is not significant. Accounting principles and calculation bases are in accordance with the principles applied in the company's most recent annual report.

RISKS AND UNCERTAINTIES

Paradox is, like most companies, exposed to certain risks in its operations. The risks and uncertainties are described in the Annual Report for 2023, page 32. Risks to be specifically mentioned include a dependency on key employees, dependency on a few sales partners, delays of game projects, low revenues from game releases, and foreign currency. These risks and uncertainties may have a direct or indirect impact on the group's financial position and results.

DIVIDEND PROPOSAL

The Board proposes a dividend to shareholders of SEK 3.00 per share and a special dividend of SEK 2.00 per share. The Board of Directors proposes Friday, May 16, 2025 as record date. If the Annual General Meeting approves the proposal, the dividend will be distributed by Euroclear Sweden AB on Wednesday May 21, 2025.



FINANCIAL CALENDAR

| | |
|---------------------------------------|------------|
| Annual report 2024 | 2025-04-09 |
| Interim report January-March 2025 | 2025-04-24 |
| Annual General Meeting 2025 | 2025-05-14 |
| Interim report January-June 2025 | 2025-08-07 |
| Interim report January-September 2025 | 2025-10-23 |
| Year-end report 2025 | 2026-01-29 |

CONTACT

Additional information about the company can be found on the corporate website www.paradoxinteractive.com. The company can be contacted by e-mail, ir@paradoxinteractive.com, or by post Paradox Interactive AB, Magnus Ladulåsgatan 4, 118 66, Stockholm, Sweden.

ASSURANCE BY THE BOARD OF DIRECTORS

The Board of Directors hereby provides an assurance that the interim report provides a true and fair view of the parent company's and the group's business, positions, and earnings, and describe the significant risks and uncertainties faced by the companies making up the group.

Stockholm 6 February 2025

The Board of Directors

This report has not been subject to review by the company's auditors.

This information is information that Paradox Interactive AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication 08:00 CET 6 February 2025.



KEY FIGURES FOR THE GROUP

| | 2024-10-01 | 2023-10-01 | 2024-01-01 | 2023-01-01 |
|---|-------------|-------------|-------------|-------------|
| | 2024-12-31 | 2023-12-31 | 2024-12-31 | 2023-12-31 |
| Revenues, KSEK | 709,095 | 995,554 | 2,200,943 | 2,642,107 |
| Operating profit, KSEK | 395,260 | 123,907 | 721,364 | 657,868 |
| Profit after financial items, KSEK | 404,295 | 131,273 | 757,303 | 687,759 |
| Profit after tax, KSEK | 310,820 | 98,268 | 584,628 | 530,625 |
| Operating margin | 56% | 12% | 33% | 25% |
| Profit margin | 57% | 13% | 34% | 26% |
| Equity/assets ratio | 82% | 73% | 82% | 73% |
| Equity per share before dilution, SEK | 27.55 | 24.81 | 27.55 | 24.81 |
| Equity per share after dilution, SEK | 27.55 | 24.75 | 27.55 | 24.75 |
| Earnings per share before dilution, SEK | 2.94 | 0.93 | 5.54 | 5.02 |
| Earnings per share after dilution, SEK | 2.94 | 0.93 | 5.53 | 4.99 |
| Number of shares by the end of the period before dilution | 105,623,025 | 105,623,025 | 105,623,025 | 105,623,025 |
| Number of shares by the end of the period after dilution | 105,623,025 | 105,885,175 | 105,623,025 | 105,885,175 |
| Average number of shares before dilution | 105,623,025 | 105,623,025 | 105,623,025 | 105,621,117 |
| Average number of shares after dilution | 105,722,702 | 105,799,356 | 105,656,190 | 106,153,901 |
| Average number of employees | 574 | 622 | 587 | 649 |

For definitions of key figures, see the annual report.



GROUP INCOME STATEMENT (KSEK)

| | 2024-10-01 2024-12-31 | 2023-10-01 2023-12-31 | 2024-01-01 2024-12-31 | 2023-01-01 2023-12-31 |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| Revenues | 709,095 | 995,554 | 2,200,943 | 2,642,107 |
| Cost of goods sold | -262,682 | -711,982 | -1,203,649 | -1,567,321 |
| Gross profit | 446,413 | 283,572 | 997,294 | 1,074,786 |
| Selling expenses | -58,534 | -87,585 | -223,881 | -291,180 |
| Administrative expenses | -25,008 | -27,290 | -99,653 | -99,225 |
| Other income | 32,883 | 2,136 | 58,294 | 20,916 |
| Other expenses | -494 | -46,926 | -10,690 | -47,428 |
| Operating profit | 395,260 | 123,907 | 721,364 | 657,868 |
| Profit from shares in associated companies | - | - | - | 15,440 |
| Financial income | 9,470 | 9,288 | 42,103 | 25,086 |
| Financial expense | -435 | -1,922 | -6,165 | -10,635 |
| Profit after financial items | 404,295 | 131,273 | 757,303 | 687,759 |
| Tax | -93,475 | -33,005 | -172,675 | -157,134 |
| Profit for the period | 310,820 | 98,268 | 584,628 | 530,625 |

Profit for the period is attributable to the shareholders of the parent company.

| | | | | |
|---|------|------|------|------|
| Earnings per share before dilution, SEK | 2.94 | 0.93 | 5.54 | 5.02 |
| Earnings per share after dilution, SEK | 2.94 | 0.93 | 5.53 | 4.99 |

OTHER COMPREHENSIVE INCOME (KSEK)

| | 2024-10-01 2024-12-31 | 2023-10-01 2023-12-31 | 2024-01-01 2024-12-31 | 2023-01-01 2023-12-31 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| Profit for the period | 310,820 | 98,268 | 584,628 | 530,625 |
| Other comprehensive income | | | | |
| <i>Items that may be reclassified to profit or loss</i> | | | | |
| Translation differences | 6,002 | -5,191 | 9,511 | 2,493 |
| Other comprehensive income | 6,002 | -5,191 | 9,511 | 2,493 |
| Total comprehensive income for the period | 316,822 | 93,077 | 594,139 | 533,118 |

Profit for the period is attributable to the shareholders of the parent company.



GROUP BALANCE SHEET (KSEK)

| | 2024-12-31 | 2023-12-31 |
|---------------------------------------|------------------|------------------|
| ASSETS | | |
| Non-current assets | | |
| Capitalised development | 1,454,313 | 1,463,202 |
| Licenses, brands and similar rights | 52,655 | 105,532 |
| Goodwill | 23,137 | 22,350 |
| Property and equipment | 8,318 | 13,034 |
| Right-of-use assets | 69,679 | 112,515 |
| Other long term assets | 18,736 | 18,691 |
| Total non-current assets | 1,626,838 | 1,735,323 |
| Current assets | | |
| Accounts receivable | 280,056 | 358,219 |
| Tax assets | 62,136 | 63,251 |
| Other receivables | 10,466 | 70,420 |
| Prepaid expenses and accrued revenue | 83,498 | 57,837 |
| Bonds | - | 197,051 |
| Cash and cash equivalents | 1,469,356 | 1,098,025 |
| Total current assets | 1,905,512 | 1,844,803 |
| TOTAL ASSETS | 3,532,350 | 3,580,126 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| Share capital | 528 | 528 |
| Other capital contributed | 29,748 | 29,748 |
| Reserves | 32,194 | 22,684 |
| Retained earnings | 2,847,170 | 2,567,495 |
| Total equity | 2,909,640 | 2,620,455 |
| Long-term liabilities | | |
| Lease liabilities | 33,911 | 75,997 |
| Deferred tax liabilities | 163,460 | 144,044 |
| Total long-term liabilities | 197,372 | 220,041 |
| Current liabilities | | |
| Accounts payable | 45,842 | 52,481 |
| Current tax liabilities | 852 | 95,427 |
| Lease liabilities | 30,875 | 32,583 |
| Other liabilities | 21,697 | 65,275 |
| Accrued expenses and prepaid revenues | 326,073 | 493,864 |
| Total current liabilities | 425,339 | 739,630 |
| TOTAL EQUITY AND LIABILITIES | 3,532,350 | 3,580,126 |



CHANGE IN GROUP EQUITY (KSEK)

| | Share capital | Other contributed capital | Reserves | Retained earnings | Total equity |
|--|---------------|---------------------------------|---------------|----------------------|------------------|
| At the beginning of the period 2024-01-01 | 528 | 29,748 | 22,684 | 2,567,495 | 2,620,455 |
| Profit for the period | | | | 584,628 | 584,628 |
| Other comprehensive income | | | | | |
| Translation difference | | | 9,511 | | 9,511 |
| Total other comprehensive income | - | - | 9,511 | - | 9,511 |
| Total comprehensive income | - | - | 9,511 | 584,628 | 594,139 |
| Transactions with owners | | | | | |
| Share-based payments staff | - | - | - | 11,915 | 11,915 |
| Dividends | - | - | - | -316,869 | -316,869 |
| Total transactions with owners | - | - | - | -304,954 | -304,954 |
| AT THE END OF THE PERIOD 2024-12-31 | 528 | 29,748 | 32,194 | 2,847,170 | 2,909,640 |

| | Share capital | Other contributed capital | Reserves | Retained earnings | Total equity |
|--|---------------|---------------------------------|---------------|----------------------|------------------|
| At the beginning of the period 2023-01-01 | 528 | 29,542 | 25,176 | 2,237,131 | 2,292,377 |
| Profit for the period | | | | 530,625 | 530,625 |
| Other comprehensive income | | | | | |
| Translation difference | | | -2,493 | | -2,493 |
| Total other comprehensive income | - | - | -2,493 | - | -2,493 |
| Total comprehensive income | - | - | -2,493 | 530,625 | 528,132 |
| Transactions with owners | | | | | |
| Premiums when redeeming warrants | - | 1,008 | - | - | 1,008 |
| Re-purchase warrants | - | -802 | - | - | -802 |
| Share-based payments staff | - | - | - | 10,978 | 10,978 |
| Dividends | - | - | - | -211,238 | -211,238 |
| Total transactions with owners | - | 206 | - | -200,260 | -200,054 |
| AT THE END OF THE PERIOD 2023-12-31 | 528 | 29,748 | 22,684 | 2,567,495 | 2,620,455 |



GROUP CASH FLOW STATEMENT (KSEK)

| | 2024-10-01 2024-12-31 | 2023-10-01 2023-12-31 | 2024-01-01 2024-12-31 | 2023-01-01 2023-12-31 |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| Cash flow from operations | | | | |
| Operating profit | 395,260 | 123,907 | 721,364 | 657,868 |
| Adjustment of depreciation, amortisation and write-downs | 115,474 | 501,999 | 710,513 | 990,312 |
| Other adjustments | 2,836 | 4,424 | 12,002 | 6,079 |
| Interest received | 27,575 | 9,288 | 38,705 | 25,086 |
| Interest paid | -435 | -1,922 | -6,165 | -10,635 |
| Tax paid | -62,912 | -30,527 | -248,071 | -184,436 |
| Cash flow before changes in working capital | 477,798 | 607,170 | 1,228,348 | 1,484,275 |
| Changes in working capital | | | | |
| Change in current receivables | -30,306 | -147,689 | 112,792 | -138,630 |
| Change in current liabilities | -5,695 | 66,035 | -217,620 | 106,196 |
| Cash flow from current operations | 441,797 | 525,516 | 1,123,520 | 1,451,842 |
| Investing activities | | | | |
| Cash flow from sales of associated companies | - | - | - | 53,174 |
| Investments in capitalised development | -158,299 | -122,100 | -602,509 | -676,045 |
| Investments in licenses, brands and similar rights | - | -27,103 | - | -27,103 |
| Investments in equipment | -554 | -229 | -1,161 | -3,050 |
| Investments in bonds | - | -138,287 | - | -336,355 |
| Sales of bonds | - | 141,100 | 200,450 | 141,100 |
| Cash flow from investing activities | -158,853 | -146,619 | -403,220 | -848,278 |
| Financing activities | | | | |
| Amortisation of lease liability | -9,652 | -10,141 | -38,300 | -37,722 |
| Paid dividend | - | - | -316,869 | -211,238 |
| Cash flow from financing activities | -9,652 | -10,141 | -355,169 | -248,960 |
| Cash flow for the period | 273,293 | 368,757 | 365,130 | 354,603 |
| Cash and cash equivalents at the beginning of the period | 1,190,355 | 734,902 | 1,098,025 | 747,506 |
| Exchange rate effect | 5,710 | -5,634 | 6,202 | -4,084 |
| Cash and cash equivalents at the end of the period | 1,469,356 | 1,098,025 | 1,469,356 | 1,098,025 |



PARENT COMPANY INCOME STATEMENT (KSEK)

| | 2024-10-01 2024-12-31 | 2023-10-01 2023-12-31 | 2024-01-01 2024-12-31 | 2023-01-01 2023-12-31 |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| Revenues | 712,932 | 1,002,300 | 2,214,766 | 2,647,805 |
| Cost of goods sold | -178,863 | -832,574 | -1,499,633 | -1,962,066 |
| Gross profit | 534,068 | 169,727 | 715,133 | 685,739 |
| Selling expenses | -56,337 | -82,574 | -208,704 | -272,670 |
| Administrative expenses | -24,861 | -28,703 | -97,960 | -99,437 |
| Other income | 32,591 | 1,199 | 56,892 | 15,260 |
| Other expenses | - | -46,926 | -9,718 | -46,926 |
| Operating profit | 485,461 | 12,723 | 455,642 | 281,967 |
| Profit from shares in subsidiaries | 16,981 | - | -58,750 | - |
| Profit from shares in associated companies | - | - | - | 35,381 |
| Financial income | 7,245 | 8,071 | 36,429 | 20,769 |
| Financial expense | -2 | -1,002 | -704 | -7,003 |
| Profit after financial items | 509,686 | 19,792 | 432,618 | 331,113 |
| Year-end appropriations | -10,000 | 100,000 | -10,000 | 100,000 |
| Tax | -107,741 | -29,946 | -114,716 | -97,573 |
| Profit for the year and total income for the year | 391,946 | 89,846 | 307,902 | 333,541 |



PARENT COMPANY BALANCE SHEET (KSEK)

| | 2024-12-31 | 2023-12-31 |
|---------------------------------------|------------------|------------------|
| ASSETS | | |
| Non-current assets | | |
| Capitalised development | 984,669 | 1,098,525 |
| Licenses, brands and similar rights | 23,340 | 34,855 |
| Property and equipment | 1,715 | 6,143 |
| Shares in subsidiaries | 203,908 | 305,812 |
| Other long term assets | 17,393 | 17,393 |
| Total non-current assets | 1,231,024 | 1,462,726 |
| Current assets | | |
| Accounts receivable | 272,841 | 350,400 |
| Receivables from group companies | 198,836 | 19,144 |
| Tax assets | 35,600 | 58,560 |
| Other receivables | 5,102 | 65,968 |
| Prepaid expenses and accrued revenues | 89,747 | 64,945 |
| Bonds | - | 197,051 |
| Cash and cash equivalents | 1,131,589 | 780,059 |
| Total current assets | 1,733,714 | 1,536,126 |
| TOTAL ASSETS | 2,964,738 | 2,998,853 |
| EQUITY AND LIABILITIES | | |
| Equity | | |
| <i>Restricted equity</i> | | |
| Share capital | 528 | 528 |
| Capitalised development reserve | 984,669 | 1,098,525 |
| <i>Non-restricted equity</i> | | |
| Share premium reserve | 29,748 | 29,748 |
| Retained earnings | 566,011 | 423,566 |
| Profit for the period | 307,902 | 333,541 |
| Total equity | 1,888,859 | 1,885,908 |
| Untaxed reserves | 755,000 | 605,000 |
| Current liabilities | | |
| Accounts payable | 35,954 | 43,965 |
| Liabilities to group companies | 22,681 | 25,393 |
| Other liabilities | 4,282 | 4,122 |
| Accrued expenses and prepaid revenues | 257,962 | 434,465 |
| Total current liabilities | 320,879 | 507,944 |
| TOTAL EQUITY AND LIABILITIES | 2,964,738 | 2,998,853 |



NOTES (KSEK)

NOTE 1. SEGMENT REPORTING

Group Management has determined the operating segments based on the information processed by the CEO and which is the basis for making strategic decisions. The operations consist of one segment.

Group revenue from clients based on where the distributor is located is divided into the following geographical areas;

| | 2024-10-01 | 2023-10-01 | 2024-01-01 | 2023-01-01 |
|-------------------|----------------|----------------|------------------|------------------|
| | 2024-12-31 | 2023-12-31 | 2024-12-31 | 2023-12-31 |
| USA | 618,596 | 859,017 | 1,905,078 | 2,285,109 |
| Sweden | 17,148 | 22,454 | 65,395 | 49,873 |
| Rest of Europe | 61,704 | 96,212 | 192,576 | 258,575 |
| Rest of the World | 11,647 | 17,871 | 37,893 | 48,550 |
| Total | 709,095 | 995,554 | 2,200,943 | 2,642,107 |

During the quarter and the 12-month period respectively MSEK 627.8 (MSEK 718.2) and MSEK 1,868.0 (MSEK 1,902.5) of the group's revenue came from one and the same platform - Steam.

Group revenue divided into major product categories;

| | 2024-10-01 | 2023-10-01 | 2024-01-01 | 2023-01-01 |
|--------------|----------------|----------------|------------------|------------------|
| | 2024-12-31 | 2023-12-31 | 2024-12-31 | 2023-12-31 |
| PC | 639,237 | 891,943 | 1,924,843 | 2,202,494 |
| Console | 52,492 | 79,004 | 204,225 | 310,562 |
| Mobile | 12,320 | 14,222 | 50,980 | 65,756 |
| Other | 5,046 | 10,385 | 20,895 | 63,295 |
| Total | 709,095 | 995,554 | 2,200,943 | 2,642,107 |

NOTE 2. DEPRECIATIONS, AMORTISATIONS AND WRITE-DOWNS BREAKDOWN PER FUNCTION

| | 2024-10-01 | 2023-10-01 | 2024-01-01 | 2023-01-01 |
|-------------------------|----------------|----------------|----------------|----------------|
| | 2024-12-31 | 2023-12-31 | 2024-12-31 | 2023-12-31 |
| Cost of goods sold | 112,592 | 500,679 | 698,446 | 980,561 |
| Selling expenses | 1,031 | 159 | 3,869 | 3,119 |
| Administrative expenses | 1,852 | 1,161 | 8,198 | 6,633 |
| Total | 115,474 | 501,999 | 710,513 | 990,312 |



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