M.O.B.A. NETWORK AB

ANNUAL REPORT

2022

M.O.B.A. Network AB
Stockholm
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MANAGING DIRECTOR’S STATEMENT

M.O.B.A. Network had a successful 2022, despite the year being marked by war, inflation, and global economic headwinds, unlike the pandemic years 2020 and 2021. We have continued to strengthen our position in the gaming market through acquisitions, launching new brands, and improving partnerships. By focusing on creating value for content creators and optimizing internal processes, M.O.B.A. Network has managed to create a stable platform for continued growth and profitability. The strong financial position and cash flows provide opportunities for further investments and acquisitions to continue creating shareholder value.

The growth for the full year lands at 45%, and we continue to show positive cash flow and, not least, an increased profit per share, entirely in line with our strategy. In the second half of 2022, we were affected by a subdued economic market and growth halted. In light of the macroeconomic situation in the world, it is reassuring to be able to continue working according to the long-term strategy that M.O.B.A. has. Without our focus on profitability, cash flow, and having a secure cash position, it would have been significantly more challenging. Our strategy is designed for each business area, regardless of market conditions, to have the opportunity to grow strongly when the market turns upwards. We can note that the gaming industry continues to have a strong appeal. Furthermore, experiences from previous downturns, such as during Covid19, have shown that when recovery happens, it does so quickly and powerfully.

Transformative acquisition in 2023
In May 2023, M.O.B.A. was able to announce yet another transformative acquisition, regarding the forward-looking company Wargraphs, which further diversifies M.O.B.A.'s product profile and strengthens our market position as a consolidating party. Wargraphs is primarily known for being a leading player in the "in-game app" segment where through its app Porofessor (and two community websites) in 2022 delivered revenues of 12,3,m EUR and an EBITDA of 8,7m EUR.

The acquisition is financed by a senior secured bond of 25 MEUR, with a total liquidity frame of up to 60 MEUR.

Trading on OTCQX – OTC Markets Group
We have seen an increased interest in M.O.B.A Network among investors in North America and therefore applied to be listed for trading on OTCQX, a trading platform for securities that are not listed on a national exchange. The company has been available to investors in North America since January 25, 2023, which makes it easier for international investors and institutions to have exposure to M.O.B.A Network. Trading on OTCQX also opens up opportunities to be present in the capital market in North America and provides more significant opportunities to acquire companies with a share component.

Looking forward
I am pleased that we continue to show profitability, and positive cash flow and have a strong balance sheet under current market conditions. M.O.B.A. will continue to act according to our long-term strategy and invest in the business and act as an industry consolidator by evaluating attractive acquisitions that meet our acquisition criteria. Our entire global team is motivated and working focused together to deliver the best experiences for gamers worldwide, and the team and I look forward to the coming years with confidence!

Björn Mannerqvist
CEO, M.O.B.A. Network AB

MANAGEMENT REPORT

INFORMATION ABOUT THE BUSINESS

M.O.B.A Network AB is a parent company listed on First North since December 2019 (corporate identity no. 559144-3964) as part of the M.O.B.A Group, which conducts sales of products and services within the electronic games sector. The Group comprises the parent company and two subsidiaries. The business is conducted in Sweden.

Parent company
The company manages, develops and conducts sales of products and services within the electronic games sector, and also owns and manages shares in other companies, and therefore carries out related business activities. Operations may be conducted in Sweden and overseas. The company headquarters are in Stockholm.

Operations
M.O.B.A. Network's operations comprise managing and developing the subsidiaries CriticalClick and Magic Find, as well as the communities of MMORPG and ResetEra owned by the parent company. The parent company also owns the LoLwiz app.

CriticalClick operates exclusively in the M.O.B.A. sector. Advertising sales with Magic Find are conducted within both M.O.B.A. Advertising Sales and M.O.B.A. Video Sales. The subsidiary CriticalClick has had profitable operations for several years and has good cash flow. CriticalClick has been developing web-based forums since 2009, so-called communities for users of popular network-based computer games such as League of Legends, DOTA 2, SMITE and more. These operations are entirely independent from the developers of the games the forums relate to.

The subsidiary Magic Find has had profitable operations for several years and has a good cash flow. Magic Find has owned and developed web-based forums since 2019, so-called communities for users of popular network-based computer games such as Warcraft, Hearthstone, Magic the Gathering and more. These operations are entirely independent from the developers of the games the forums relate to. In addition to the communities, Magic Find also runs the YouTube network Union For Gamers with around 1,000 affiliated "content creators" which generated over 9 billion views during 2022.

M.O.B.A. Network currently operates 23 well-established communities and the Union For Gamers, a YouTube network for gaming content. According to internal statistical tools, including Google Analytics, in certain months these forums generate more than 50 million visits, and video content via Union For Gamers is viewed up to 1 billion times in certain months. These traffic statistics show that some of the company's assets can be attributed to the world's largest forums.

The company's communities are aimed at gamers with varying levels of experience. Newbies and organized team players both visit the websites which have user forums with thousands of discussions ("threads"), gaming tips, strategy discussions, interviews with successful gamers, and information on game-related events.

The commercial edge that CriticalClick and Magic Find enjoy consists of dedicated knowledge of how to establish and maintain large communities, and their ability to identify new and existing games which communities can be created around. Successful forums quickly grow to become attractive brands in the gaming industry and among gamers, leading to an increase in the number of visitors which is achieved to a significant degree without marketing initiatives.

Revenue model
M.O.B.A.'s revenue primarily comes from our YouTube network Union For Gamers, programmatic advertising, direct selling of advertising space, premium subscriptions, and associated services within gaming and the e-sports value chain.

Business sector
With the acquisition of Magic Find, the company has chosen to redefine the division of its business. Business was previously divided between M.O.B.A. Advertising Sales and M.O.B.A. Services but since both advertising sales and video sales are now a part of M.O.B.A. Services and the distinction between these two has become hard to define, the division is now as follows.

M.O.B.A. Advertising Sales
The revenue reported in this sector is generated via our collaborations with advertising brokers and through direct sales and partnerships via internal resources on our network-based communities.

M.O.B.A. Video Sales
The revenue reported in this sector is generated via the Union For Gamers brand. The Union For Gamers is our YouTube network where revenue is generated from digital advertising connected to our Content Creators videos.

Personnel and organization
The no. of employees increased at the end of the period to 9 (6). With respect to external resources who are included in report, such as dedicated contacts at contract suppliers and consultants, M.O.B.A. employed 29 (27)

persons. Employees and employed persons are defined as full-time equivalents.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- The company launched the new community brand Farmfriends on January 13, 2022. The new brand targets the gaming genre "farming simulator games", which is a large and popular genre.

- On February 14, 2022, the company launched the new community brand Forzafire. The new brand targets the gaming genre "iRacing", which is a large genre that is seeing significant growth. Forzafire targets the gaming community around the game Forza Horizon 5, a racing game on Xbox console that has a large number of players, as well as a large and engaged network of content creators that are active on YouTube, Twitch, TikTok and other major channels.

- The company extended its contract with the global ad tech platform Venatus Media. The new contract has improved terms to further strengthen the relationship, allowing the partnership to grow strongly in the future.

- The company has updated its business concept, vision and mission to better reflect the company's strategy. The company has also launched an updated version of its website WeAreMoba.com. The update aims to more clearly showcase the company's different brands and business pillars and create a better platform/communication channel for our partners, customers and content creators. The website update also includes the launch of a new graphic profile and logo for M.O.B.A. and a completely updated investor relations section.

- The subscription for warrants (series TO1), which was resolved at the ordinary general meeting in February 2020, was completed on March 31, 2022. A total of 29,700 options were subscribed for, resulting in 297,000 shares. Through the exercise of warrants, the company's number of shares increased to 22,682,820 and the share capital to SEK 2,268,282. M.O.B.A. Network, after the exercise of warrants, obtained approx. SEK 6m.

- M.O.B.A. Network signed a partnership agreement with E-GO APP, a fantasy gaming platform. The Swedish fantasy gaming tech company E-GO APP, which offers a platform for fantasy leagues updated in real time, will be the sole operator of M.O.B.A.'s new "Fantasy Games" initiative.

- The company held its annual general meeting on April 21, 2022. The meeting resolved to approve the income statement and balance sheet and the consolidated income statement and balance sheet, as well as the allocation of the company's loss according to the adopted balance sheet. The meeting decided to discharge the members of the Board and the CEO from liability. Re-election of Board members Henrik Henriksson, Maria A. Grimaldi, Jonas Bertilsson and Manfred Gottschlich and of Board chairman Fredrik Burvall.

- The company launched the MOBAFire LOL Worlds Fantasy Tournament with a historic prize pool. It was the company's first activation in fantasy esport tournaments for MOBAFire's community members. The first tournament took place in conjunction with the LoL World Championship starting on September 29. MOBAFire Fantasy is a global virtual "Coach Competition", where participants compete to create the best team lineup based on match data from a major real-life e-sports tournament.

- The company acquired LoLwiz, one of the largest in-game applications for League of Legends. The acquisition strengthens M.O.B.A's position and offering for League of Legends players and opens up a new business area for in-game ads within the Group. LoLwiz is an application that seamlessly integrates with the game League of Legends and provides the player with real-time tips during gameplay. LoLwiz is distributed through the largest platform for in-game applications, Overwolf. LoLwiz is monetized via in-game ads in the application. With over 2 million downloads to date, LoLwiz is one of the largest League of Legends applications on Overwolf.

- The company submitted an application to be listed on OTCQX in the US. OTCQX is a US trading platform operated by the OTC Markets Group for securities not available on a national stock exchange. The purpose of being admitted to trading on OTCQX is to meet growing interest from US investors and to increase access to the US capital market. Upon possible approval, M.O.B.A.'s shares will be traded with an American ticker symbol and a share price in USD.

CONSOLIDATED MULTI-YEAR OVERVIEW

Group Overview	01/01/2022	10/01/2020	10/01/2019	10/01/2018	01/09/2018
Amounts in tSEK unless otherwise indicated	**12/31/2022**	**12/31/2021**	**09/30/2020**	**09/30/2019**	**09/30/2018**
Earnings					
Net turnover	289,815	209,684	30,825	22,512	587
Earnings before amortizations (EBITDA)	32,130	32,288	14,543	11,700	388
Operating profit (EBIT)	27,314	29,026	12,908	10,711	353
Earnings before tax	26,189	27,745	12,659	9,832	353
Earnings in the period	21,904	19,751	7,959	6,490	305
Earnings per share before dilution	1.0	11.6	4.8	4.9	0.2
Earnings per share after dilution	1.0	2.3	4.8	4.9	0.2
Financial position					
Balance sheet total	398,101	346,161	130,592	116,632	100,202
Equity	308,811	247,991	105,681	84,442	18,220
Solvency, %	78%	72%	81%	72%	18%
Avg. no. employees	9	6	4	1	1
Share					
Equity per share (SEK)	13.6	11.1	62.0	54.2	14.2
Avg. no. shares	22,608,773	8,563,533	1,671,492	1,325,974	1,283,383
No. shares at end of period	22,682,820	22,385,820	1,703,582	1,558,582	1,283,383

*Last year's financial year refers to an extended financial year of 15 months.
**In this table, the financial year 2018 has not been converted according to IFRS.

OPERATIONAL RISKS AND UNCERTAINTY FACTORS

M.O.B.A.'s operations are subject to certain risks that can impact earnings or the financial position to a greater or lesser extent. These can be divided into sector and business-related risks, and financial risks. During 2022, the company has been negatively affected by a weaker advertising market as well as rising interest rates and inflation, which constitutes a continuing risk and uncertainty factor at the end of 2022. Otherwise, the management's overall view of the risks the company may be subject to has not changed during the financial year.

Development, maintenance and operation of IT systems

M.O.B.A. Network's success depends on the reliability, functionality, maintenance, operation and continued development of the company's integrated technology platforms, including the company's websites, mobile systems, customer service, finances and reporting, marketing, purchasing, and its business platform.

The quality of and M.O.B.A. Network's use of the information generated by the IT system and the company's ability to implement new systems and upgrades affects its ability to:

- effectively run its business with respect to its customers;
- maintain a cost-effective business model at the same time as the business grows.

If M.O.B.A. Network is unable to effectively manage its development, or fails to implement new systems and upgrades, this can have a negative impact on the company's growth, which can in turn have a significant negative impact on the company's business, financial position and earnings.

Opportunities for sales and growth

M.O.B.A. Network is reliant on its reputation on the market which is important in relation to both acquiring new customers and maintaining existing ones. Reputational damages can result from customer complaints, negative publicity surrounding M.O.B.A. Network as a company, and losing attractive brands.

M.O.B.A. Network's appearance is also important with respect to its suppliers and other business partners since it is dependent on maintaining good relationships with these partners. Dissatisfaction among suppliers can lead to losing contracts or to the company failing to establish new relationships with new suppliers.

If any of these risks ever became a reality, they could have a significant negative impact on the company's operations, financial position and earnings.

Partners and subcontractors

The company is reliant on partners and has established collaborations and business relationships with recognized market players. If any of these partners ever found themselves in a position that hinders or delays their activities within the context of this collaboration or business relationship, there would be a risk that the company's business could be negatively affected.

Changes in the computer games industry
The company provides access to several online communities, each of which is targeted at certain computer games, allowing gamers to meet to discuss and share knowledge. As a result, M.O.B.A. Network relies on the interest these games enjoy and their ability to remain popular. It is not possible to exclude changes in consumer behavior within e-sports, computer games or closely related industries which could lead to a decline in interest in these games. There is therefore a risk that a change in consumer behavior would lead to fewer visitors to the company's websites and fewer visitors to our content creators' YouTube channels, which in turn would lead to a decrease in the company's advertising revenue. This development would consequently have a significant negative impact on M.O.B.A. Network's operations, financial position and earnings.

Competitors
Some of M.O.B.A. Network's competitors are companies with large financial resources. A large-scale investment and product development from a competitor may entail risks in the form of reduced sales. Moreover, companies with global operations who currently work in closely related sectors may decide to establish themselves within the company's area of activities.

A weakening of the company's market position and/or an increase in competition could entail a significant negative impact on the company's operations, financial position and earnings.

Tax
M.O.B.A. Network conducts its primary operations in subsidiaries in Canada and the USA. Operations are conducted in accordance with the company's interpretation of applicable tax laws, tax agreements, and regulations in applicable countries, as well as the requirements of relevant tax authorities. Should it transpire that the company's interpretation of applicable laws, tax agreements, and regulations is not correct or differs from the interpretation of relevant authorities, or should relevant authorities introduce an administrative practice or deem that income shall be reallocated within the Group, potentially with retroactive effect, this could entail a change in the company's current and previous tax position, which risks having a negative impact on the company's earnings and financial position.

Forex risk
The Group's operations are exposed to currency risk in the form of exchange rate fluctuations. The Group's currency risk consists partly of transaction risk, which relates to purchases and sales in foreign currency, and partly of the translation risk, which relates to investments in foreign subsidiaries and exchange rate fluctuations when the results of the foreign subsidiaries are converted to Swedish kronor. At present, the Group only has subsidiaries with the US dollar as their reporting currency, and therefore the currency risk is only attributable to USD. Furthermore, the currency risk is primarily assessed to be an accounting risk at Group level and not an operational risk because the subsidiaries' cash flows and accounting currency are in USD.

Inflation risk and market concerns
Russia's invasion of Ukraine led to general market turmoil in early 2022. In the wake of the invasion, inflation around the world also started to rise. This, in turn, has led to the world's central banks raising key interest rates to push back inflation. In 2022, however, inflation has risen sharply and remained at high levels for most of the year. This has led to general turmoil in the world's advertising markets, which in turn poses a risk to the Group's operations. High inflation also increases the risk of increased costs in terms of server costs, IT services, etc. Furthermore, high inflation levels create pressure for increased salaries for the company's employees and consultants.

Interest rate risk
The Group's sources of funding are mainly cash flow from operating activities and borrowings. Borrowings, which are interest-bearing, expose the Group to interest rate risk. Interest rate risk is the risk that changes in interest rates will adversely affect the Group's net interest income and/or cash flow. The Group strives to strike a balance between the estimated current cost of borrowing and the risk of a major change in interest rates having a negative impact on earnings. Despite sharply rising interest rates in 2022, the company shows lower interest expenses in 2022 compared to 2021, see note 9 for a detailed breakdown. The company's current loans have a total maturity of 5 years, which means that the relatively high repayment rate reduces interest rate risks in both the short and long term.

Credit risk
The Group has limited exposure to credit risk. These risks are mainly related to outstanding trade receivables. Losses on trade receivables arise when customers go bankrupt or are otherwise unable to meet their payment obligations. Group management is of the opinion that there is no significant concentration of credit risk for the Group in relation to any particular customer or counterparty that could constitute an operational risk at Group level.

For more details on the Group's risk management, see Note 3.

FINANCIAL POSITION

The Group's turnover during the period amounted to SEK 289,815 thousand (209,684). The increase in sales is mainly derived from the acquisition of the US subsidiary Magic Find Inc. which will be consolidated on June 1, 2021. Magic Find Inc. was part of the Group for 7 months in the last financial year and has contributed to the Group's results throughout this financial year, significantly increasing the turnover between years. The ReseTEra.com asset was also acquired in October 2021 and has thus contributed to an increase in the Group's turnover in 2022.

The Group's costs during the period totaled tSEK 270,422 (186,759). This increase in costs can be primarily traced back to the aforementioned acquisitions.

The Group's operating profit during the period amounted to tSEK 27,314 (29,026), profit before tax amounted to tSEK 26,189 (27,742) and profit for the period amounted to tSEK 21,904 (19,751).

The company's financial position remains strong. During the year, the company made one asset acquisition (LoLwiz APP) for a total of approximately SEK 10 million. The acquisition has been settled in full. The acquisition has resulted in a significant increase in the company's intangible assets compared to the same period last year. It can be observed in the financial statements that the company's total assets have increased from SEK 346.2m as at 12/31/2021 to SEK 398.1m as at 12/31/2022. Fixed assets account for SEK 45.2m of this increase, with the fixed assets item having increased from SEK 269.1m the previous year to SEK 314.3m this year. The increase in fixed assets is mainly due to exchange rate differences between the years.

The company's current assets have increased by SEK 6.7m to 83.8m (77.1m). The increase is mainly attributable to an increase in Cash and Cash Equivsalents..

The company's equity amounts to SEK 308.8m (248m). An increase of SEK 39.2m. The significant increase is mainly linked to an increase in Reserves, which is linked to currency changes on acquired shares in the subsidiaries CriticalClick Network Inc. and Magic Find Inc. The increase in the item Reserves amounts to SEK 32.9m and amounts to SEK 46.9mn. Furthermore, the share capital has increased by SEK 290,000 as a result of the subscription of options carried out in March 2022 and amounts to a total of SEK 2.3m. The item Other contributed capital has increased by SEK 6m during the year and amounts to SEK 206.6m. The item Retained earnings has increased by SEK 19.8m and amounts to a total of SEK 46.9m. The item Profit for the period amounts to SEK 21.9m.

During the year, the company amortized SEK 5m of its debts to credit institutions. Long-term liabilities to credit institutions amount to SEK 11.3m and short-term liabilities to credit institutions amount to SEK 5m. The company also has an unused overdraft facility with Nordea of SEK 15m. The item for Deferred tax liabilities has increased by SEK 5.9m and totals SEK 29.9m.

The company's debt to the credit institution also has associated covenants. According to the agreement, the company must show an equity ratio of at least 35% and ensure that EBTIDA on a rolling 12-month basis does not fall below SEK 32m.

The company's current liabilities total SEK 49m (58.7m). The decrease of SEK 9.8 million is mainly attributable to reduced accounts payable. Other items under Current liabilities are in line with last year's closing balances.

Cash flow in the period

Cash flow from operating activities before changes in working capital during the period amounted to SEK 6.2m (SEK 11.6m). After changes in working capital, the company shows a cash flow of SEK 8.2m (22.7m). Cash flow from investment activities amounts to SEK -1.6m (-77.9m). Cash flow from financing activities amounts to SEK -1.3m (-1.7m). Cash flow for the period amounts in total to SEK 5.3m (-56.9m).

The opening balance of cash and cash equivalents amounted to SEK 44.9m (96.1m), while the closing balance of cash and cash equivalents, after exchange rate differences in cash and cash equivalents of SEK -1.9m (-2.6m), amounted to SEK 48.3 (36.6m). In addition to this, the company has an unused overdraft facility from Nordea bank to the amount of SEK 15m.

Dividends

The Board proposes that no dividend be paid for the period October 2022 – December 2022. The Board intends to continue to pursue a growth-oriented strategy, including both organic growth and an offensive acquisition strategy.

Issue and warrants

The subscription of warrants (series TO1), which was decided at the ordinary general meeting in February 2020, was completed on March 31, 2022. A total of 29,700 options were subscribed, resulting in 297,000 shares. Through the exercise of warrants, the company's number of shares increased to 22,682,820 and the share capital to SEK 2,268,282. M.O.B.A. Network, after the exercise of warrants, obtained approx. SEK 6m.

OWNERSHIP STRUCTURE

M.O.B.A. Network AB was listed on the First North Growth Market on December 12, 2019. Since flotation, share prices have developed very well, despite the fact that the general financial turmoil associated with COVID-19 has had a considerable impact on global markets. However, the pandemic did not have any material impact on this financial statement.

Name	No. of shares	Share of votes
NanoCap Group AB	5,140,900	22.66%
Trottholmen AB	3,638,088	16.04%
AB Rugosa Invest	2,360,280	10.41%
BFG Foundation AB	2,304,010	10.16%
TIN Fonder	2,166,570	9.55%
Alcur Select	1,693,876	7.47%
Cloverhill Holdings LTD	1,566,400	6.91%
Digital Spine AB	524,462	2.31%
Others	3,288,234	14.50%
Total	**22,682,820**	**100%**

PROPOSAL REGARDING DISPOSAL OF EARNINGS AT 2022 AGM

The Board proposes that accumulated profits as at 12/31/2022 of SEK 17,438,016 be carried forward.

For changes in equity during the financial year, please refer to the Consolidated and Parent Company's Report on changes in equity.

Otherwise, please refer to the following financial statements with notes.

FINANCIAL CALENDAR

Interim report	05/30/2023
Annual General Meeting	20/06/2023
Interim report	08/23/2023
Interim report	11/15/2023

FINANCIAL STATEMENTS

CONSOLIDATED INCOME STATEMENT

Amounts in tSEK	Note	01/01/2022 12/31/2022	10/01/2020 12/31/2021
Net turnover	6	289,815	209,684
Work capitalized for own account		6,791	5,310
Other operating income		1,130	792
Total		**297,737**	**215,786**
Operating expenses			
Direct costs		-231,543	-157,302
Other external costs	7, 8	-23,210	-17,589
Cost for remuneration for employees	8	-10,159	-7,088
Amortizations and depreciations of tangible and intangible fixed assets	11	-4,816	-3,262
Other operating expenses		-695	-1519
Total operating expenses		**-270,422**	**-186,759**
EBIT		**27,314**	**29,026**
Financial revenue	9	1,856	1,840
Financial costs	9	-2,981	-3,122
Financial items - net		**-1,125**	**-1,282**
Earnings before tax		**26,189**	**27,744**
Income tax	10	-4,286	-7,994
Earnings in the period		**21,904**	**19,751**
Earnings per share calculated on earnings attributable to parent company's equity holders:			
Earnings per share (SEK)		1.0	2.3

CONSOLIDATED COMPREHENSIVE INCOME STATEMENT

Amounts in tSEK	Note	01/01/2022 12/31/2022	10/01/2020 12/31/2021
Earnings in the period		**21,904**	**19,751**
Other comprehensive income			
Items that may be reposted to the P/L account:			
Forex differences		32,917	17,346
Other comprehensive income for the period, after tax		**32,917**	**17,346**
Total comprehensive income for the period		**54,821**	**37,097**
Total comprehensive income attributable to:			
M.O.B.A. Network's shareholders' non-controlling holding		54,821	37,097
No. shares at end of period		22,682,820	22,385,820
Avg. no. shares		22,389,048	8,563,533
Avg. no. shares when considering dilution of options		22,445,820	8,800,776

CONSOLIDATED BALANCE SHEET

Amounts in tSEK	Note	12/31/2022	12/31/2021
ASSETS			
Fixed assets			
Retained expenses for development costs	11	12,427	7,899
Brands	11	165,790	141,694
Goodwill	11	131,842	114,308
Technical platform	11	4,252	5,190
Total fixed assets		**314,311**	**269,091**
Current assets			
Trade receivables	12	10,950	13,300
Other receivables		21,746	25,105
Prepaid expenses and accrued income		2,812	2,064
Cash and cash equivalents		48,282	36,601
Total current assets		**83,790**	**77,070**
TOTAL ASSETS		**398,101**	**346,161**

Amount in thousands of kronor (tSEK)		12/31/2022	12/31/2021
EQUITY			
Equity attributable to parent company shareholders			
Share capital	14	2,268	2,239
Other paid-up capital	14	203,616	197,646
Reserves	14	46,873	13,957
Retained earnings		34,150	14,399
Earnings in the period		21,904	19,751
Total equity		**308,811**	**247,991**
LIABILITIES			
Long-term liabilities			
Liabilities to credit institutions	15, 19	11,250	16,250
Deferred tax liabilities	10	28,948	23,058
Total long-term liabilities		**40,198**	**39,308**
Current liabilities			
Liabilities to credit institutions	15, 19	5,000	5,417
Trade payables	3	41,565	51,140
Current tax liabilities		671	691
Other current liabilities	3	1,077	439
Accrued costs and prepaid income		779	1,175
Total current liabilities		**49,092**	**58,861**
TOTAL LIABILITIES AND EQUITY		**398,101**	**346,161**

CHANGES IN EQUITY

Amounts in tSEK	Share capital	Other paid-up equity	Reserves	Retained earnings	Total
Opening balance as at 10/01/2019	**1,559**	**69,604**	**6,840**	**6,440**	**84,442**
Earnings in the period	-	-	-	7,959	7,959
Other comprehensive income for the period	-	-	-10,229	-	-10,229
Total comprehensive income	**–**	**–**	**-10,229**	**7,959**	**-2,270**
Transactions with shareholders in their capacity as owners:					
New share issue	145	26,103	-	-	26,248
Costs for new share issue	-	-2,739	-	-	-2,739
Total transactions with shareholders	**145**	**23,364**	**-**	**-**	**23,509**
Closing balance as at 09/30/2020	**1,704**	**92,968**	**-3,390**	**14,399**	**105,681**
Opening balance as at 10/01/2020	**1,704**	**92,968**	**-3,390**	**14,399**	**105,681**
Earnings in the period	-	-	-	19,749	19,749
Other comprehensive income for the period	-	-	17,346	-	17,346
Total comprehensive income	-	-	17,346	19,749	37,095
Transactions with shareholders in their capacity as owners:					
New share issue	535	109,675	-	-	110,210
Costs for share issue	-	-4,996	-	-	-4,996
Total transactions with shareholders	**535**	**104,679**	**–**	**–**	**105,214**
Closing balance as at 12/31/2021	**2,239**	**197,646**	**13,957**	**34,149**	**247,989**
Opening balance as at 01/01/2022	**2,239**	**197,646**	**13,957**	**34,149**	**247,989**
Earnings in the period	-	-	-	21,904	21,904
Other comprehensive income for the period	-	-	32,917	-	32,917
Total comprehensive income	0	0	32,917	21,904	54,821
Transactions with shareholders in their capacity as owners:					
Rights issue / subscription of options	30	5,970	-	-	6,000
Costs for share issue	-	-	-	-	-
Total transactions with shareholders	**29**	**5,970**	**0**	**0**	**6,000**
Closing balance as at 12/31/2022	**2,268**	**203,616**	**46,874**	**56,053**	**308,811**

CONSOLIDATED CASH-FLOW STATEMENT

Amounts in tSEK	Note	01/01/2022 12/31/2022	10/01/2019 09/30/2020
Cash flow from operating activities			
EBIT		27,314	29,026
Adjustments for items not included in the cash flow			
- Reversal of amortizations		4,816	3,262
- Other items with no effect on the cash flow		-26	1454
Interest received		–	2
Interest paid		-531	-560
Tax paid		-3,744	-6,854
Cash flow from operating activities before change in working capital		**27,828**	**26,330**
Changes in working capital			
Increase/decrease in trade receivables		2,351	-4,054
Increase/decrease in other current receivables		2,611	-5,234
Increase/decrease in other current liabilities		-223	9,467
Increase/decrease in trade payables		-9,576	-1,575
Cash flow from operating activities		**22,991**	**24,934**
Cash flow from investment activities			
Acquisition of subsidiaries, after deduction for cash and cash equivalents assumed		–	-70,919
Investments in intangible fixed assets	11	-16,836	-66,324
Cash flow from investment activities		**-16,836**	**-137,243**
Cash flow from financing activities			
New share issue/share issue costs		6,000	105,214
Loans raised	15	–	20,000
Repayment of loans	15	-5,417	-8,333
Cash flow from financing activities		**583**	**116,881**
Cash flow for the period		**6,738**	**4,571**
Cash and cash equivalents at start of period		36,601	30,838
Forex differences in cash and cash equivalents		4,943	1,192
Cash and cash equivalents at end of period		**48,282**	**36,601**

P/L ACCOUNT, PARENT COMPANY

Amounts in tSEK	Note	01/01/2022 12/31/2022	10/01/2020 12/31/2021
Operating income			
Net turnover		26,672	12,195
Other operating income		1,108	206
Total operating income		**27,780**	**12,401**
Operating expenses			
Merchandise		-3,271	-1,513
Other external costs	7, 8	-8,057	-7,622
Personnel costs	8	-4,290	-4,251
Amortizations of tangible and intangible fixed assets	11	-10,602	-1,850
Other operating expenses		-601	-148
Total operating expenses		**-26,821**	**-15,385**
EBIT		**960**	**-2,984**
Financial items			
Earnings from shares in Group companies		18,682	10,797
Interest income and similar profit/loss items		1,856	1,958
Interest expenses and similar profit/loss items		-3,126	-3,077
Earnings from financial items		**17,413**	**9,678**
Earnings before tax		18,372	6,695
Other taxes		-934	-558
Earnings in the period		**17,438**	**6,136**

BALANCE SHEET, PARENT COMPANY

Amounts in tSEK	Note	12/31/2022	12/31/2021
ASSETS			
Fixed assets			
Intangible fixed assets			
Brands	11	48,091	48,648
Total intangible fixed assets		**48,091**	**48,648**
Financial fixed assets			
Shares in Group companies	16	179,189	179,189
Total financial fixed assets		**179,189**	**189,189**
Total fixed assets		**227,280**	**227,837**
Current assets			
Current receivables			
Trade receivables		3,674	4016
Receivables with Group companies		872	–
Other receivables		127	95
Prepaid expenses and accrued income		264	414
Total current receivables		**4,938**	**4,526**
Cash and bank balances		7,074	1,998
Total current assets		**12,012**	**6,524**
TOTAL ASSETS		**239,292**	**234,361**

Amounts in tSEK	Note	12/31/2022	12/31/2021
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	14	2,268	2,239
Unrestricted equity			
Capital surplus	14	203,616	197,646
Retained earnings		-1,427	-7,535
Profit/loss for the year		17,438	6,108
Total unrestricted equity		**219,627**	**196,219**
Total equity		**221,895**	**198,458**
Long-term liabilities			
Liabilities to credit institutions	15, 19	11,250	16,250
Payables to Group companies	17	–	12,336
Total long-term liabilities		**11,250**	**28,586**
Current liabilities			
Liabilities to credit institutions	15, 19	5,000	5,417
Trade payables	3	212	302
Other liabilities	3	178	424
Accrued costs and prepaid income		758	1175
Total current liabilities		**6,147**	**7,317**
TOTAL LIABILITIES AND EQUITY		**239,292**	**234,361**

CHANGES IN PARENT COMPANY'S EQUITY

Amounts in tSEK	Share capital	Capital surplus	Retained earnings	Total
Opening balance as at 10/01/2020	**1,704**	**92,968**	**-7,535**	**87,136**
Profit/loss for the year			6,108	6,108
New share issue	535	109,675		110,210
Costs for share issue		-4,997		-4,997
Closing balance as at 12/31/2021	**2,239**	**197,647**	**-1,427**	**198,458**
Opening balance as at 01/01/2022	**2,239**	**197,647**	**-1,427**	**198,458**
Profit/loss for the year			17,438	17,438
Rights issue / subscription for warrants	30	5,970		6,000
Costs for share issue				-
Closing balance as at 12/31/2022	**2,269**	**203,616**	**16,011**	**221,895**

CASH-FLOW STATEMENT, PARENT COMPANY

Amounts in tSEK	Note	01/01/2022 12/31/2022	10/01/2020 12/31/2021
Cash flow from operating activities			
EBIT		960	-2,984
Adjustments for items not included in the cash flow			
- Reversal of amortizations		10,602	1,850
- Other items with no effect on the cash flow		–	–
Interest received		–	119
Interest paid		-676	-543
Dividends received		18,682	10,797
Tax paid		-934	-558
Cash flow from operating activities before change in working capital		**28,633**	**8,682**
Changes in working capital			
Increase/decrease in internal balances		-872	2,739
Increase/decrease in trade receivables		343	-3,949
Increase/decrease in other current receivables		118	-235
Increase/decrease in other current liabilities		-830	811
Increase/decrease in trade payables		-90	13
Cash flow from operating activities		**-1,332**	**8,060**
Cash flow from investment activities			
Acquisition of subsidiaries, after deduction for cash and cash equivalents assumed		–	-97,119
Investments in intangible fixed assets		-10,045	-50,498
Cash flow from investment activities		**-10,045**	**-147,617**
Cash flow from financing activities			
New share issue/share issue costs		5,999	105,214
Loans raised		–	20,000
Loans raised, Group companies		–	12,336
Settlement of loans to Group companies		-12,336	–
Repayment of loans		-5,417	-8,333
Cash flow from financing activities		**-11,753**	**129,216**
Cash flow for the period		**5,503**	**-10,341**
Cash and cash equivalents at start of period		1,998	12,920
Forex differences in cash and cash equivalents		-427	-581
Cash and cash equivalents at end of period		**7,074**	**1,998**

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

The company's main activities revolve around developing web-based forums, so-called communities for users of popular network-based computer games. Revenue is generated through internet-based advertising on the web pages where the forums are hosted. The company also owns a YouTube network, Union For Gamers, where revenue is generated from digital advertising connected to our content creator videos.

The parent company is a limited company registered in Sweden, with headquarters in Stockholm. The mailing address is Birger Jarlsgatan 2, 114 34 Stockholm.

All amounts are reported in tSEK unless otherwise indicated.

The financial statements have been prepared subject to the Group conducting its business according to the principle of the going concern.

2. SUMMARY OF IMPORTANT ACCOUNTING PRINCIPLES

This consolidated financial statement has been prepared in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB).

M.O.B.A Network AB (publ) and its subsidiaries ('the Group') prepare the consolidated financial statement in accordance with the International Financial Reporting Standards (IFRS), as they have been adopted by the EU, the Swedish Annual Financial Statements Act (Årsredovisningslagen), and RFR 1 *Supplementary Reporting Rules for Groups*.

The most important reporting principles applied during preparation of this financial statement are reported below.

Preparing this financial statement in accordance with the IFRS requires the application of certain critical accounting estimates. It also requires the Management to make certain judgments in order to apply the Group's reporting principles. Those areas that are subject to a high degree of complex judgments, or such areas where assumptions and estimates are of material significance for consolidated reporting, are specified in Note 3.

All relevant standards that are applicable from 01/01/2022 inclusive, or earlier, have been applied in preparing this consolidated financial statement. Certain IFRS amendments that came into force on January 1, 2022, and have therefore started to be applied this year, have not had a material impact on the Group's results and position. As of the date of approval of these consolidated financial statements, certain new standards, amendments and interpretations of existing standards that have not yet entered into force have been published by the IASB or the IFRIC. None of these standards have been early adopted by the Group. No interpretation has been published which is applicable to the Group and which thus needs to be taken into account by the Group as of the balance sheet date.

The parent company applies the Swedish Financial Statements Act and RFR 2 Accounting for Legal Entities according to the Swedish Council for Financial Reporting (Rådet för finansiell rapportering).

2.1 CONSOLIDATION PRINCIPLES

Subsidiaries
Subsidiaries are all companies which the Group has a controlling influence over. The Group controls a company when it is exposed to or has the right to variable returns from its holding in the company, and has the ability to affect returns through its influence over the company. Subsidiaries are included in the consolidated financial statement from the day on which the controlling influence transfers to the company. They are removed from the consolidated financial statement from the day on which the controlling influence ends.

The acquisition method is applied to reporting of the Group's business combinations. The purchase price for the acquisition of a subsidiary consists of the fair value of the assets and liabilities assumed, and the shares issued by the Group. The purchase price also includes the fair value of all assets or liabilities that result from an agreement on conditional purchase price.

Acquisition-related costs are reported as costs when they arise.
Identifiable assets acquired and liabilities assumed in a business combination are initially valued at fair value as at the date of acquisition.

The amount by which the purchase price, any holding without a controlling influence, and the fair value on the date of acquisition of previous shareholdings exceeds the fair value of the Group's share of identifiable acquired net assets is reported as goodwill. If this amount is lower than the fair value of the assets of the acquired subsidiary, in the event of a so-called "bargain purchase", the difference is reported directly in the P/L account as other operating income.

2.2 CONVERSION OF FOREIGN CURRENCIES

Functional currency and reporting currency
Items included in the financial statements for the various entities within the Group are valued in the currency used in the economic environment where the respective company primarily operates (functional currency). The consolidated financial statement uses Swedish krona (SEK) as its reporting currency which is also the parent company's reporting currency.

Transactions and balance sheet items
Transactions in foreign currencies are converted to the functional currency according to the exchange rates applicable on the transaction date. Forex gains and losses that occur upon payment of such transactions and upon conversion of monetary assets and liabilities in foreign currencies at the rate on the balance sheet date are reported in the P/L account. Forex differences on loans given and raised are reported under net financial earnings, while other forex differences are included in EBIT.

Group companies
The earnings and financial position of all Group companies (none of which use a high-inflation currency as their functional currency) which have an alternative functional currency to the reporting currency are converted to the Group's reporting currency as follows:

a) assets and liabilities for each of the balance sheets is converted using the exchange rate on the balance sheet date;
b) income and costs for each of the P/L accounts is converted using the average exchange rate (insofar as this average rate is a reasonable approximation of the accumulated effect of the rates that apply on the transaction date, otherwise income and costs are converted using the rate on the transaction date); and
c) all forex differences that arise are reported as a separate line under other comprehensive income.

During consolidation, forex differences that arise as a result of conversions of net investments in overseas entities and from borrowings and other forex instruments designated as hedges of such investments, are included in equity. During disposal of overseas entities, in part or in whole, those forex differences that have been reported under equity are moved to the P/L account and reported under capital gains/losses.
Goodwill and adjustments to fair value arising from the acquisitions of an overseas entity are treated as assets and liabilities of that business and are converted using the exchange rate on the balance sheet date.

2.3 REPORTING INCOME

When assessing whether income should be reported, M.O.B.A. applies a 5-step process.

Step 1 – Identify customer agreement
Step 2 – Identify covenants in agreement
Step 3 – Determine transaction price
Step 4 – Allocate transaction price to covenants
Step 5 – Report income at time of fulfillment of covenant

The Group's operating income comes from advertising on M.O.B.A. Network's platforms and video advertising from the YouTube network. Income is reported excluding value-added tax and any discounts.

Advertising sales are carried out by an external party who has an explicit agreement with M.O.B.A. Network for rendering these services, whereby the customer is obliged to sell advertising spaces that are available on M.O.B.A.'s platforms and M.O.B.A. is obliged to maintain the technology so that the advertising can be displayed. M.O.B.A receives a percentage of the customer's income from the sale of advertising. The customer primarily prices advertising spaces through a process where advertisers bid on available advertising spaces, with the highest bid constituting the fixed remuneration. The Group's commission is calculated based on this bid as fixed remuneration. Income is reported in the Group during that period, in which the advertising spaces have been available and once the income can be reliably assessed, and once it is likely that future economic benefits will accrue to M.O.B.A. This means that the Group reports this once the covenant has been fulfilled. Invoicing is continuous with payment terms of 30-60 days.

Video sales are conducted via YouTube and in conjunction with views of our content creator videos which are made available via YouTube.com. Content creators are affiliated with our multi-channel network, Union for Gamers. Union For Gamers works on offering services to content creators within areas such as brand development, cross-selling, partner management, digital rights management, revenue generation/sales, and/or target group development in exchange for a percentage of advertising revenue from the channel. Income from video sales is calculated by YouTube and collated at the end of each month. Income is reported in the Group during that period, in which the video sales have been available and once the income can be reliably assessed, and once it is likely that future economic benefits will accrue to M.O.B.A. This means that the Group reports this once the covenant has been fulfilled. YouTube is billed within 30 days of the end of each month.

For income according to the above categories, see Note 6.

2.4 SEGMENT REPORTING

The Group monitors and reports on operations in two segments, advertising revenue and video revenue. For a more detailed description of these segments, please refer to Note 2.3 Reporting income.

2.5 LEASING

IFRS 16 specifies that all lease agreement must be reported on the balance sheet as liabilities and right-of-use assets, except lease agreements of lesser value or with a short term (max. 12 months). The liability constitutes the present value of future lease payments, discounted by the marginal borrowing rate or implicit interest rate. The right-of-use asset is written off linearly over the right-of-use period. Lease payments are divided into payments of interest and repayment of the debt.

The Group only has lease agreements of lesser value or with short terms, for which lease fees are reported as costs linearly over the lease period. No lease agreements of lesser value or lease agreements with a term of less than 12 months have been recognized as liabilities on the balance sheet according to the rules on relief.

The Group's contracts for offices are for one year or less, with the possibility of extension.

2.6 REMUNERATION FOR EMPLOYEES

Pension liabilities
The Group currently operates only defined benefit plans which comprise several employers according to IAS 19 and which are classified as defined benefit plans but are reported as contribution-based. For contribution-based pension plans, the Group pays contributions to publicly or privately managed pension funds on a mandatory, contractual or voluntary basis. Once these contributions have been paid in, the Group has no other payment obligations. These contributions are reported as personnel costs when such are due. Prepaid contributions are reported as an asset to the extent that a cash repayment or reduction in future payments may accrue in favor of the Group.

Current remuneration for employees
Liabilities for salaries and remuneration, including benefits and paid leave, that are expected to be settled within 12 months of the end of the financial year are reported as current liabilities to the non-discounted amount that is expected to be paid once the liabilities are settled. Costs are reported as and when benefits are provided to employees. The liability is reported as an obligation regarding remuneration for employees on the balance sheet.

Share-based remunerations
The group has had a share-based remuneration program active during the year. The program referred to a warrant program, where each warrant entitled the holder to subscribe for one new share in the company. The warrants were issued at market value. Calculation of the market value of the warrants using the Black & Scholes valuation model.

The warrants could be used to subscribe for shares during the period from March 1, 2022 to March 31, 2022. Shares acquired through subscription by exercise of a warrant carried the right to dividends for the first time on the record date for dividends occurring immediately after the subscription was executed. The warrants were freely transferable and the allotment of warrants required that the acquisition of warrants was legally possible. For more information on the outcome of the option program, see note 16.

2.7 CURRENT AND DEFERRED TAX

Current tax costs are calculated based on the tax regulations that were resolved or in practice had been resolved on the balance sheet date in those countries where the parent company's subsidiaries operate and generate taxable income. Group management regularly evaluates the tax claims made in the self-assessments regarding situations where applicable tax rules are subject to interpretation and, where deemed appropriate, make provisions for amounts which will likely be payable to the tax agency.

Provisions for deferred tax are calculated according to the balance sheet method on all temporary differences arising between the carrying and tax value of assets and liabilities. Deferred tax assets and deferred tax liabilities are valued on the balance sheet at their nominal amounts and according to the tax rules and rates that have been resolved or notified as at the balance sheet date. Deferred tax liabilities in the Group comprise tax on identified surplus value in connection with acquisitions of shares in subsidiaries. Deferred tax assets are reported to the extent that it is likely that there will be future taxable profits, against which temporary differences can be used. Temporary differences on tax shortfalls at the parent company are not reported on the balance sheet since it is hard to determine when these can be used.

2.8 FINANCIAL INSTRUMENTS

Financial instruments reported on the balance sheet include cash equivalents and trade receivables on the assets side. Trade payables and borrowings from credit institutions are reported on the liabilities side.

Reporting and valuation upon first reporting
A financial asset or financial liability is posted to the balance sheet once the Group becomes party to the contractual terms and conditions of the instrument. Trade receivables are posted to the balance sheet when the invoice has been sent and the covenant fulfilled. Liabilities are posted once the counterparty has rendered performance and there is a contractual obligation to pay, even if an invoice has not yet been received. Trade payables are posted to the balance sheet once the invoice has been received.

A financial asset is deleted from the balance sheet once the rights in the agreement have been realized, expire, or the Group loses control of such. A financial liability is deleted from the balance sheet once the obligation in the agreement has been fulfilled, or otherwise resolved. The same applies for part of a financial liability.

The Group's total financial assets have been acquired with the intention of collecting the contractual cash flow and are therefore classified in the category at accrued acquisition value. The Group's financial liabilities are also valued at accrued acquisition value.

Depreciation of financial assets
The simplified method for calculating expected credit losses is applied to the Group's trade receivables and other receivables. This method involves taking expected losses during the entire maturity of the receivable as the basis for trade receivables. Trade receivables are grouped according to the number of days default in order to calculate expected credit losses. The expected levels of credit loss are based on customers' payment history and loss history in recent years.

Loans from credit institutions
Borrowings are initially reported at fair value net, after transaction costs. Borrowings are subsequently reported at accrued acquisition value, and any difference between the sum received (net after transaction costs) and the recoverable amount are reported on the P/L account across the loan period, applying the effective interest rate method. Fees that are paid for loan facilities are reported as transaction costs for the borrowing to the extent that it is likely that parts or the whole of the credit line will be used. In such case, the fee is reported when the credit line is used. If there is no evidence that it is likely that parts of or the whole credit line will be used, the fee is reported as an advance cost for financial services and is distributed across the life of the current loan commitment.

Subsequent valuation of financial assets and liabilities
Financial assets and liabilities are valued at accrued acquisition value.

2.9 INTANGIBLE FIXED ASSETS

Intangible fixed assets acquired separately are reported at acquisition value less accumulated amortizations and accumulated depreciations.

Intangible fixed assets with a definite useful life are written off over their economic life and tested for impairment when there is an indication that the intangible asset may have a lower value than what has been reported after amortizations. Amortizations are performed linearly over the estimated useful life of the assets and are reported in the Group's comprehensive income report.

Goodwill and brands are tested annually in order to identify any need for impairment and are reported at acquisition value less accumulated depreciations. Depreciations are not performed for goodwill and brands. Gains or losses from the disposal of an entity include the outstanding carrying value of goodwill and brands relating to the entity disposed of.

Retained development costs
Costs incurred in order to use a specific website or technical platform are carried forward and reported on the balance sheet as retained expenses for development costs. The retained acquisition and development costs are written off from such time as the website is ready to use. The amortization period is normally 5 years.

Technical platform
The Group's technical platform is reported separately and was acquired through the subsidiaries CriticalClick and Magic Find and is written off over 5 years. Maintenance costs for the platform are reported as costs when they arise.

Brands
Intangible assets with an undefined useful life are not written off, and are instead tested annually or more often if events or changes in circumstances indicate a potential decrease in value, either individually or at the level of the entity generating cash flow. M.O.B.A. Network operates 23 community websites, with each website considered to be its own brand. The company's community websites are aimed at well-known and established computer and console game titles that have been developed by other companies and which have existed for a longer period of time, hence these brands are considered to have an undefinable useful life. The development of the games is entirely separate from the company. The company's communities are built on providing platforms

where users can create interesting content themselves, such as game strategies, discussions about games and e-sports, plus game tips and video content. Those Group brands that are considered to have an undefined useful life are mobafire.com, leaguespy.gg, counterstats.net, vaingloryfire.com, dotafire.com, smitefire.com, wildrift-fire.com, farmfriends.gg, heroesfire.com, runeterrafire.com, artifactfire.com, owfire.com, hearthpwn.com, mine-craftforum.net, minecraftstation.com, forzafire.com, overframe.gg, mtgsalvation.com, mmo-champion.com, dia-blofans.com, bluetracker.gg, mmorpg.com, and resetera.com. In addition to these brands, the company also op-erates the YouTube network Union for Gamers (UFG). Like the Group's websites, the UFG brand is considered to have an indefinite useful life as the network's revenues are generated primarily by its members. The UFG brand attracts new members and retains existing ones by offering a valued service to content creators on YouTube. The members in turn create content based on what is currently relevant and interesting to their audience, which is updated and changed daily. Our assessment is that, based on these premises, it is not possible to set a period of use for either the UFG trademark or the members of the network.

Goodwill
Goodwill comprises the amount by which the acquisition value exceeds the fair value of the Group's share in the acquired subsidiary's identifiable net assets upon acquisition. Goodwill on acquisitions of subsidiaries is reported as an intangible asset.

2.10 DEPRECIATIONS OF INTANGIBLE FIXED ASSETS

Assets with an undefinable useful life are not written off, and are instead tested annually for any need for impairment.

Tangible fixed assets and those intangible assets that are written off are assessed with respect to a decrease in value whenever events or changes in circumstances indicate that the carrying value may not be recoverable. Assets are written down by the amount by which their carrying value exceeds their recoverable amount. The recoverable amount is the higher of the fair value of the asset less sales costs and its value in use. When determining the need for impairment, assets are grouped at the lowest level where there exist separate identifiable cash flows (entities generating cash flow).

An impairment is reversed if there is an indication that the need for impairment is no longer applicable and there has been a change in the assumption that was used as a basis for calculating the recoverable amount. However, impairments on goodwill or brands with an undefinable useful life are never reversed. Reversal is only performed to the extent that the carrying value of the asset after reversal will not exceed the carrying value that would have been reported, less any amortization as applicable, if the depreciation had not been performed.

2.11 REPORTING AND ACCOUNTING PRINCIPLES AT THE PARENT COMPANY

The parent company applies the same principles as the Group, except that the parent company's reporting is prepared in accordance with RFR 2. Reporting for Legal Entities and statements from the Swedish Council for Financial Reporting. Deviations between the Group's and the parent company's reporting principles are motivated by the limits the Swedish Annual Financial Statements Act entails in the application of IFRS for the parent company, and those tax regulations which make it possible to report for a legal entity other than the Group.

The parent company applies the reporting forms indicated in the Annual Financial Statements Act, which entails application of a different presentation for equity etc.

Shares in subsidiaries are reported at acquisition value less any depreciations. Where there is an indication that shares in subsidiaries have decreased in value, the recoverable amount is calculated. If this is lower than the carrying value, a depreciation is performed. Depreciations are reported under the item Earnings from shares in Group companies. The acquisition value for shares in subsidiaries includes transaction costs. In the consolidated financial statement, transaction fees are reported as costs in the period in which they occur.

3. FINANCIAL RISK MANAGEMENT

The Group is exposed to various financial risks as a result of its operations: market risks (currency and interest risks), credit risks, and liquidity/financing risks.

Risk management is looked after by the Head of Finance in consultation with the CEO and Board according to the guidelines set out by the Board. The risk function includes identifying, assessing and hedging against financial risks. This is conducted in close cooperation with the Group's operational entities.

3.1 MARKET RISK

Forex risk
The Group's operations are exposed to currency risk in the form of exchange rate fluctuations. The Group's currency risk consists partly of transaction risk, which relates to purchases and sales in foreign currency, and partly of the translation risk, which relates to investments in foreign subsidiaries and exchange rate fluctuations when the results of the foreign subsidiaries are converted to Swedish kronor. At present, the Group only has subsidiaries with the US dollar as their reporting currency and therefore the currency risk is only attributable to USD.

Furthermore, the currency risk is primarily assessed to be an accounting risk at Group level and not an operational risk because the subsidiaries' cash flows and accounting currency are in USD.

Exposure to forex risks
The assets of overseas subsidiaries, less liabilities, constitute a net investment in a foreign currency which, upon consolidation, gives rise to a forex difference. These forex differences are added directly to the Group's equity and are reported under a separate category within equity called Reserves.

Intra-group loans are converted using the applicable rate on the balance sheet date for the entity that has the receivable or payable denominated in a currency other than the functional currency applicable to the respective entity. Intra-group loans have no net effect on equity, but they do have an effect on the consolidated P/L account.

Interest rate risk associated with cash flow and fair value
Since the Group does not hold any significant interest-bearing assets, the Group's income and cash flow from the going concern is in all material respects not dependent on changes in market interest rates. The Group's interest rate risk primarily arises from long-term borrowing. Loans raised with variable interest expose the Group to an interest rate risk with respect to cash flow. Loans raised with fixed interest expose the Group to an interest rate risk with respect to fair value. At present, the company has no fixed rate loans, so there is no fair value risk.

3.2 CREDIT RISK

The credit risk, or counterparty risk, is the risk that the counterparty in a financial transaction will not fulfill their obligations by the due date. The credit risk is managed at a Group level and arises from trade receivables, cash and cash equivalents, derivative instruments, and cash with banks and financial institutions.

The Group's debt to the credit institution has associated covenants, which is considered a certain credit risk. According to the agreement, the Group must show an equity ratio of at least 35% and ensure that EBTIDA on a rolling 12-month basis does not fall below SEK 32m. As of the closing date of December 31, 2022, the company meets these covenants. In the event that the company breaches the agreed covenants, the debt falls due in full on a date determined by the bank.

3.3 CUSTOMER CREDIT RISK

In addition to global monitoring at a Group level, more detailed monitoring of customer credit risks is performed at a local level, close to the customer. The customer credit risk is the risk that the customer will not fulfill their covenants. Where customers have a credit rating conducted by an independent assessor, this rating is used. In the event that there is no independent credit assessment, a risk assessment is performed for the customer's creditworthiness, taking into account their financial position, as well as previous experiences and other factors. Risk limits are set based on internal or external credit assessments. The use of credit limits is monitored regularly. During the current and the previous financial year, M.O.B.A has had only one contractual relationship with a customer and there are not considered to be any greater concentrations of credit risks. The maximum exposure to credit risks in trade receivables comprises the carrying value for any given point in time.

3.4 LIQUIDITY RISK/FINANCING RISK

As at December 31, 2022, the Group had available liquidity of tSEK 48,282. This liquidity is comprised of bank balances.

The aim of the capital structure is to secure the Group's ability to continue trading so that it can continue to generate returns for shareholders and benefits for other stakeholders, and to maintain an optimum capital structure in order to keep costs for capital down.

The table below presents the non-discounted cash flow arising from the Group's liabilities in the form of financial instruments, based on the earliest remaining maturities contracted as at the balance sheet date. Those amounts that are due within 12 months are consistent with the carrying amount since the discounting effect is negligible.

Amounts in overseas currencies and amounts that must be paid based on variable interest have been estimated by applying the exchange rates and interest rates applicable as at the balance sheet date.

Group Amounts in tSEK	Less than 1 year	Between 1 and 2 years	Between 2 and 5 years	More than 5 years
As at December 31, 2021				
Borrowings	5,000	11,250	–	–
Trade payables and other liabilities	44,092	–	–	–
Total	**49,092**	**11,250**	–	–

As at December 31, 2021				
Borrowings	5,417	16,250	–	–
Trade payables and other liabilities	51,579	–	–	–
Total	**56,996**	**16,250**	–	–

Parent company **Amounts in tSEK**	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**More than 5 years**
As at December 31, 2021				
Borrowings	5,000	5,000	6,250	–
Trade payables and other liabilities	1,147	–	–	–
Total	**6,147**	**5,000**	**6,250**	–
As at December 31, 2021				
Borrowings	5,417	5,000	23,586	–
Trade payables and other liabilities	726	–	–	–
Total	**6,143**	**5,000**	**23,586**	–

There are currently no items on the consolidated balance sheet that are valued at fair value. The fair value of the Group's borrowings is largely considered to be equivalent to the carrying amount since loans from external parties mature within 5 years. The same applies to trade receivables if they are short-term in nature.

4. CAPITAL RISK MANAGEMENT

The aim of the capital structure is to secure the Group's ability to continue trading with the aim of continuing to generate returns for shareholders and benefits for other stakeholders, and to maintain an optimum capital structure in order to keep costs for capital down. The company's borrowing from credit institutions is subject to covenants, which constitutes a certain capital risk for the company. In order to maintain or modify the capital structure, M.O.B.A. may adjust the dividends it pays out to shareholders, repay capital to shareholders, issue new shares, or sell off assets in order to reduce its liabilities or repay its liabilities if required.

Similarly to other companies in the industry, the Group assesses its capital based on the debt ratio. This key figure is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (comprising the items Current borrowings and Long-term borrowings on the consolidated balance sheet, including borrowings from owners, financial lease agreements, and interest rate derivatives connected to borrowings) less cash and cash equivalents. Total capital is calculated as Equity on the consolidated balance sheet plus net debt.

The debt ratio in the Group as at December 31, 2022 was as follows:	**12/31/2022**	**12/31/2021**
Total borrowings	16,250	21,667
Outgoing: cash and cash equivalents	48,282	-36,601
Net debt	**32,032**	**14,934**
Total equity	308,811	247,991
Total capital	**340,844**	**262,925**
Debt ratio	9%	6%

5. IMPORTANT ESTIMATES AND JUDGMENTS IN APPLYING THE GROUP'S REPORTING PRINCIPLES

Estimates and assessments are reviewed continuously and are based on historical experience and other factors, including expectations of future events which are considered reasonable under the prevailing conditions.

The Group makes assumptions and estimates concerning the future. Those estimates that are made for accounting purposes will, by definition, rarely correspond to the actual result. Those assumptions and estimates that involve a significant risk of major adjustments to the reported value of assets and liabilities during the next financial year are indicated in the outlines below.

The company completed an acquisition in the last financial year, Magic Find Inc. A PPA (Purchase Price Allocation) was prepared in connection with the acquisition. Certain assessments and estimates were required in order to determine the value of the assets in the acquired company. This included calculating the current value of the estimated cash flow in order to assess the value of the identified cash-generating entities. A discount rate of 11.9% was used to calculate the current value of the future cash flow. The discount rate used is indicated after tax and reflects specific risks that apply to the market M.O.B.A. operates in. The discounted cash flows are based on the budget for 2022 and forecasts for 2022 to 2031. Outside of the forecast period, the base assumption has been a growth of 1% per year.

5.1 DEPRECIATION OF USEFUL LIFE OF INTANGIBLE ASSETS

Intangible assets with an undefined useful life are not written off, and are instead tested annually or more often if events or changes in circumstances indicate a potential decrease in value, either individually or at the level of the entity generating cash flow. Over time, M.O.B.A. develops the "communities" that are connected to the Group's platform for online games, which attracts new gamers and visitors to our platforms. In addition, the company also develops the multi-channel network (MCN) Union for Gamers. Those brands that are attributable to these "communities" and the company's "MCN" are considered to have an undefined useful life. The company conducts regular testing to verify whether the useful life of the intangible assets is still considered to be undefinable. This assessment is based on an analysis of relevant factors for the asset and whether there is any predictable limit to the period of time, during which the asset is expected to generate net cash inflows for the company.

On each reporting date, the Group assesses to what extent there exist indications of a need for impairment. This assessment is conducted for each cash-generating entity identified respectively. Where there is an indication, or where an asset requires an annual impairment test, the recoverable amount of the asset is calculated. Calculating the recoverable amount requires that certain estimates are made.

6. SEGMENT REPORTING

The Group's operating segments are identified based on internal reporting that is conducted for the company's most senior executive decision-makers. The CEO is the senior-most decision-making organ within the Group. The Group has identified two operating segments that drive business based on revenue streams: Advertising revenue and Video revenue. In addition, the Group has common costs that cannot be directly attributed to one specific segment. Allocation between the segments is performed as per the table below.

The Group does not monitor assets and liabilities at a segment level.

	Advertising revenue		Video revenue		Group as a whole		Group	
Amounts in tSEK	01/01/2022 12/31/2022	01/01/2021 12/31/2021	01/01/2022 12/31/2022	01/01/2021 12/31/2021	01/01/2022 12/31/2022	01/01/2021 12/31/2021	01/01/2022 12/31/2022	01/01/2021 12/31/2021
Revenue	50,907	42,349	238,909	156,967	–	–	289,815	199,316
Work capitalized	6,791	4,631	–	–	–	–	6,791	4,631
Other revenue	1,130	789	–	–	–	–	1,130	789
Direct costs	-10,541	-10,356	-221,002	-144,042	–	–	-231,543	-154,398
Operating expenses	-17,272	-12,598	-8,673	-3,328	-8,119	-6,979	-34,063	-22,905
Depreciation and impairments	-4,816	-2,775	–	–	–	–	-4,816	-2,775
EBIT	**26,199**	**22,041**	**9,234**	**9,597**	**-8,119**	**-6,979**	**27,314**	**24,660**
Financial items, net	-427	-22	–	–	-698	-1,153	-1,125	-1,176
Earnings before tax	**25,772**	**22,019**	**9,234**	**9,597**	**-8,817**	**-8,132**	**26,189**	**23,483**

The company uses third-party partnerships to sell its advertising space on the websites and YouTube to sell advertising in our Content Creators' ad breaks. The company has a number of third party partnerships, where the companies are either US or UK based. The company does not follow up at a detailed level, such as page views online or views on YouTube, to which customer category or country the sales were made. Such data are therefore not presented in this report.

In terms of revenue, the breakdown of our third-party partnerships is as follows:

Group sales by country in tSEK	01/01/2022 12/31/2022	10/01/2020 12/31/2021
UK	31,622	26,958
USA	258,194	182,726

Remaining countries	-	-
Total	**289,815**	**209,684**

Group sales by country in %	**01/01/2022 12/31/2022**	**10/01/2020 12/31/2021**
UK	11%	13%
USA	89%	87%
Remaining countries	0%	0%
Total	**100%**	**100%**

7. REMUNERATION OF AUDITORS

The audit assignment relates to a review of the annual financial statement and accounts and of the Board's and the CEO's management of the company, other duties that are incumbent on the company auditor, and providing advice or other support required based on observations made during said review, or the carrying out of other professional duties. All other activities are divided into tax consultations and other assignments respectively.

Group and parent company **Amounts in tSEK**	**01/01/2022 12/31/2022**	**10/01/2020 12/31/2021**
Grant Thornton		
Audit assignment	564	797
Total	**564**	**797**

8. REMUNERATION FOR EMPLOYEES AND INFORMATION ON PERSONNEL

Group **Amounts in tSEK**	**01/01/2022 12/31/2022**	**10/01/2020 12/31/2021**
Salaries and remuneration	8,764	6,248
Social security costs	1,680	1,333
Total	**10,444**	**7,581**

Parent company **Amounts in tSEK**	**01/01/2022 12/31/2022**	**10/01/2020 12/31/2021**
Salaries and remuneration	3,488	3,599
Social security costs	1,089	1,124
Total	**4,576**	**4,723**

The subsidiary CriticalClick Inc. did not have any employees during the financial year 2020/2021 or during 2022. Magic Find Inc. was consolidated with the Group as at 06/01/2021. Magic Find Inc. has 6 full-time employees as of December 31, 2022, which is the same as at the time of acquisition.

The CEO and other senior executives are subject to a mutual notice period according to the generally applicable rules, and no longer than 6 months.

Remuneration for employees **Amounts in tSEK**	**01/01/2022 12/31/2022**		**10/01/2020 12/31/2021**	
Group and parent company	**Salaries and other remuneration**	**Social security contributions incl. pensions**	**Salaries and other remuneration**	**Social security contributions incl. pensions**
Board members and CEOs	1,541	–	2,004	–

Other employees	1,947	–	1,595	–
Social security contributions	1,089	–	1,124	–
Total	**4,576**	**–**	**4,723**	**–**

Avg. no. employees	**01/01/2022 12/31/2022**		**10/01/2020 12/31/2021**	
Group and parent company	**Avg. no. em-ployees**	**Of which men**	**Avg. no. em-ployees**	**Of which men**
Parent company, Sweden	3	100%	3	100%
Total at parent company	**3**	**100%**	**3**	**100%**
Subsidiary				
CriticalClick Network Inc.	–	–	–	–
Magic Find Inc.*	6	67%	3	66%
Total, consolidated	**9**	**78%**	**6**	**83%**

***Magic Find Inc. became part of the Group as of 06/01/2021**

Gender split among Board members and other senior executives	**01/01/2022 12/31/2022**		**10/01/2020 12/31/2021**	
Group	**No. on balance sheet date**	**Of which women**	**No. on balance sheet date**	**Of which women**
Board members	5	1	5	1
CEOs	1	–	1	–
Total, consolidated	**6**	**1**	**6**	**1**
Parent company				
Board members	5	1	5	1
CEOs	1	–	1	–
Parent company, total	**6**	**1**	**6**	**1**

9. FINANCIAL INCOME AND FINANCIAL COSTS

The Group Amounts in tSEK	**01/01/2022 12/31/2022**	**10/01/2020 12/31/2021**
Financial revenue		
Interest income	0	2
Forex effects	1,856	1,838
Total financial income	**1,856**	**1,840**
Financial costs		
Interest expenses	-698	-702
Forex effects	-2,283	-2,419
Total financial income	**-2,981**	**-3,121**
Total financial items	**-1,125**	**-1,281**

10. TAX

	01/01/2022	**10/01/2020**

Group	12/31/2022	12/31/2021
Current tax for the year	-3,860	-7,511
Deferred tax costs relating to temporary differences	-425	-483
Total income tax	**-4,285**	**-7,994**

Parent company	01/01/2022 12/31/2022	10/01/2020 12/31/2021
Current tax for the year	-3,785	-1,427
Effect of the parent company's tax adjusting items	3,785	1,427
Total tax on earnings for the year	**–**	**–**

The differences between reported tax costs and estimated tax costs based on applicable tax rates are as follows:

Group	01/01/2022 12/31/2022	10/01/2020 12/31/2021
Earnings before tax	26,189	27,744
Income tax calculated according to the Group’s applicable tax rate 20.6% (21.4%)	-5,395	-5,937
Non-deductible expenses	-55	-40
Effect of the parent company's tax adjusting items	3,785	1,427
Effect of overseas tax rates	-2,620	-3,443
Adjustment to current tax for previous year(s)	–	–
Income tax	-4,285	-7,994

Parent company	01/01/2022 12/31/2022	10/01/2020 12/31/2021
Earnings before tax	18,372	6,667
Income tax calculated at the current tax rate 20.6% (21.4%)	-3,785	-1,427
Non-taxable income	3,848	2,310
Non-deductible expenses	-	-6
Tax shortfall for which no deferred tax asset was reported	-63	-878
Tax on earnings for the year	0	0

Deferred tax

Group	12/31/2022	12/31/2021
Deferred tax liabilities		
Technical platform	25,873	21,045
Retained development costs	3,074	2,013
Total deferred tax liabilities	**28,947**	**23,058**

The gross change in deferred tax is as follows:

Group	12/31/2022	12/31/2021
At start of year	23,058	11,937
Effect of business combination	-	10,458
Reported on P/L account	-425	-483
Forex differences	6,314	1,146
At year-end	**28,947**	**23,058**

11. FIXED ASSETS

Group

12/31/2022 - Group (tSEK)	Retained development work	Brands	Goodwill	Technical platform	Total
Group					
Acquisition value, opening balance	10,789	141,694	114,308	8,370	275,162
Investments	6,791	10,045	–	–	16,836
Forex differences	1,276	14,051	17,534	-53	32,808
Acquisition value, closing balance	**18,856**	**165,790**	**131,842**	**8,318**	**324,806**
Amortizations, opening balance	-2,891	–	–	-3,180	-6,071
Forex differences	-330	–	–	722	391
Amortizations for the year	-3,208	–	–	-1,608	-4,816
Amortizations, closing balance	**-6,429**	**–**	**–**	**-4,066**	**-10,495**
Closing carrying value, net	**12,427**	**165,790**	**131,842**	**4,252**	**314,311**

12/31/2021 - Group (tSEK)	Retained development work	Brands	Goodwill	Technical platform	Total
Group					
Acquisition value, opening balance	5,096	37,622	49,389	4,114	96,221
Investments	5,310	97,657	57,365	2,594	162,927
Forex differences	384	6,415	7,554	1,662	16,015
Acquisition value, closing balance	**10,789**	**141,694**	**114,308**	**8,370**	**275,162**
Amortizations, opening balance	-830	–	–	-1,680	-2,510
Forex differences	-103	–	–	-197	-299
Amortizations for the year	-1,958	–	–	-1,304	-3,262
Amortizations, closing balance	**-2,891**	**–**	**–**	**-3,180**	**-6,071**
Closing carrying value, net	**7,899**	**141,694**	**114,308**	**5,190**	**269,091**

Every year, M.O.B.A investigates whether there is a need for impairment for goodwill and brands and whenever there is an indication that there could be a need for impairment of other intangible assets, in accordance with the reporting principle described under Note 2.7 Depreciations on non-financial fixed assets. The recoverable amounts for cash-generating entities have been determined by calculating their value in use which is based on future cash flow that has been discounted. Calculating these requires that certain estimates are made. The discounted cash flows are based on the budget for 2023 and forecasts for 2023 to 2026. Outside of the forecast period, the base assumption has been a growth of 2% per year.

To extrapolate cash flows beyond the forecast period, a growth rate of 2% has been assumed. When calculating the present value of estimated future cash flows, a discount rate of 10.1 - 11.6 percent has been used. The discount rate used is indicated after tax and reflects specific risks that apply to the market M.O.B.A. operates in. No need for impairment has been identified based on the assumptions made when calculating the value in use. An increase in the discount rate applied of 1 percentage point would not entail any need for impairment, nor would any reduction in the forecast margin (EBITDA) of 1 percentage point entail any need for impairment.

The total amount of expenses for development projects that were capitalized during the year is tSEK 6,791 (5,310).

Parent company

12/31/2022 - Parent company	Brands	Total

Parent company		
Acquisition value, opening balance	50,498	50,498
Investments	10,045	10,045
Acquisition value, closing balance	**60,543**	**60,543**
Amortizations, opening balance	-1,850	-1,850
Amortizations for the year	-10,602	-10,602
Amortizations, closing balance	**-12,452**	**-12,452**
Closing carrying value, net	**48,091**	**48,091**

12/31/2021 - Parent company	Brands	Total
Parent company		
Acquisition value, opening balance	–	–
Investments	50,498	50,498
Acquisition value, closing balance	**50,498**	**50,498**
Amortizations, opening balance	–	–
Amortizations for the year	-1,850	-1,850
Amortizations, closing balance	**-1850**	**-1850**
Closing carrying value, net	**48,648**	**48,648**

12. TRADE RECEIVABLES

Group, tSEK	12/31/2022	12/31/2021
Trade receivables	10,950	13,300
Reserves for unsecured receivables	–	–
Trade receivables – net	**10,950**	**13,300**

Trade receivables by currency	12/31/2022	12/31/2021
CAD	–	–
USD	10,950	13,300
Total	**10,950**	**13,300**

Change in the provision for trade receivables	12/31/2022	12/31/2021
Opening value	–	–
Reserves for unsecured receivables	–	–
Closing value	**–**	**–**

Analysis of credit risk exposure in accounts receivable	12/31/2022	12/31/2021
Trade receivables that are neither past due nor impaired	10,950	13,300
Total overdue	–	–
Of which impaired	–	–
Carrying amount of trade receivables	**10,950**	**13,300**

13. EQUITY

A breakdown of changes in equity can be found in the statement of changes in equity, which follows the balance sheet.

Composition of share capital and other contributed capital

Group	No. of shares (thousands)	Share capital	Other contributed capital	Total
Opening balance at October 01, 2018	**1,250**	**1,250**	**17,796**	**19,046**
New share issue	309	309	53,599	53,908
Costs for new share issue	–	–	-1,792	-1,792
Closing balance as of September 30, 2019	**1,559**	**1,559**	**69,604**	**71,162**
New share issue	145	145	26,103	26,248
Costs for new share issue	–	–	-2,739	-2,739
Closing balance as of September 30, 2020	**1,704**	**1,704**	**92,968**	**94,671**
New share issue	535	535	109,675	110,210
Costs for new share issue	–	–	-4,996	-4,996
Split of shares 1/10	20,147	–	–	0
Closing balance as of December 31, 2021	**22,386**	**2,239**	**197,647**	**199,885**
New share issue	297	29	5,969	5,998
Costs for new share issue	–	–	–	–
Closing balance as of December 31, 2022	**22,683**	**2,268**	**203,616**	**205,883**

14. BORROWINGS

Group	12/31/2022	12/31/2021
Long-term borrowing		
Bank borrowings	11,250	16,250
Total long-term borrowing	**11,250**	**16,250**
Short-term borrowing		
Bank borrowings	5,000	5,417
Total short-term borrowing	**5,000**	**5,417**
Total borrowings	**16,250**	**21,667**

Reported amounts, by currency, for the Group's borrowings are as follows:

Group	12/31/2022	12/31/2021
tSEK	**16,250**	**21,667**

Group	12/31/2022	12/31/2021
Borrowing at the beginning of the year	21,667	10,000
Loans taken out during the year, affecting cash flow	-	20,000
Repayment of loans, cash-flow related	-5,417	-8,334
Change in accrued interest	25	-75
Reversal of the set-up fee	-	76
Total borrowings	**16,275**	**21,667**

15. SHARES IN GROUP COMPANIES

Parent company	12/31/2022	12/31/2021
Acquisition value, opening balance	179,189	82,070
Investing	-	97,119
Acquisition value, closing balance	**179,189**	**179,189**

The parent company holds shares in the following subsidiaries:

Name	Corporate ID no.	Headquarters	Proportion of equity	Carrying amount	
				12/31/2022	12/31/2021
CriticalClick Network Inc.	BC0906669	Vancouver, B.C	100%	82,070	82,070
Magic Find Inc.	83-3941340	Las Vegas, Nevada	100%	97,119	97,119

The wholly owned subsidiary Criticalclick Network Inc, located in Vancouver B.C, Canada was acquired in September 2018.

The wholly owned subsidiary Magic Find Inc. located in Las Vegas, Nevada, USA was acquired in May 2021.

16. RELATED-PARTY TRANSACTIONS

M.O.B.A. During the year, Network AB received a dividend of TSEK 18,682 from the subsidiary CriticalClick Network Inc.

In 2020, 60,000 warrants were sold to senior executives. There are no conditions attached to the options and they have been subscribed at market price. The subscription period was 03/01/2022 – 03/31/2022.
29,700 warrants were subscribed for, which provided the company with tSEK 5,998 in cash.

No other transactions that significantly affected the Company's results and financial position were carried out with related parties during the period.

17. EARNINGS PER SHARE

Group	01/01/2022 12/31/2022	10/01/2020 12/31/2021
Result from continuing operations	21,904	19,751
Results from total operations	**21,904**	**19,751**
Opening number of shares	**22,386**	**1,704**
Issue of shares during the year	297	535
Split of shares during the year	-	20,147
Closing number of shares	**22,683**	**22,386**
Avg. no. shares		
Before dilution	22,386	1,704
After dilution	22,608	8,564
Earnings per share		
Earnings per share before dilution	1.0	11.6
Earnings per share after dilution	1.0	2.3

Earnings per share before dilution is calculated by dividing the profit/loss attributable to shareholders of the parent company by the weighted average number of outstanding shares for the period excluding any repurchased shares held as treasury shares in the parent company. In calculating earnings per share after dilution, the weighted average total outstanding shares before dilution effects to all potential common shares.

18. ASSETS PLEDGED AS SECURITY AND CONTINGENT LIABILITIES

Group	12/31/2022	12/31/2021
Pledged assets	20,000	20,050
Total pledged securities	**20,000**	**20,050**

Parent company	12/31/2022	12/31/2021
Pledged assets	20,000	20,050
Total pledged securities	**20,000**	**20,050**

The company has no contingent liabilities.

19. EVENTS AFTER THE BALANCE SHEET DATE

- M.O.B.A. has been approved to begin trading on OTCQX trading platform in the United States. Trading in the stock on OTCQX will begin on January 25, 2023. OTCQX is a US trading platform operated by the OTC Markets Group for securities not listed on a national stock exchange. The purpose of being admitted to trading on OTCQX is to meet growing interest from US investors and to increase access to the US capital market. M.O.B.A.'s shares will be traded on OTCQX under the ticker "MOBNF". U.S. investors can now find current financial and real-time trading information for M.O.B.A. stock at **www.otcmarkets.com**.

- M.O.B.A. Network has appointed Andreas Björkman as Group CFO with immediate effect. Andreas succeeds Anna Jansson, who has chosen to pursue other assignments and has been working on handing over to Andreas Björkman for some time. Andreas has worked as Business Controller in M.O.B.A. since June 2021 and has worked actively on the transition to IFRS, consolidation of the company's operations, M&A, and the process of making the Company's shares available on OTC Markets, among other things. Andreas has many years of experience from Grant Thornton and as CFO of Generaxion.

- The company received a dividend of 15.9 million SEK from its subsidiary Magic Find Inc. on March 23, 2023.

- M.O.B.A. has successfully placed a senior secured bond with a volume of EUR 25 million within a framework of EUR 60 million with a maturity of 3 years. The bonds have a variable interest rate of 3 months EURIBOR plus 10.00 percentage points per year and were issued at par. The settlement date for the Bond issue is expected to be May 26, 2023. The Company intends to apply for admission of the Bonds to trading on Nasdaq Stockholm. Nordea Bank Abp acted as Sole Bookrunner in connection with the Bond Issue.

- In connection with the placement of the senior secured bond loan, M.O.B.A. Network has repaid the remaining part of the loans previously taken from the credit institution.

- M.O.B.A. has signed a conditional agreement regarding the acquisition of all shares in the French company Wargraphs S.A.S., a leading gaming service provider and developer of game applications for games such as League of Legends, Teamfight Tactics, and Legends of Runeterra. The purchase price for the acquisition amounts to a maximum of 50.0 million euros, of which 25.0 million euros shall be paid in advance, plus an additional purchase price of up to 25.0 million euros based on the target company's achieved EBITDA over 12 and 24 months.

  The target company is a leading gaming service provider and developer of game applications that provide players with important statistics and data for popular games such as League of Legends, Teamfight Tactics, and Legends of Runeterra. The target company is a digital publisher with revenues mainly derived from the sale of advertisements through its websites and its world-leading game application (Porofessor). For the 2021/22 financial year (period ending November 30, 2022), the target company generated a rolling twelve-month adjusted net revenue of 12.3 million euros and an adjusted EBITDA of 8.4 million euros. The operating cash flow for the same period amounted to approximately 6.6 million euros.

- At the time of publishing the annual report, M.O.B.A. has not yet prepared an acquisition analysis of the target company, and therefore, such analysis is not presented in the annual report.

20. DEFINITIONS OF KEY FIGURES

Gross profit	Revenue minus direct costs
Gross margin	Gross profit divided by net sales
EBITDA	Operating profit before depreciation, amortization and impairments
EBIT	Operating result
Operating margin EBITDA	Operating profit before depreciation and amortization divided by net sales
CAGR	Compound annual growth rate

21. PROPOSED ALLOCATION OF THE SURPLUS

The following profits are at the disposal of the AGM:	
Capital surplus	203,616
Retained earnings	-1,427
Profit/loss for the year	17,438
Total:	**219,627**

The Board of Directors proposes that the profits are carried forward	219,627

SIGNATURES

The consolidated income statement and balance sheet will be submitted to the Annual General Meeting on June 20, 2023 for adoption.

The undersigned declare that the consolidated financial statements and the annual accounts have been prepared in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and generally accepted accounting principles and give a true and fair view of the group's and the company's financial position and performance, and that the group management report and the management report give a true and fair view of the development of the group's and the company's operations, financial position and performance, and describe the significant risks and uncertainties facing the companies included in the group

Stockholm, May 25, 2023

FREDRIK BURVALL
Chairman of the Board

MARIA A. GRIMALDI	**JONAS BERTILSSON**	**HENRIK HENRIKSSON**	**MANFRED GOTTSCHLICH**
Member of the Board	Member of the Board	Member of the Board	Member of the Board

BJÖRN MANNERQVIST
CEO

Our audit statement was issued on May 25, 2023
Grant Thornton Sweden AB

Carl Fredrik Niring
Authorized Public Accountant

Grant Thornton

Auditor's report

N.B. The English text is a translation of the official version in Swedish. In the event of any conflict between the Swedish and English version, the Swedish shall prevail.

To the general meeting of the shareholders of M.O.B.A. Network AB (publ.)

Corporate identity number 559144 - 3964

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of M.O.B.A. Network AB (publ.) for the year 2022.

The annual accounts and consolidated accounts of the company are included on pages 2 - 35 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act.

The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

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

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on page 1. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of M.O.B.A. Network AB (publ.) for the year 2022 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the *Auditor's Responsibilities* section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or

- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Stockholm, according to the date indicated by the electronic signature.
Grant Thornton Sweden AB

Carl Fredrik Niring
Authorised Public Accountant