



**Annual Report and
Consolidated Financial Statements**

for

Cherry with Friends AB
559226–3981

Financial year
2025

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.



Table of Contents

Director's Report	3
Proposed appropriation of profits	8
Consolidated Income Statement	9
Consolidated Statement of Comprehensive Income	9
Consolidated Balance Sheet	10
Consolidated Statement of Changes in Equity	11
Consolidated Statement of Cash Flows	12
Parent Company Income Statement	13
Parent Company Balance Sheet	14
Parent Company Statement of Changes in Equity	15
Parent Company Statement of Cash Flows	16
Notes	17
Note 1 General information	17
Note 2 Accounting policies	17
Note 3 Segment reporting and disaggregation of revenue	26
Note 4 Revenue	27
Note 5 Other operating income and expenses	27
Note 6 Other external expenses	27
Note 7 Employee benefits and personnel disclosures	28
Note 8 Finance income and finance costs	30
Note 9 Appropriations	31
Note 10 Tax	31
Note 11 Impairment testing of goodwill and intangible assets with indefinite useful life	32
Note 12 Intangible assets with indefinite useful life	33
Note 13 Intangible assets with finite useful life	33
Note 14 Right-of-use assets	34
Note 15 Property, plant and equipment	34
Note 16 Shares in Group companies	35
Note 17 Financial non-current assets	35
Note 18 Trade receivables	35
Note 19 Other current assets	35
Note 20 Prepaid expenses and accrued income	36
Note 21 Cash and cash equivalents	36
Note 22 Share capital	36
Note 23 Shareholders' contribution	37
Note 24 Borrowings	37
Note 25 Other current liabilities	38
Note 26 Accrued expenses and deferred income	38



Note 27 Financial instruments and financial risk management	39
Note 28 Pledged assets and contingent liabilities	42
Note 29 Related party transactions	43
Note 30 Events after the reporting period	44



The Board of Directors and Managing Director of Cherry with Friends AB hereby submit the following annual report and consolidated financial statements for the financial year 1 January 2025 – 31 December 2025. The annual report is prepared in Swedish kronor (SEK). Unless otherwise stated, all amounts are presented in thousands of kronor (KSEK).

Director's Report

Cherry with Friends AB, with corporate identity number 559226–3981, is a limited liability company registered in Sweden with its registered office in Gothenburg.

General information about the operations

The Group's parent company, Cherry with Friends AB, owns and develops companies within the gaming and entertainment industry. The Group's operations comprise gaming operator activities and related activities. The parent company does not conduct any gaming operations of its own. The Group operates both land-based and online, with the Swedish market being the Group's largest and most important market by a clear margin. The subsidiaries also provide system solutions to other business partners.

During 2025, the Group delivered strong growth with continued expansion in the Swedish market, both land-based and online, primarily through its own brands. A key step in this expansion was the successful launch of Cherry.com under a new licence issued by the Swedish Gambling Authority. During the year, the Group increased its marketing investments with the aim of accelerating customer base growth and strengthening its brands. The focus is on profitable growth and offering customers the best gaming experience on the market. In 2025, the Group passed the milestone of MSEK 600 in revenue for the full year.

Significant events during the financial year

In February 2025, the subsidiary Together Gaming Solutions PLC issued a new bond of EUR 12.5 million, guaranteed by Cherry with Friends AB as parent company. The parent company assumes the same obligations for future payments as the subsidiary. The new bond carries a fixed interest rate of 6.25 per cent and is intended to further strengthen the Group's long-term financial position. See note 24 for further details.

In June 2025, Cherry.com was successfully launched under a new Swedish gaming licence held by the subsidiary Cherry Online Ltd.

In September 2025, Cherry with Friends AB acquired all outstanding non-controlling interests in the subsidiary Cherry Tech AB. The acquisition was carried out through a non-cash issue in Cherry with Friends AB of a total of 1,463,613 shares. The purpose of the acquisition was to simplify the Group structure, create clearer common incentives within the Group and enable broader utilisation of the expertise and resources available within Cherry Tech AB.

During the year, the Group provided loans to a business partner operating outside the Swedish market, with the aim of broadening the Group's operations geographically.

Significant events after the reporting period

During early 2026, the Group began winding down its engagement with the business partner to which loans had been provided, as the established targets were not met. As a consequence, the Group recognised significant impairment losses on outstanding loan receivables during 2025. Remaining receivables amounted to MSEK 4.0 at Group level as at 31 December 2025, which is considered to correspond to the amount the Group can be expected to recover.

In March 2026, new agreements were entered into regarding the company's shareholder loans. Under the agreements, the loans are committed up to and including 1 January 2028 in order to provide greater predictability. The interest rate has been renegotiated to current market terms of 8.25 per cent, applicable from January 2026.



In April 2026, the Board proposed a buy-back of shares corresponding to 7.8 per cent of the total number of outstanding shares in the company, together with the cancellation of the repurchased shares. The total consideration amounts to MSEK 14.8 and entails a corresponding reduction in the Group's equity. The purpose of the buy-back is to create shareholder value, as the Board considers the price to be attractive in light of the company's position and future prospects. The Board further considers that the buy-back can be carried out without affecting the company's operations or jeopardising its financial position. The buy-back and cancellation are conditional upon approval by the general meeting.

Ownership structure

At the end of the year, the total number of registered shares in the parent company amounted to 28,146,414. At the end of the period, the company had 47 shareholders. The two largest shareholders by voting rights were New Berrie AB, with 51.9 per cent of the outstanding votes and capital, and Inter Leisure i Göteborg Invest AB, with 17.2 per cent of the outstanding votes and capital.

Five-year summary

Five-year summary (KSEK)	2025	2024	2023	2022	2021
Group					
Revenue	617,542	471,791	173,692	169,095	93,145
Profit/loss after financial items	532	-14,995	3,104	6,252	-2,575
Operating margin (%)	0.5%	-0.1%	3.2%	4.5%	-0.2%
Total assets	381,701	415,560	120,651	83,276	84,666
Equity ratio incl. shareholder loans (%)	31	29	40	31	25
Average number of employees	179	174	141	131	76

Five-year summary (KSEK)	2025	2024	2023	2022	2021
Parent Company					
Revenue	5,290	1,818	–	–	–
Profit/loss after financial items	-9,594	-5,262	-8,249	-4,897	-1,956
Operating margin (%)	–	–	–	–	–
Total assets	247,733	271,838	103,333	95,008	80,265
Equity ratio incl. shareholder loans (%)	62	52	48	47	42
Average number of employees	2	1	1	–	–

Financial position

The Group's equity amounted to KSEK 82,148 (87,684) as at the reporting date, corresponding to SEK 2.92 (3.29) per share. Return on equity was -0.2 (-20.1) per cent.

At the end of the year, the equity ratio amounted to 22 (21) per cent. At year-end, outstanding bond loans were recognised at KSEK 135,269 (169,159) and bank loans at KSEK 0 (0). In addition, the company had interest-bearing liabilities to shareholders recognised at KSEK 34,378 (33,695) and interest-bearing tax liabilities recognised at KSEK 13,798 (22,046). Cash and cash equivalents amounted to KSEK 156,854 (125,327) at year-end, and investments in government bonds amounted to KSEK 0 (57,014). Player liabilities, including provisions for accrued jackpots, amounted to KSEK 21,146 (13,621). Under applicable gaming licences, the Group's gaming companies are required to set aside a certain proportion of cash and cash equivalents to cover player liabilities and accumulated jackpots. Current receivables from payment service providers relating to unsettled customer deposits amounted to KSEK 26,075 (31,628).



Outlook

Cherry with Friends AB's subsidiaries operate under gaming licences in Malta and Sweden, with revenue from the Swedish market accounting for over 90 per cent of the Group's revenue in 2025.

In terms of gross gaming revenue, the Swedish online market grew by 6 per cent during 2025 to SEK 14 billion and is expected to continue growing in the coming years, albeit at a slower pace. The land-based market in Sweden has contracted, driven by the closure of the state-owned Casino Cosmopol. The restaurant casino segment, in which Cherry Spelglädje operates, has on the other hand benefited from reduced competition from Casino Cosmopol, and the market is expected to grow over time in line with the restaurant market.

The total global market value for both offline and online gaming, measured in terms of gross gaming revenue, is estimated at approximately EUR 559 billion for 2025, of which online gaming accounted for 34 per cent. According to the consultancy firm H2 Gambling Capital, the online gaming market has grown at an average annual growth rate of 18 per cent over the past five years. The increase in 2025 is estimated at 13 per cent, and the size of the online gaming market is estimated at approximately EUR 195 billion for 2025, with average annual growth of 10 per cent expected through to 2030 (source: H2GC, 2026).

Risks and risk management

Cherry with Friends AB is exposed to a number of different risks within the categories of strategic risks, operational risks, compliance risk and financial risks.

The following risks have been identified within the category of strategic risks:

Regulatory risk

Regulations that make it difficult to operate a profitable business, due to factors such as high tax rates and/or extensive product and marketing restrictions.

Through active engagement in various industry bodies and dialogue with legislators at different levels, the Group works to bring about legislation that both protects consumers and liberalises markets with high channelisation rates.

Reputational risk

Whether reputational damage affects the industry itself, the Cherry with Friends Group, or both, it risks adversely affecting the Group's financial position and reducing investor interest. An important risk factor is allegations of, or the risk of, mishandling of ESG-related matters, whether at industry level or within the Cherry with Friends Group.

Cherry with Friends considers this to be a matter of significant importance. The risk is managed through the Group's ambition to conduct its operations in a responsible and sustainable manner.

Match-fixing

The risk of fixed matches and the associated risk of damaging the industry's reputation. The risk of match-fixing also entails a risk that Cherry with Friends' sportsbook offering may be used for betting on fixed matches.

The Group uses internal and external systems and processes in close collaboration with sportsbook providers to detect match-fixing.

Payment-related risks

The Cherry with Friends Group's operations rely on a number of payment solutions, some of which involve more complex payment processes. This gives rise to risks such as counterparty risk and the risk of



disruptions that may affect the ability to swiftly and efficiently process deposits to and withdrawals from gaming accounts.

Industry and competitive risks

The Group's strategy is to a large extent focused on the Swedish market. Unforeseen issues outside Cherry with Friends' control, as well as strong competition, may result in expected outcomes not being achieved.

The Group works continuously to ensure that its strategy remains up to date and aligned with the business environment, and to execute it. The Group has made and continues to make significant investments in both personnel and technology, which are two key pillars in ensuring successful execution of the strategy. This provides the necessary knowledge, experience and tools for employees. In addition, investments in products and technology provide the necessary tools to achieve the strategic objectives.

The following risks have been identified within the category of operational risks:

Business continuity and IT disaster recovery

The risk that external or internal events cause disruptions to Cherry with Friends' business operations.

The Group has implemented systems, processes and procedures designed to strengthen resilience against this type of risk. In addition, cloud services and software are used that support continued growth for the Group while maintaining IT security.

Risk of high staff turnover and loss of key expertise

The shortage of expertise prevailing in key areas of the gaming industry is further exacerbated by rising employee expectations and changing circumstances driven by various external factors. This may result in high staff turnover and difficulties in retaining individuals with key expertise.

The Cherry with Friends Group has the risk under control and operates according to a comprehensive HR programme and an agenda for the ongoing management of these matters, ensuring satisfactory employee engagement and placing employee safety and well-being at the forefront.

Data privacy and information risk

The risk of unauthorised use, disruption, alteration or destruction of data, resulting in an inability to safeguard what are considered the most fundamental aspects of information security: confidentiality, integrity and availability.

The Group works continuously to maintain high standards in this area.

Technological innovation and organisational maturity

The acquisitions of Cherry Spelglädje AB and Gameday Group PLC have resulted in a more complex organisation. Processes and ways of working need to mature in pace with the organisation's growth.

The Group works continuously to develop and improve processes and ways of working.

Third-party risks

In today's interconnected business environment, reliance on third-party suppliers and partners to deliver key services and products is a necessity. While such relationships are beneficial and often essential to operations, they also entail potential operational risks that may also affect sustainability efforts within the Group.

Cherry with Friends works continuously to ensure that third-party suppliers meet the Group's standards and regulatory requirements.



The following risks have been identified within the category of compliance risk:

Compliance with existing and new laws and regulations, including licensing requirements

Cherry with Friends operates in a complex and continuously evolving regulatory environment. In addition, regulatory requirements are increasing in areas such as consumer protection (for example responsible gambling, marketing and bonus offers), the protection of personal data (GDPR), measures against money laundering and the financing of terrorism, and anti-corruption.

Significant resources and time are continuously devoted to ensuring that operations and offerings in different markets comply with the applicable provisions of the licences held by the Group, as well as with other relevant laws and regulations.

Legal risk

The risk of loss, reputational damage or other adverse consequences caused by a) erroneous transactions, b) claims from players, suppliers or other parties, or other events giving rise to liability or other losses (for example as a result of contract termination), c) failure to take appropriate measures to safeguard assets, or d) legislative changes.

Significant resources and time are continuously devoted to ensuring that the Group fulfils its legal obligations, including adequately and proactively mitigating legal risks.

The following risks have been identified within the category of financial risks:

Financial risk

The risks that would arise without effective management and control of the organisation's finances and the impact of external financial factors.

Cherry works continuously to minimise financial risks. See note 27 for further details on the company's financial risk.

Tax risk

Many of the Group's companies operate in a complex and evolving landscape that includes both general and industry-specific tax rules. There is a risk that new legislation and changes to existing tax laws and practice may cause Cherry with Friends' tax position to change in a manner that adversely affects the Group's results and financial position.

Cherry with Friends actively monitors developments and maintains an ongoing dialogue with legislators.

**Proposed appropriation of profits**

The Board of Directors of Cherry with Friends AB proposes to the 2025 Annual General Meeting that the profits be distributed as follows:

Retained earnings	22,385,926
Share premium reserve	96,821,014
Profit for the year	838,050
Total	120,044,990

The Board proposes the following:

To be carried forward	120,044,990
	120,044,990

**Consolidated Income Statement**

Amounts, KSEK	Note	2025	2024
Revenue	3	617,542	471,791
Other operating income	5	2,720	3,819
Total operating income		620,262	475,610
Operating expenses			
Cost of services rendered		-270,116	-205,971
Other external expenses	6	-188,602	-146,484
Personnel expenses	7	-107,961	-99,357
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	13, 15	-21,216	-20,462
Other operating expenses	5	-29,302	-3,878
Total operating expenses		-617,197	-476,151
Operating profit/loss		3,065	-541
Finance income	8	4,613	2,423
Finance costs	8	-7,146	-16,877
Net financial items		-2,533	-14,454
Profit/loss before tax		532	-14,995
Tax	10	-669	-2,628
Profit/loss for the year		-138	-17,624
Attributable to:			
Owners of the parent		-89	-10,692
Non-controlling interests		-49	-6,932
		-138	-17,624

Consolidated Statement of Comprehensive Income

Amounts, KSEK	2025	2024
Profit/loss for the year	-138	-17,624
Other comprehensive income:		
Exchange differences on translation of foreign operations	-5,224	608
Total comprehensive income for the year	-5,361	-17,016
Attributable to:		
Owners of the parent	-5,310	-10,084
Non-controlling interests	-52	-6,932

**Consolidated Balance Sheet**

Amounts (KSEK)	Note	31 Dec 2025	31 Dec 2024
ASSETS			
Non-current assets			
Intangible assets	12, 13	183,431	199,037
Right-of-use assets	14	4,172	6,457
Property, plant and equipment	15	3,054	3,080
Deferred tax assets	10	2	122
Other non-current assets	17	7,735	3,793
Total non-current assets		198,394	212,489
Current assets			
Trade receivables	18	7,113	3,502
Current tax assets	19	3,058	4,257
Other receivables	19	6,706	6,016
Prepaid expenses and accrued income	20	9,576	6,954
Other short-term investments	19	–	57,014
Cash and cash equivalents	21	156,854	125,327
Total current assets		183,307	203,070
TOTAL ASSETS		381,701	415,560
EQUITY			
Equity			
Share capital	22	281	267
Other contributed capital		96,821	85,902
Reserves		-4,941	608
Retained earnings including profit/loss for the year		-10,027	8,280
Non-controlling interests		14	-7,374
Total equity		82,148	87,684
LIABILITIES			
Non-current liabilities			
Borrowings from credit institutions	24, 27	–	–
Lease liabilities	27	2,815	4,866
Other non-current liabilities	24, 27	176,546	216,868
Deferred tax liabilities		-102	–
Total non-current liabilities		179,259	221,734
Current liabilities			
Borrowings from credit institutions	24	–	–
Lease liabilities	27	1,430	1,705
Trade payables	27	27,133	32,366
Current tax liabilities	10	506	7,485
Other liabilities	25	33,519	30,089
Accrued expenses and deferred income	26	57,706	34,497
Total current liabilities		120,294	106,142
TOTAL EQUITY AND LIABILITIES		381,701	415,560



Consolidated Statement of Changes in Equity

	Attributable to owners of the parent						
	Share capital	Other contributed capital	Reserves	Retained earnings incl. profit/loss for the year	Total equity attributable to owners of the parent	Non-controlling interests	Total equity
Opening balance as at 1 January 2024	200	4,000		14,972	19,172	-442	18,730
Profit/loss for the year			–	-10,692	-10,692	-6,932	-17,624
Exchange differences on translation of foreign operations			608		608		608
Total comprehensive income	–	–	608	-10,692	-10,084	-6,932	-17,016
<i>Transactions with owners</i>							
Premiums received for share options		1,766			1,766		1,766
Reclassification of shareholders' contribution to liability		-4,000		4,000	–		–
New share issue	67	84,136			84,203		84,203
Total transactions with owners	67	81,902	–	4,000	85,969	–	85,969
Closing balance as at 31 December 2024	267	85,902	608	8,280	95,057	-7,374	87,684
Opening balance as at 1 January 2025	267	85,902	608	8,280	95,057	-7,374	87,684
Profit/loss for the year			–	-89	-89	-49	-138
Exchange differences on translation of foreign operations			-5,221		-5,221	-3	-5,224
Total comprehensive income	–	–	-5,221	-89	-5,310	-52	-5,361
<i>Transactions with owners</i>							
Acquisition of non-controlling interests			-328	-7,111	-7,439	7,439	–
Effect of transactions with non-controlling interests				-11,108	-11,108		-11,108
New share issue	14	10,919			10,933		10,933
Total transactions with owners	14	10,919	-328	-18,219	-7,614	7,439	-175
Closing balance as at 31 December 2025	281	96,821	-4,941	-10,027	82,134	14	82,148

**Consolidated Statement of Cash Flows**

Amounts, KSEK	Note	1 Jan 2025 – 31 Dec 2025	1 Jan 2024 – 31 Dec 2024
Cash flow from operating activities			
Operating profit/loss		3,065	-541
Adjustments for non-cash items			
– Reversal of depreciation and amortisation		21,216	20,462
– Other non-cash items		21,269	–
Interest received		4,613	2,423
Interest paid		–	-6,458
Tax paid		-1,345	-4,967
Cash flow from operating activities before changes in working capital		48,817	10,918
Changes in working capital			
Current receivables		45,163	-13,196
Current liabilities		21,131	6,442
Total changes in working capital		66,294	-6,754
Cash flow from operating activities		115,111	4,164
Cash flow from investing activities			
Investments in intangible assets		-7,903	-1,721
Investments in property, plant and equipment		-2,011	-2,735
Investments in business combinations		–	167,664
Investments in financial non-current assets		-38,954	-57,014
Cash flow from investing activities		-48,868	106,194
Cash flow from financing activities			
Repayment of bank loans		–	-9,850
Repayment of lease liabilities		-2,051	-1,953
Share options		–	1,766
Bond redemption		-42,889	–
Bond proceeds		18,115	–
Bond issue costs		-2,472	–
Bond interest payments		-6,239	–
New share issue		–	67
Interest paid on loans		864	–
Cash flow from financing activities		-34,672	-9,971
Cash flow for the period		31,570	100,387
Cash and cash equivalents at the beginning of the period			
		125,327	24,837
Exchange differences on cash and cash equivalents		-43	103
Cash and cash equivalents at the end of the period		156,854	125,327

**Parent Company Income Statement**

Amounts, KSEK	Note	2025	2024
Revenue	4	5,290	1,818
Other operating income	5	7	–
Total operating income		5,297	1,818
Operating expenses			
Goods for resale		–	-8
Other external expenses	6	-11,356	-3,739
Personnel expenses	7	-3,536	-1,989
Depreciation and impairment of property, plant and equipment	15	-30	-24
Depreciation and impairment of financial non-current assets		–	200
Other operating expenses	5	-20	-3
Total operating expenses		-14,942	-5,562
Operating profit/loss		-9,645	-3,745
Other interest income and similar items	8	5,787	2,805
Interest expenses and similar items	8	-5,736	-4,322
Net financial items		51	-1,517
Appropriations	9	10,701	13,218
Profit/loss before tax		1,107	7,956
Tax on profit for the year	10	-269	-1,628
Profit/loss for the year		838	6,328

**Parent Company Balance Sheet**

Amounts, KSEK	Note	31 Dec 2025	31 Dec 2024
ASSETS			
Non-current assets			
Property, plant and equipment			
	15		
Leasehold improvements		–	10
Machinery and other technical installations		20	19
Total property, plant and equipment		20	29
Financial non-current assets			
Shares in Group companies	16	195,737	184,811
Receivables from Group companies	17,29	41,704	44,728
Total financial non-current assets		237,441	229,538
Total non-current assets		237,461	229,568
Current assets			
Current receivables			
Receivables from Group companies	29	6,084	36,306
Other receivables	19	1,846	1,926
Prepaid expenses and accrued income	20	1,583	689
Total current receivables		9,513	38,921
Cash and bank balances	21	759	3,350
Total current assets		10,272	42,271
TOTAL ASSETS		247,733	271,838
EQUITY			
Restricted equity			
Share capital	22	281	267
Total restricted equity		281	267
Non-restricted equity			
Share premium reserve		96,821	85,902
Retained earnings		22,386	16,057
Profit/loss for the year		838	6,328
Total non-restricted equity		120,045	108,288
Total equity		120,326	108,555
LIABILITIES			
Non-current liabilities			
	24		
Liabilities to Group companies	29	75,209	119,498
Other non-current liabilities		34,378	33,695
Total non-current liabilities		109,587	153,193
Current liabilities			
Trade payables	25	1,920	490
Liabilities to Group companies	24,29	10,227	4,698
Current tax liabilities		–	1,287
Other liabilities	25	–	22
Accrued expenses and deferred income	26	5,673	3,593
Total current liabilities		17,819	10,090
TOTAL EQUITY AND LIABILITIES		247,733	271,838

**Parent Company Statement of Changes in Equity**

	Share capital	Share premium reserve	Retained earnings and profit/loss for the year	Shareholders' contribution	Total equity
Equity as at 31 December 2023	200	–	16,057	4,000	20,257
Reclassification to liability				-4,000	-4,000
New share issue	67	84,136			84,203
Premiums received for share options		1,766			1,766
Profit/loss for the year			6,328		6,328
Equity as at 31 December 2024	267	85,902	22,386	–	108,555
Equity as at 31 December 2024	267	85,902	22,386	–	108,555
New share issue	14	10,919			10,933
Profit/loss for the year			838		838
Equity as at 31 December 2025	281	96,821	23,224	–	120,326

**Parent Company Statement of Cash Flows**

Amounts, KSEK	Note	1 Jan 2025 – 31 Dec 2025	1 Jan 2024 – 31 Dec 2024
Cash flow from operating activities			
Profit/loss after financial items		1,107	7,957
Adjustments for non-cash items		1,858	24
Tax paid		-1,556	-3,694
Group contributions received but not yet paid		-10,701	-13,218
Cash flow from operating activities before changes in working capital		-9,292	-8,932
Cash flow from changes in working capital			
Current receivables		-270	-14,927
Current liabilities		3,487	12,946
Cash flow from operating activities		-6,075	-10,913
Cash flow from investing activities			
Acquisition of shares in subsidiaries		–	-7,918
Acquisition of property, plant and equipment		-20	–
Interest received		2,347	–
Cash flow from investing activities		2,327	-7,918
Cash flow from financing activities			
Share options		–	1,766
Share issue		–	–
Change in liabilities		683	29,892
Repayment of loans		–	-9,850
Group contributions received (paid)		474	–
Cash flow from financing activities		1,157	21,808
Cash flow for the year		-2,591	2,978
Cash and cash equivalents at the beginning of the year		3,350	371
Cash and cash equivalents at the end of the year		759	3,350



Notes

Note 1 General information

The Parent Company Cherry with Friends AB, with corporate identity number 559226-3981, is a limited liability company registered in Sweden with its registered office in Gothenburg. The visiting address of the head office is Fürstenbergsgatan 4, 416 64 Gothenburg. The consolidated financial statements for 2025 comprise the Parent Company and its subsidiaries, together referred to as the Group.

Cherry with Friends AB owns and develops companies within the gaming and entertainment industry. The Group's operations comprise gaming operator activities and related activities, both land-based and online. The Parent Company does not conduct any gaming operations of its own. The Swedish market is by far the Group's largest and most important market. The subsidiaries also offer system solutions to various business partners.

The annual report and consolidated financial statements have been approved for issue by the Board and the Managing Director on 29 April 2026. The Group's statement of profit or loss and other comprehensive income and statement of financial position, together with the Parent Company's income statement and balance sheet, will be presented for adoption at the Annual General Meeting on 26 May 2026.

Note 2 Accounting policies

2.1 Basis of preparation

Statement of compliance

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) as adopted by the European Union (EU). In addition, RFR 1 "Supplementary Accounting Rules for Groups" has been applied. RFR 1 is issued by the Swedish Financial Reporting Board.

Reporting currency

The Parent Company's accounting currency, as well as the reporting currency of the Parent Company and the Group, is Swedish kronor. The financial statements are therefore presented in Swedish kronor. Unless otherwise stated, all amounts in the financial statements are recognised in thousands of kronor (KSEK).

Transactions in foreign currency are translated into the functional currency at the exchange rate prevailing on the transaction date. Monetary assets and liabilities denominated in foreign currency are translated into the functional currency at the exchange rate prevailing on the reporting date. Exchange rate differences arising on the settlement of such items, or on translation at the reporting date, are recognised in the income statement.

Principles for the preparation of the consolidated financial statements

The consolidated financial statements have been prepared on a going concern basis. Assets and liabilities are measured at cost. Exceptions are made for financial assets and liabilities measured at fair value through profit or loss.

Preparing reports in accordance with IFRS requires important estimates for accounting purposes. In addition, management is required to make certain judgements in applying the Group's accounting policies and the recognised amounts of assets, liabilities, income and expenses. For areas involving a high degree of judgement, that are complex, or where assumptions and estimates are of material significance to the consolidated financial statements, the estimates and assumptions are based on historical experience and a number of other factors that, under the prevailing circumstances, are deemed reasonable. The annual report has been prepared in accordance with IAS 1 Presentation of Financial Statements, which means that separate statements have been prepared for the profit/loss for the year, other comprehensive income, financial



position, changes in equity and cash flows, and that a description of the accounting policies applied and the disclosures has been provided in the notes.

Gross presentation is applied in the recognition of assets and liabilities, as well as income and expenses, unless otherwise stated. Net presentation of receivables and liabilities, or income and expenses, is applied only if required or expressly permitted by IFRS standards.

Consolidated financial statements

The consolidated financial statements comprise the Parent Company and all subsidiaries in which the Group holds more than 50 per cent of the shares or otherwise has a controlling influence. Controlling influence means that Cherry with Friends AB is exposed to the returns of the subsidiary and can affect those returns through its influence. Subsidiaries are included in the consolidated financial statements from the date on which Cherry with Friends AB, directly or indirectly, has a controlling influence over the company, and are excluded from the consolidated financial statements from the date on which the controlling influence ceases.

All intra-Group items have been eliminated and are therefore not included in the consolidated financial statements.

Classification of assets and liabilities

An asset is classified as a current asset when it is expected to be realised within twelve months after the reporting period. It is held primarily for trading purposes or constitutes cash and cash equivalents, unless the asset is subject to restrictions on being exchanged or used to settle a liability for at least twelve months after the reporting period. All other assets are classified as non-current assets. A liability is classified as a current liability when it is held primarily for trading purposes, must be settled within twelve months after the reporting period, or when the Group does not have an unconditional right to defer settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current liabilities.

Rounding

As a result of rounding, figures presented in the financial statements may in some cases not exactly add up to the totals, and percentages may differ from the exact percentages.

2.2 Changes in accounting policies

New standards and pronouncements applied from 1 January 2025

A small number of changes to existing IFRS standards and IFRIC pronouncements entered into force for the financial year 2025, and none of these published standards and interpretations has had a material impact on the Group's financial position, results or disclosures.

New standards and interpretations effective from the financial year 1 January 2026

No newly issued IFRS standards or IFRIC interpretations are expected to have a material impact on the Group's results and position during the financial year 2026. No newly issued IFRS standards or IFRIC pronouncements have been applied early.

2.3 Summary of material accounting policies

Revenue from contracts with customers

The Group's revenue is recognised in accordance with IFRS 15 Revenue from Contracts with Customers.

Revenue consists of the fair value of the consideration received or to be received for services provided in the ordinary course of business of the Group and the Parent Company. The Group's revenue is mainly derived from gaming operations, which is recognised as the net of consumers' wagers less winnings paid out. The



Parent Company's revenue consists of management fees charged to the subsidiaries for administrative and strategic services provided.

The Group recognises revenue when the performance obligations agreed with the customer have been satisfied and control of the service has been transferred to the customer. Revenue from gaming operations is recognised at the time the wager is placed and control is deemed to have been transferred at the moment the service has been delivered.

Payment terms

The Group's revenue consists mainly of revenue from the sale of services to companies and directly to consumers. Corporate customers are usually invoiced with payment terms of fifteen (15) days, while direct payment is applied to end consumers.

Other revenue arises, among other things, from collaboration agreements with external parties.

Dividend income

Dividends are recognised when the right to receive the dividend is established. Any dividends are reported separately in the income statement.

Government grants

Government grants are recognised when there is reasonable assurance that the company complies with the conditions attached to the grants and that the grant will be received. Government grants that are not subject to conditions for future performance are recognised as other income when the conditions have been met.

Finance income

Finance income consists of interest income and is recognised in accordance with IFRS 9. Interest income is recognised when it is probable that the economic benefits attributable to the transaction will accrue to the company and the amount can be measured reliably. Interest income is accrued over the term of the outstanding receivable using the effective interest method.

Finance costs

Finance costs consist of interest expenses attributable to borrowings and lease liabilities, in accordance with IFRS 9 and IFRS 16 respectively. Interest expenses are recognised in the income statement using the effective interest method.

Segment reporting

Operating segments are reported in a manner consistent with the internal reporting and monitoring of the Group. An operating segment is a part of the Group that engages in operations from which it can generate revenue and incur expenses, and for which separate financial information is available. See note 3 for further description of the operating segment classification.

Employee benefits

Employee benefits are recognised in accordance with IAS 19 and refer to all forms of remuneration paid by the company to its employees. The benefits include salaries and other remuneration, paid leave, paid absence, bonuses and post-employment benefits, such as pension benefits. Employee benefits are recognised as an expense in the income statement and as a liability in the balance sheet when there is a legal or constructive obligation to pay benefits as a result of an event that has occurred, and when it is possible to make a reliable estimate of the amount.



Warrants

Cherry with Friends issued call options to senior executives during 2024.

The 2024/2027 option programme comprises 1,919,561 option rights distributed among fifteen (15) senior executives, with the right to subscribe for one share for each option right. Upon full allocation and subscription, the number of shares increases by 1,919,561, which corresponded to an increase of 7.194 per cent based on the existing number of shares at the time (26,682,801).

The price per option right is SEK 0.92 and the options have been allocated and subscribed in full, meaning that Cherry with Friends AB received SEK 1,765,996 in 2024. Each option right entitles the holder, during the period 3 May 2027 to 1 June 2027, to subscribe for one share in Cherry with Friends AB at a price of SEK 8.45. Upon full allocation and subscription, Cherry with Friends AB will receive SEK 16,220,288.

Income tax

Total tax consists of current tax and deferred tax. Taxes are recognised in the income statement except in cases where the underlying transaction is recognised directly in equity, in which case the related tax effect is recognised in equity.

Current tax refers to income tax for the current financial year and any portion of previous years' income tax that has not yet been recognised. Current tax is calculated based on the tax rate applicable on the reporting date.

Deferred tax is income tax relating to future financial years as a result of past events. Recognition takes place using the balance sheet method. Under this method, deferred tax liabilities and deferred tax assets are recognised on temporary differences arising between the carrying amounts and tax bases of assets and liabilities, as well as for other tax deductions or losses.

Deferred tax assets are offset against deferred tax liabilities only if they can be settled at a net amount. Deferred tax is calculated on the basis of the tax rate applicable on the reporting date. Effects of changes in applicable tax rates are recognised in profit or loss in the period in which the change has been enacted. Deferred tax assets are recognised as financial non-current assets and deferred tax liabilities as provisions.

Deferred tax assets relating to tax loss carryforwards or other future tax deductions are recognised to the extent that it is probable that the deductions can be utilised against future taxable surpluses.

Untaxed reserves and appropriations

Due to the link between accounting and taxation, the deferred tax liability attributable to untaxed reserves is not reported separately.

Recognition of currency effects

The accounts of the foreign subsidiaries are translated into Swedish kronor as this is the Parent Company's functional currency. The reporting currency of the Parent Company and the Group is Swedish kronor. Income statements are translated at the average rate and balance sheets are translated at the closing rate on the reporting date. Exchange rate differences are recognised in the income statement when they arise.

Exceptions are:

- All values recognised on acquisition of a foreign subsidiary, such as goodwill and other intangible assets, are regarded as belonging to the respective subsidiary and are recognised in local currency. For this reason, they are translated at the closing rate on the reporting date. Translation differences are recognised in other comprehensive income and accumulated in the translation reserve in equity. If a subsidiary is divested, the accumulated translation differences are reclassified to the income statement.



Business combinations and goodwill

Business combinations have been accounted for using the acquisition method. In a business combination, consolidated goodwill is the amount by which the cost exceeds the fair value of the Group's share of the acquired subsidiary's identifiable assets (including previously unrecognised intangible assets) and liabilities (including contingent liabilities), measured at their respective fair values. Goodwill on the acquisition of subsidiaries is recognised as an intangible asset. Goodwill is determined in local currency and recognised at cost less any impairment. Acquisition-related costs are recognised directly in profit or loss for the year.

Intangible non-current assets

An intangible non-current asset is an identifiable non-monetary asset without physical substance. Intangible assets consist of acquired and internally generated intangible assets. Intangible assets are recognised, in accordance with IAS 38 Intangible Assets, when it is probable that the future economic benefits attributable to the asset will accrue to the Group and when the asset's cost can be measured reliably.

Goodwill

Goodwill represents the amount by which the cost exceeds the fair value of the Group's share of the acquired subsidiary's identifiable net assets at the time of acquisition. Goodwill on the acquisition of subsidiaries is recognised as an intangible asset.

Goodwill recognised separately is tested annually to identify any need for impairment and is recognised at cost less accumulated impairment losses. Impairment of goodwill is not reversed. Gains or losses on disposal of an entity include the remaining carrying amount of the goodwill relating to the entity divested.

Other intangible assets

In addition to goodwill, the Group's intangible assets consist mainly of acquired gaming agreements and domains.

Intangible non-current assets are initially recognised at cost. Cost consists of the purchase price plus all expenses directly attributable to bringing the asset into its intended use. After initial measurement, all of the Group's intangible assets are measured at cost less accumulated amortisation and/or impairment losses. Amortisation is on a straight-line basis over the asset's estimated useful life, beginning when the assets are ready for use. The amortisation periods for intangible assets with finite useful lives are as follows:

Gaming agreements and concessions	3–5 years
Domains	5–10 years

Intangible assets are derecognised when they are disposed of or when no future economic benefits are expected from their use or disposal. The effect on profit or loss from derecognition is the difference between any net selling price and the carrying amount, and is recognised in the income statement for the period in which the derecognition takes place.

Lease agreements

The Group acts solely as a lessee and accounts for lease agreements in accordance with IFRS 16. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. For lease agreements with a lease term of 12 months or less, or with an underlying asset of low value, IFRS 16 is not applied. Lease payments for these lease agreements are recognised as an expense on a straight-line basis over the lease term.

Assets (right-of-use assets) and liabilities arising from lease agreements are initially recognised at present value. Lease liabilities include the present value of fixed lease payments and variable lease payments that depend on an index or a price to be paid during the lease term. The lease term is determined as the non-cancellable period together with the period to extend or terminate the agreement if these options are reasonably expected to be exercised. Lease payments are discounted using the implicit interest rate in the



agreement if it can be readily determined, and otherwise the incremental borrowing rate at the commencement date of the lease. Lease agreements are recognised as right-of-use assets with a corresponding financial liability. Depreciation of right-of-use assets is recognised as an expense in operating profit and interest on the lease liability is recognised as a finance cost over the lease term. The Group is also exposed to potential future increases in variable lease payments based on indices that are not included in the lease liability until they take effect. When a variable lease payment takes effect, the lease liability is remeasured and the right-of-use asset is adjusted by the same amount. In addition, the value of the lease liability is remeasured as a result of modifications and changes to the lease term.

Property, plant and equipment

Property, plant and equipment are physical assets that are used in the Group's operations and have an expected useful life exceeding one year. Property, plant and equipment are recognised at their respective cost less depreciation. Cost includes directly attributable expenses.

Depreciation and impairment

Property, plant and equipment is depreciated on a straight-line basis over its estimated useful life.

Depreciation begins when the asset is brought into use. Property, plant and equipment is derecognised on disposal or when no future economic benefits can be expected from its use or sale. The residual values and useful lives of assets are reviewed at the end of each financial year and adjusted if necessary. The carrying amount of an asset is written down immediately to its recoverable amount if the carrying amount of the asset exceeds its estimated recoverable amount. The recoverable amount is the higher of value in use and net selling price. Impairment losses are recognised in the income statement.

Capital gains and losses are calculated as the difference between the sale price and the asset's carrying amount. The loss or gain is recognised in the income statement in the year in which the asset is divested, as other expenses or other income. Property, plant and equipment in the Group consists of equipment as set out below. Short-term equipment and equipment of low value are expensed on an ongoing basis.

See further note 15.

Useful lives for property, plant and equipment:

Leasehold improvements	3 years
Equipment and gaming equipment	3–10 years
Other technical installations	3 years

Impairment of property, plant and equipment and intangible assets

If there are internal or external indications that an asset's value has decreased, the asset must be tested for impairment. For intangible assets with indefinite useful life, including goodwill, or intangible assets that are not yet ready for use, a test is performed annually, whether or not there are indications of impairment. An asset or a group of assets (cash-generating units) must be impaired if the recoverable amount is lower than the carrying amount. The recoverable amount is the higher of value in use and net selling price. Impairment losses are recognised in the income statement.

Financial instruments

Financial instruments are any form of contract that gives rise to a financial asset in one entity and a financial liability or equity instrument in another entity. Financial assets and liabilities are recognised when the Group becomes a party to the contractual provisions of the instrument. Transactions involving financial assets are recognised on the transaction date, which is the date on which the Group commits to acquiring or disposing of the assets.



Recognition and derecognition in the balance sheet

A financial asset is derecognised (in whole or in part) when the rights in the contract have been realised or expire or when the Group no longer has control over them. A financial liability is derecognised (in whole or in part) when the obligation under the contract is discharged or otherwise extinguished. Gains and losses on derecognition and modification are recognised in profit or loss. At each reporting date, the Group assesses the need for impairment of expected credit losses for a financial asset or group of financial assets and any other credit exposure that may exist. Financial instruments recognised in the balance sheet include cash and cash equivalents, trade receivables and other financial receivables, trade payables, loan liabilities and other financial liabilities.

The fair value of financial assets and liabilities with a maturity of more than one year is determined by discounted cash flows. Discounting takes place at the rate available to the Group for similar financial instruments.

Classification and measurement of financial assets

In accordance with IFRS 9, financial assets are to be measured on the basis of one of the following three categories:

- Financial assets measured at amortised cost
- Financial assets measured at fair value through profit or loss
- Financial assets measured at fair value through other comprehensive income

The Group initially classifies financial instruments based on one of the above three categories, and the classifications made are evaluated regularly. Cherry with Friends currently holds financial assets belonging to two of the above categories: financial assets measured at fair value through profit or loss and financial assets measured at amortised cost. The Group has no financial assets measured at fair value through other comprehensive income. The classification depends on the purpose for which the financial asset was acquired.

Financial assets measured at amortised cost

Financial assets that are measured at amortised cost are held under the business model for collecting contractual cash flows that are solely payments of principal and interest on the outstanding principal amount.

The assets are initially measured at fair value plus transaction costs. After initial recognition, the assets are measured using the effective interest method. The amortised cost is reduced by a loss allowance for expected credit losses. Interest income, exchange gains and the loss allowance for expected credit losses are recognised in profit or loss.

Receivables

Receivables consist mainly of loan receivables and trade receivables that are financial assets and not derivatives, that have fixed or determinable payments and that are not quoted on an active market. They are included in current assets, with the exception of items with a maturity date of more than 12 months after the reporting date, which are classified as non-current assets. Loan receivables and trade receivables are recognised as trade receivables, other receivables, accrued income and financial non-current assets in the balance sheet. Cash and cash equivalents are also included in this category. See further note 27.

Cash and cash equivalents

Cash and cash equivalents include cash, bank deposits and other short-term investments with a maturity of no more than three months from the date of acquisition. Bank overdraft facilities are recognised as borrowings under current liabilities.



Impairment of expected credit losses

The Group has the following assets covered by the model for expected credit losses in IFRS 9:

- Trade receivables
- Contract assets

Impairment of expected credit losses in accordance with IFRS 9 is made when there is exposure to credit risk. The Group applies the simplified method for recognising expected credit losses and provides for expected credit losses based on all reasonable and verifiable information, historical credit losses and forward-looking information. The Group's customers are assessed individually. A receivable is written off when there is no longer any expectation of receiving payment and active measures to collect payment have been concluded. Losses attributable to expected customer losses are recognised in the income statement under other operating expenses and reported separately in the disclosure in note 27. Interest income on loan receivables is included in finance income.

Financial assets measured at fair value through profit or loss

Financial assets that are not classified as measured at amortised cost are measured at fair value through profit or loss. Subsequent measurement is at fair value. Net gains and losses, including all interest or dividend income, are recognised in the income statement.

Classification and measurement of financial liabilities

In accordance with IFRS 9, there are two categories of financial liabilities:

- Financial liabilities measured at amortised cost
- Financial liabilities measured at fair value through profit or loss

Financial liabilities measured at amortised cost

Financial liabilities are measured at amortised cost, with the exception of contingent consideration which is measured at fair value through profit or loss. The Group holds non-current interest-bearing liabilities, other non-current liabilities, current interest-bearing liabilities, trade payables and other current liabilities, which are recognised at amortised cost. Financial liabilities recognised at amortised cost are initially measured at fair value including transaction costs. After initial recognition, they are measured at amortised cost using the effective interest method.

Current interest-bearing liabilities and other current liabilities are classified as current liabilities if they are expected to be settled within 12 months of the reporting date, and any changes are recognised in the income statement as other operating income or other operating expenses.

Loan liabilities

Loan liabilities are initially recognised at fair value, net of transaction costs. In subsequent periods, the loans are recognised at amortised cost using the effective interest method. Interest expenses are accrued and recognised in the income statement for each period.

Trade payables

Trade payables are obligations to pay for goods or services acquired in the ordinary course of business. They are initially recognised at fair value and subsequently at amortised cost using the effective interest method. Trade payables are classified as current if they are due within one year of the reporting date, and otherwise as non-current.

Financial liabilities measured at fair value through profit or loss

Contingent consideration is recognised as a liability under other non-current liabilities, unless it is due within 12 months. The Group uses discounted cash flows to determine fair value.



Changes in fair value are recognised as a finance cost or finance income in the Group's income statement. Contingent consideration to be settled in cash meets the definition of a financial liability and is therefore remeasured to fair value at each reporting date, and any changes are recognised in the income statement.

Receivables and liabilities in foreign currency

Transactions in foreign currency are translated at the exchange rate on the transaction date. Assets and liabilities denominated in foreign currency are translated at the exchange rate on the reporting date. Exchange gains and losses on operating receivables and operating payables are recognised in operating profit, while exchange gains and losses on financial receivables and liabilities are recognised in net financial items.

Share capital

Ordinary shares issued by the company are classified as equity. Costs directly attributable to a new share issue are recognised in equity as a deduction, net of tax, from the amount. Dividends to shareholders are recognised directly in equity and are recognised as a liability in the period in which they are recognised.

Parent Company accounting policies

The Parent Company has prepared its annual report in accordance with the Swedish Annual Accounts Act and RFR 2 Accounting for Legal Entities. RFR 2 means that the Parent Company shall, in the annual report for the legal entity, apply all IFRS and pronouncements adopted by the EU as far as possible within the framework of the Swedish Annual Accounts Act and taking into account the link between accounting and taxation.

Leasing

The Parent Company applies the exemption in RFR 2 and recognises all lease payments as an expense over the lease term. Therefore, right-of-use assets and lease liabilities are not recognised in the balance sheet.

Group contributions and shareholders' contributions

Shareholders' contributions are recognised against equity in the receiving company and capitalised in shares in Group companies for the contributor, to the extent no impairment is required. The Parent Company recognises Group contributions as an appropriation through the income statement. Group contributions paid are recognised as an increase in shares in Group companies.

Group companies

Shares and participations in Group companies are recognised in the Parent Company at cost and are tested for impairment annually. Dividends received from subsidiaries are recognised as finance income. Transaction costs in connection with the acquisition of companies are recognised as part of the cost in the Parent Company, but expensed in the Group in accordance with IFRS. Contingent consideration is recognised as part of the cost in cases where it is considered probable that it will fall due. The assessment is continuously evaluated.

Division into non-restricted and restricted equity

The Parent Company's equity is presented as restricted and non-restricted equity in accordance with the Swedish Annual Accounts Act.

2.4 Estimates and judgements

The preparation of financial statements and the application of accounting policies are often based on management's judgements, estimates and assumptions that are considered reasonable at the time the assessment is made. Estimates and judgements are based on historical experience and a number of other factors that, under the prevailing circumstances, are considered reasonable. The result of these is used to assess the carrying amounts of assets and liabilities that are not otherwise apparent from other sources.



Actual outcomes may differ from these estimates and judgements. Estimates and assumptions are reviewed regularly.

Group management does not consider that the judgements underlying the accompanying reports on the financial position of the Group and the Parent Company involve a significant risk of material adjustments in the carrying amounts of assets or liabilities during the coming reporting period.

Note 3 Segment reporting and disaggregation of revenue

The classification into business areas reflects Cherry with Friends' internal organisation and reporting system. The organisation is divided into two operating segments: "Land-based" and "Online". The operating segments correspond to business areas, and the reporting of operating segments consists of groupings of companies within the Group. Cherry Event AB and Cherry Spelglädje AB make up the Land-based business area, while the other companies are included in the Online business area.

Management evaluates operations based on revenue and earnings (EBITDA). Revenue from the Group's operating units consists of invoiced licences for the provision of a technical platform and the net of wagers received and gaming winnings paid out.

Cherry with Friends does not measure or monitor assets and liabilities by segment, and therefore that information cannot be provided.

Revenue per segment	2025	2024
Land-based	210,642	191,642
Online	406,901	280,149
Operating income	617,542	471,791
Earnings per segment	2025	2024
Land-based	20,151	19,747
Online	4,130	174
EBITDA	24,281	19,921
Depreciation, amortisation and impairment of property, plant and equipment and intangible assets	-21,216	-20,462
Operating profit/loss	3,065	-541
Finance income	4,613	2,423
Finance costs	-7,146	-16,877
Profit/loss before tax	532	-14,995
Tax on profit for the year	-669	-2,628
Profit/loss for the year	-138	-17,624
EBITDA margin, %	4%	4%
Operating margin, %	0.5%	-0.10%

**Note 4 Revenue**

Parent company, KSEK	2025	2024
Collaboration agreements	2,651	881
Other	2,639	937
Total revenue	5,290	1,818

Note 5 Other operating income and expenses

	Group	Group	Parent Company	Parent Company
	2025	2024	2025	2024
Other operating income, KSEK				
Collaboration agreements	2,658	2,670	–	–
Other	62	1,149	7	–
Total other operating income	2,720	3,819	7	–

	Group	Group	Parent Company	Parent Company
	2025	2024	2025	2024
Other operating expenses, KSEK				
Credit losses on trade receivables	-28,618	-2,601	–	–
Other	–	-136	-20	-3
Costs for non-creditable input VAT	-684	-1,141	–	–
Total other operating expenses	-29,302	-3,878	-20	-3

Note 6 Other external expenses

	Group	Group	Parent Company	Parent Company
KSEK	2025	2024	2025	2024
Marketing expenses	-146,713	-107,313	–	–
Consulting expenses	-21,093	-24,995	-6,583	36
Other administrative expenses	-16,117	-9,510	-2,646	-1,755
Other expenses	-4,679	-4,666	-2,127	-2,020
Total	-188,602	-146,484	-11,356	-3,739



The following remuneration has been paid to auditors and audit firms for audit and other statutory review. Remuneration has also been paid for other advisory services such as consultation on tax matters.

	Group	Group	Parent Company	Parent Company
	2025	2024	2025	2024
Audit fees, KSEK				
PwC				
Audit fees	-3,714	-1,356	-1,940	-1,356
Tax advice	-23	-5	–	-5
Other engagements	-118	-137	-53	-137
Total audit fees	-3,855	-1,498	-1,993	-1,498
Other auditors				
Audit fees		-1,044	–	–
Total other auditors	–	-1,044	–	–
Grand total audit fees	-3,855	-2,542	-1,993	-1,498

The audit engagement refers to the examination of the annual report and accounting records, as well as the management of the Board and the Managing Director, other duties incumbent on the company's auditor, and advice or other assistance arising from observations made during such examination or in the course of carrying out such other duties. Everything else is specified as tax advice or other engagements respectively.

Note 7 Employee benefits and personnel disclosures

Group

Average number of employees by country

	2025		2024	
	Men	Women	Men	Women
Sweden	49	101	50	100
Malta	19	10	17	6
Total	68	111	67	106

	2025	2024
Salaries and other remuneration		
Board and Managing Director	380	281
Other employees	76,139	70,217
Total	76,519	70,498
Pension costs		
Board and Managing Director	–	–
Other employees	3,738	5,386
Total	3,738	5,386



Social security costs	2025	2024
Board and Managing Director	119	88
Other employees	24,929	21,145
Total	25,048	21,233
Other personnel costs		
Board and Managing Director	–	–
Other employees	2,656	2,240
Total	2,656	2,240
Gender distribution among senior executives	2025	2024
Proportion of women on the Board	20%	20%
Proportion of men on the Board	80%	80%

Parent Company

Average number of employees	2025	2024
Men	1	1
Women	1	–
Total	2	1
Salaries, remuneration and social security costs (KSEK)	2025	2024
Salaries and remuneration	1,910	974
Social security costs	568	364
Pension costs	420	241
Other costs	137	41
Total salaries, remuneration and social security costs	3,036	1,620
Remuneration to the Board and senior executives (KSEK)	2025	2024
Board	500	369
Total	500	369

The Group's Managing Director receives remuneration in the form of consulting fees.

Employee benefits are recognised in accordance with IAS 19 and refer to all forms of remuneration paid by the company to its employees. This includes salaries and other remuneration, paid leave, paid absence, bonuses and post-employment benefits, such as pension benefits. Employee benefits are recognised as an expense in the income statement and as a liability in the balance sheet when there is a legal or constructive obligation to pay benefits as a result of an event that has occurred, and when it is possible to make a reliable estimate of the amount.

Warrants

Cherry with Friends issued call options to senior executives during 2024.

The 2024/2027 option programme comprises 1,919,561 option rights distributed among fifteen (15) senior executives, with the right to subscribe for one share for each option right. Upon full allocation and subscription, the number of shares increases by 1,919,561, which corresponded to an increase of 7.194 per cent based on the existing number of shares at the time (26,682,801).



The price per option right is SEK 0.92 and the options have been allocated and subscribed in full, meaning that Cherry with Friends AB received SEK 1,765,996 in 2024. Each option right entitles the holder, during the period 3 May 2027 to 1 June 2027, to subscribe for one share in Cherry with Friends AB at a price of SEK 8.45. Upon full allocation and subscription, Cherry with Friends AB will receive SEK 16,220,288.

Note 8 Finance income and finance costs

Group

Finance income	2025	2024
Interest income on receivables ¹	864	2,423
Other finance income ¹	253	–
Exchange rate differences ¹	3,496	–
Total finance income	4,613	2,423
Finance costs	2025	2024
Interest expenses on bank loans ²	–	-12,036
Interest expenses on shareholder loans and bonds ²	-9,315	–
Interest expenses on leases ²	-516	-738
Exchange rate differences ²	-1,512	-2,894
Other finance costs ²	4,197	-1,209
Total finance costs	-7,146	-16,877
Net financial items	-2,533	-14,454

Category of financial assets:

¹) Financial assets measured at amortised cost

Category of financial liabilities:

²) Financial liabilities measured at amortised cost

Parent Company

Amounts, KSEK	2025	2024
Sale of shares in subsidiaries	253	–
Interest income from Group companies	2,344	1,765
Other interest income	2	118
Exchange gains	3,188	922
Total finance income	5,787	2,805
Amounts, KSEK	2025	2024
Interest expenses on bank loans	–	-133
Interest expenses on shareholder loans	-683	-674
Interest expenses on loans from Group companies	-3,449	-2,746
Interest expenses on current liabilities	-13	-25
Exchange losses	-1,591	-744
Total finance costs and similar items	-5,736	-4,322
Net financial items	51	-1,517

**Note 9 Appropriations**

Parent company, KSEK	2025	2024
Group contributions received	15,501	15,067
Group contributions paid	-4,800	-1,849
Total appropriations	10,701	13,218

Note 10 Tax

Group, KSEK	2025	2024
Current tax for the year	-673	-2,027
Current tax attributable to prior years	–	-629
Deferred tax	4	28
Total income tax	-669	-2,628

The differences between the recognised tax expense and a calculated tax expense based on the applicable tax rate are as follows:

Group, KSEK	2025	2024
Profit/loss before tax	532	-14,995
Income tax calculated at the Group's applicable tax rate	-110	-3,089
Effect of different tax rates for foreign subsidiaries	-1,005	–
Non-taxable income	16	-422
Non-deductible expenses	-366	356
Tax losses for which no deferred tax asset has been recognised	792	495
Deferred tax on temporary differences	4	32
Income tax	-669	-2,628

Group, KSEK	31 Dec 2025	31 Dec 2024
Deferred tax assets		
Right-of-use leases	4	122
Total deferred tax assets	4	122

Deferred tax assets, net	4	122
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Deferred taxes are allocated as follows:

Group, KSEK	31 Dec 2025	31 Dec 2024
At the beginning of the year	122	–
Additional right-of-use leases	–	25
Increase through business combinations	–	72
Recognition in the income statement	-118	25
At the end of the year	4	122



Tax loss carryforwards for which no deferred tax asset has been recognised in the balance sheet amount to KSEK 608,551 (496,616). The tax loss carryforwards have no expiry date.

The tax effect of tax loss carryforwards is recognised only to the extent that there are convincing factors indicating that they can be utilised in the foreseeable future. A history of losses is a factor that argues against recognising tax loss carryforwards. In addition, tax loss carryforwards have been recognised to the extent that there are also deferred tax liabilities that can be offset against the losses.

Parent Company, KSEK	2025	2024
Current tax for the year	-269	-1,628
Total income tax	-269	-1,628

Parent Company, KSEK	2025	2024
Profit/loss before tax	1,107	7,957
Income tax calculated at the Group's applicable tax rate ¹	-228	-1,639
Tax effect of non-taxable income	1	42
Tax effect of non-deductible expenses	-41	-32
Income tax	-269	-1,628

¹) Applicable tax rate: 20.6%

Deferred tax is calculated on taxable temporary differences based on the applicable tax rate of 20.6% (2024: 20.6%). The Parent Company has no deferred tax.

Note 11 Impairment testing of goodwill and intangible assets with indefinite useful life

The online gaming market is expected to grow over an extended period, while the land-based operations are expected to deliver profitable growth over an extended period. Goodwill and trademarks are expected to have an indefinite useful life and are not subject to annual amortisation. These assets are deemed to have a useful life for which no expiry date has been established, and the value of these assets therefore remains unchanged for as long as the expected discounted net cash inflows from the intangible assets are equal to or exceed the carrying amounts of the respective assets. Tests are carried out annually to identify any need for impairment, and if such a need is identified, the asset's value is reduced by the accumulated impairment requirement. The Group's recognised goodwill and trademarks arise from acquisitions in recent years. Cherry Spelglädje AB was acquired in 2020 and Gameday Group PLC was acquired in 2024. The Group's total intangible assets with indefinite useful lives currently amount to a carrying amount of KSEK 142,246 (of which goodwill KSEK 65,468 and trademarks KSEK 76,778) and belong to the two separate cash-generating units Land-based (Goodwill KSEK 63,323) and Online (Goodwill KSEK 2,144 and trademarks KSEK 76,778). As these assets are not amortised, an impairment test was performed in connection with the year-end closing for 2025 by calculating the recoverable amount based on their value in use. This test showed that the recoverable amount exceeded the carrying amount and that no impairment requirement is deemed to exist for goodwill and trademarks with indefinite useful lives.

Key variables and methodology for estimating values

The recoverable amount is based on the actual outcome for 2025 and the budget for 2026 adopted by the Board, together with an estimate for the years 2027–2030, in which an average annual growth of just over 5 per cent was assumed for Land-based and 20 per cent for Online. Cash flows for the years after 2030 were extrapolated using an annual growth rate of 2 per cent, corresponding to an assumed average future inflation rate. The projected cash flows were discounted at 17.5 per cent for Land-based and 19.8 per cent for Online before tax. The company's assessment is that the discount rate is appropriate and consistent with the general interest rate environment and other macroeconomic factors driving the cost of capital. The effective tax rate



was estimated at 20.6 per cent for Land-based and 5.0 per cent for Online, which is in line with current tax rules. Management's methodology for determining the values included in each key assumption is based on experience and market expectations. Sensitivity analyses of the value-in-use calculation in connection with the impairment assessment have been carried out for the following assumptions: a general reduction in organic sales growth by 1 percentage point during the forecast period; a general reduction in the operating margin by 1 percentage point; a general increase in WACC of 1 per cent. Sensitivity analyses for changes in the assumptions used in impairment testing have been carried out for the Group's two cash-generating units, Land-based and Online. For the sensitivity analyses performed, the conclusion is that an individual adjustment of an assumption does not give rise to an impairment requirement. Even when all assumptions in the sensitivity analyses performed are adjusted simultaneously, no impairment requirement arises.

Note 12 Intangible assets with indefinite useful life

Group, KSEK	31 Dec 2025	31 Dec 2024
Opening cost	146,895	63,323
Acquisitions during the year	–	81,493
Exchange rate differences	-4,649	–
Reclassifications	–	2,079
Adjustment for historical acquisitions	–	–
Closing accumulated cost	142,246	146,895
Closing carrying amount	142,246	146,895

Note 13 Intangible assets with finite useful life

Group, KSEK	31 Dec 2025	31 Dec 2024
Opening cost	89,773	39,632
Increase through business combinations	–	50,907
Investments	7,903	1,721
Disposals	–	-2,488
Exchange rate differences	-10,234	–
Closing accumulated cost	87,442	89,773
Opening amortisation	-37,631	-21,702
Amortisation for the year	-16,814	-16,143
Impairment for the year	–	–
Disposals	–	213
Exchange rate differences	8,188	–
Closing accumulated amortisation	-46,257	-37,631
Closing carrying amount	41,185	52,142

**Note 14 Right-of-use assets**

Group, KSEK	Premises	Vehicles	Premises	Vehicles
	31 Dec 2025		31 Dec 2024	
Opening cost	10,455	3,356	6,693	1,968
Increase through business combinations	–	–	2,060	–
Acquisitions for the year	–	–	–	1,005
Remeasurements for the year	-1,017	-1,373	1,702	383
Exchange rate differences	-171	–	–	–
Closing accumulated cost	9,267	1,983	10,455	3,356
Opening amortisation	-5,695	-1,659	-3,918	-1,097
Amortisation for the year	-1,723	-534	-1,777	-562
Remeasurements for the year	1,670	766	–	–
Exchange rate differences	197	–	–	–
Closing accumulated amortisation	-5,651	-1,427	-5,695	-1,659
Closing carrying amount	3,616	556	4,760	1,697

The Group leases office premises and vehicles. The useful life is normally written off over fixed periods of 1–5 years, although extension options may exist. The Group does not have the option to terminate a lease agreement early. During the year, the Group has had expenses attributable to low-value contracts relating to IT equipment of KSEK 24 (24). Additional right-of-use assets increased by KSEK 0 (2,060) during the financial year, and at the end of the financial year the lease liability amounted to KSEK 4,172 (6,571). The total cash outflow for lease agreements amounted to KSEK 2,051 (1,953) within financing activities. During the year, the Group has had interest expenses attributable to leases of KSEK 337 (738). A maturity analysis of the lease liabilities is presented in note 27.

Note 15 Property, plant and equipment

KSEK	Group	Group	Parent Company	Parent Company
	2025	2024	2025	2024
Equipment				
Opening cost	36,212	33,477	71	71
Investments for the year	2,011	2,735	21	–
Exchange rate differences	-9	–	–	–
Closing accumulated cost	38,214	36,212	92	71
Opening accumulated depreciation	-33,132	-31,132	-42	-18
Depreciation for the year	-2,036	-1,997	-30	-24
Exchange rate differences	8	-2	–	–
Closing accumulated depreciation	-35,160	-33,132	-72	-42
Closing carrying amount	3,054	3,080	20	29

**Note 16 Shares in Group companies**

Name	Corporate identity number	Registered office	Capital share	Number of shares	Carrying amount 31 Dec 2025	Carrying amount 31 Dec 2024
Cherry Spelglädje AB	556225-3806	Gothenburg, SE	100%	20,000	80,175	80,175
Cherry Event AB	559240-0351	Gothenburg, SE	100%	500	50	50
Cherry Domain AB	559379-2145	Gothenburg, SE	100%	1,000	4,100	4,100
Cherry AB	559415-8908	Gothenburg, SE	100%	1,000	100	100
Cherry Tech AB	559417-6843	Gothenburg, SE	100%	10,000	16,807	5,881
Gameday Group PLC	C77333	San Ġiljan, MT	100%	338,655	94,505	94,505
Closing carrying amount					195,737	184,811

Note 17 Financial non-current assets

	Group 2025	Group 2024	Parent Company 2025	Parent Company 2024
KSEK				
Loans to subsidiaries	–	–	41,704	44,728
Other non-current receivables	7,735	3,793	–	–
	7,735	3,793	41,704	44,728

Note 18 Trade receivables

Group, Trade receivables by currency (KSEK)	31 Dec 2025	31 Dec 2024
SEK	2,985	2,938
EUR	4,128	564
Total	7,113	3,502

Note 19 Other current assets

Group	2025	2024
Current tax assets, KSEK		
VAT receivable	3,058	4,257
Total current tax assets	3,058	4,257
Other receivables, KSEK		
Tax account	462	722
Short-term loans to restaurants	5,393	3,177
Other current receivables	852	2,117
Total other receivables	6,706	6,016
Other short-term investments, KSEK		
Short-term investments	–	57,014
Total other short-term investments	–	57,014
Total other current assets	9,764	67,287



Parent company			
Other receivables, KSEK		2025	2024
Tax account		332	699
VAT receivable		550	462
Other		964	765
Total other receivables		1,846	1,926

Note 20 Prepaid expenses and accrued income

	Group	Group	Parent Company	Parent Company
KSEK	2025	2024	2025	2024
Prepaid insurance premiums	279	524	–	–
Bond refinancing costs	4,705	2,990	–	–
Other prepaid expenses and accrued income	4,592	3,441	1,583	689
Total	9,576	6,954	1,583	689

Note 21 Cash and cash equivalents

	Group	Group	Parent Company	Parent Company
KSEK	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Balance Sheet				
Cash and bank balances*	156,854	125,327	759	3,350
Total cash and cash equivalents in the Balance Sheet	156,854	125,327	759	3,350
Statement of Cash Flows				
Cash and bank balances*	156,854	125,327	759	3,350
Total cash and cash equivalents in the Statement of Cash Flows	156,854	125,327	759	3,350

* Cash and cash equivalents for the Group amounted to KSEK 156,854 (125,327) at the end of the year. Customer funds and provisions for accrued jackpots amounted to KSEK 21,146 (13,621).

Note 22 Share capital

KSEK	2025	2024
Share capital	281	267
Total share capital	281	267

The share capital consists of 28,146,414 ordinary shares with a quota value of SEK 0.01.

Shareholders are entitled to dividends when so resolved by the general meeting, and each share entitles the holder to one vote per share at general meetings. All shares carry equal rights to the company's assets and earnings.

**Note 23 Shareholders' contribution**

KSEK	2025	2024
Opening balance as at 1 January	–	4,000
Events during the year	–	-4,000
Closing balance as at 31 December	–	–

The shareholders' contributions from New Berrie AB and Inter Leisure i Göteborg Invest AB have been converted into shareholder loans pursuant to the authorisation from the Annual General Meeting on 23 May 2024.

Note 24 Borrowings

KSEK	Group	Group	Parent Company	Parent Company
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Non-current liabilities				
Loans from credit institutions	–	–	–	–
Loans from Group companies	–	–	75,209	119,498
Shareholder loans	34,378	33,695	34,378	33,695
Bonds	135,269	169,159	–	–
Total non-current borrowings	169,647	202,854	109,587	153,193
Current liabilities				
Loans from credit institutions	–	–	–	–
Total current borrowings	–	–	–	–
Total borrowings	169,647	202,854	109,587	153,193

The previous bank loans were repaid in April 2024.

The shareholder loans are unsecured. During 2025, they bore interest at an annual rate of 2 per cent. From 1 January 2026, the loans bear interest at an annual rate of 8.25%. The loans are repayable on demand and management does not consider that the loans will be settled within 12 months of the reporting date.

The wholly owned subsidiary Together Gaming Solutions PLC issued bonds on the Malta Stock Exchange in February 2025, with a fixed interest rate of 6.25 per cent and maturity in 2030–2032. The proceeds from the issue have mainly been used for the redemption of the existing bonds maturing in 2024–2026 with an interest rate of 5.9 per cent. As at 31 December 2025, the bonds were traded at nominal value. The value of the bonds at the end of 2025 was EUR 12,500,000, and accrued interest amounted to EUR 717,038.

Parent Company

On 13 March 2024, the Parent Company took up a long-term loan of EUR 5 million from the subsidiary Together Gaming Solutions PLC. The loan bears interest at an annual rate of 6.35 per cent and was, until May 2025, secured by shares in subsidiaries (see note 28 for further information). Other loans from Group companies are unsecured. No interest is charged, and management does not consider that the loans will be settled within 12 months of the reporting date.

**Note 25 Other current liabilities**

	Group	Group	Parent Company	Parent Company
KSEK	2025	2024	2025	2024
Liability to the Swedish Tax Agency	6,899	8,032	–	–
VAT liability	19	181	–	–
Withholding tax and social security contributions	3,138	3,008	–	–
Gambling tax	4,784	4,078	–	–
Player accounts	16,276	12,616	–	–
Affiliate partners	–	1,757	–	–
Other current liabilities	2,404	417	–	22
Other liabilities	33,519	30,089	–	22

	Group	Group	Parent Company	Parent Company
KSEK	2025	2024	2025	2024
Trade payables	27,133	32,366	1,920	490
Liabilities to Group companies	–	–	10,227	4,698
	27,133	32,366	12,147	5,188

Note 26 Accrued expenses and deferred income

	Group	Group	Parent Company	Parent Company
KSEK	2025	2024	2025	2024
Accrued interest	9,597	6,316	2,956	–
Accrued salaries	4,296	3,611	–	–
Accrued holiday pay	6,167	5,185	304	–
Accrued social security contributions	4,705	4,558	259	–
Accrued payroll tax on pension costs	1,268	1,136	91	–
Audit fees	3,270	2,151	1,571	–
Accrued marketing expenses	3,790	1,029	–	–
Accrued gaming royalties	7,153	5,317	–	–
Provision for credit losses	–	4,487	–	–
Other accrued expenses	17,460	707	492	3,593
	57,706	34,497	5,673	3,593

**Note 27 Financial instruments and financial risk management**

Cherry with Friends is exposed to a number of financial market risks, which are described in the respective risk sections below. The Board is responsible for how these risks are allocated within the organisation. The principal financial risks are refinancing risk, liquidity risk, interest rate risk, currency risk and credit risk, and the Group is also subject to acquisition-related risks.

The below table shows the Group's financial assets and liabilities subject to financial risk management:

Group	2025	2024
Financial assets measured at amortised cost		
Trade receivables	7,113	3,502
Other current receivables	16,282	12,970
Cash and cash equivalents	156,854	125,327
Closing balance	180,249	141,799
Financial liabilities measured at amortised cost		
Non-current interest-bearing liabilities	-176,546	-216,868
Non-current interest-bearing lease liabilities	-2,815	-4,866
Current interest-bearing liabilities	-6,899	-8,032
Current interest-bearing lease liabilities	-1,430	-1,705
Trade payables	-27,133	-32,366
Other current liabilities	-84,327	-64,586
Closing balance	-299,149	-328,423
Financial assets measured at fair value through profit or loss		
Investments	–	57,014
Closing balance	–	57,014

Liquidity and refinancing risk

Liquidity and refinancing risk is the risk that the Group does not at any given time have access to the financing required to fund or refinance its operations, or that financing can only be obtained at increased cost. Cherry with Friends' aim is for the loan portfolio to have an even maturity structure that ensures the Group is not exposed to refinancing risk. The Group's financing is secured through external loans and by minimising working capital. Refinancing risk is limited by minimising the need for external financing and by maintaining open communication with lenders.

Group

Maturity structure of financial liabilities					
2025	Contractual cash flows	<1 year	1–2 years	3–5 years	>5 years
Interest-bearing loans	56,630	6,899	6,899	37,196	5,636
Trade payables	27,133	27,133	–	–	–
Lease liabilities	4,245	1,430	1,688	1,127	–
Total	88,008	35,642	8,587	38,323	5,636

**Parent Company**

Maturity structure of financial liabilities				
2025	Contractual cash flows	<1 year	1–5 years	>5 years
Interest-bearing loans	109,184	3,977	105,207	–
Trade payables	1,920	1,920	–	–
Other non-current liabilities	21,102	–	21,102	–
Total	132,206	5,897	126,309	–

2024	Contractual cash flows	<1 year	1–5 years	>5 years
Interest-bearing loans	99,523	4,077	95,446	–
Trade payables	490	490	–	–
Other non-current liabilities	61,254	–	61,254	–
Total	161,267	4,567	156,700	–

Interest rate risk

The Group and the Parent Company are exposed to interest rate risk, which means that changes in interest rates may affect interest expenses. The Group's interest rate risk arises mainly from non-current liabilities and lease agreements, where liabilities at variable interest rates entail cash flow interest rate risk and liabilities at fixed interest rates entail interest rate risk in respect of fair value.

At the end of 2025, the Group had a deferral from the Swedish Tax Agency of KSEK 13,798 and shareholder loans recognised at KSEK 34,378. The interest payable to the Swedish Tax Agency is based on the policy rate and amounted to 4.70% at the end of the year, while the shareholder loans bear interest at 8.25% from 1 January 2026 (previously 2%). A change in interest rates of one (1) percentage point would affect the Group's annual interest expense by KSEK 482.

At the same date, the Parent Company had a loan from Together Gaming Solutions PLC and shareholder loans recognised at KSEK 88,485. The loan from Together Gaming Solutions PLC has a maturity of two years and a fixed interest rate of 6.35 per cent. An increase/decrease in interest rates of one (1) per cent would result in the annual interest expense increasing/decreasing by KSEK 541. The shareholder loans bear interest at 8.25 per cent from 1 January 2026. If the interest rate were to increase/decrease by one (1) per cent, the annual interest expense would increase/decrease by KSEK 344.

Currency risk – Transaction exposure

The functional currency of the company and the Group is Swedish kronor, while operations are conducted in several currencies as a result of the Group's presence in Malta. From an accounting perspective, this gives rise to exposure to risks attributable to currency translation. Currency risk arises for both the company and the Group as a result of future payment flows in foreign currency. For the Parent Company, the exposure consists, among other things, of shares in, and receivables from, foreign subsidiaries, while transaction exposure within the Group occurs to a limited extent. Parts of the Group's equity consist of net assets in foreign subsidiaries, which gives rise to so-called translation exposure.

Translation exposure

The Group's translation exposure is currently not hedged. The assets less the liabilities of the foreign subsidiaries constitute a net investment in foreign currency, which on consolidation gives rise to a translation difference. Such translation differences are taken directly to the Group's equity and are recognised under a separate category within equity.



On translation of the income statement of subsidiaries with a functional currency other than Swedish kronor, a translation effect arises when exchange rates change. To assess the company's potential risk, a sensitivity analysis has been performed in which the EUR exchange rates have been compared with the outcome for the previous financial year. The net effect on revenue amounts to KSEK 0 and on operating profit before depreciation and amortisation the net effect amounts to KSEK 0.

Transaction exposure usually means partly exposure arising from commercial flows, i.e. cross-border sales and purchases, and partly exposure from financial flows. The Group's exposure to transactions is limited.

Credit risk

Credit risk, or counterparty risk, is the risk that a counterparty in a financial transaction fails to meet its obligations on the due date. Credit risk is managed at Group level and arises through trade receivables, cash and cash equivalents and balances with banks and financial institutions. The Parent Company has no receivables from companies outside the Group, but has receivables from subsidiaries with limited credit risk.

Parent Company	2025	2024
Other receivables	3,429	2,614
Receivables from Group companies	6,084	36,306
Cash and bank balances	759	3,350
Total receivables, net	9,513	38,920

Customer credit risk

Customer credit risk refers to the risk of losses arising from the Group's customers failing to meet their payment obligations. The risk is managed through credit checks of new customers and by setting credit limits for existing customers based on previous payment history. Trade receivables are recognised at the amount expected to be collected, based on an individual assessment of each customer.

Carrying amounts	2025	2024
Gross trade receivables	7,113	3,502
Provision for expected credit losses	–	–
Net trade receivables	7,113	3,502

Changes in the provision for expected credit losses	2025	2024
Opening balance	-2,671	-200
Provisions	-148	-2,671
Reversals	–	200
Closing balance	-2,819	-2,671

Age analysis of trade receivables	2025	2024
Not past due	4,732	1,627
<i>Past due:</i>		
– 1–30 days	97	189
– 31–60 days	70	90
– 61–90 days	85	89
– more than 90 days	4,948	4,176
Total past due	5,200	4,545
Of which impaired	-2,819	-2,671
Carrying amount of trade receivables	7,113	3,502

**Capital risk management**

The Group's capital structure shall be maintained at a level that ensures the ability to continue operations and generate returns for shareholders and benefits for other stakeholders, while maintaining an optimal structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may, with shareholder approval where appropriate, vary the dividends paid to shareholders, reduce the share capital for payment to shareholders, issue new shares, or sell assets to reduce the debt-to-equity ratio. The Group continuously analyses the relationship between debt and equity, and the relationship between debt and equity including loans from shareholders, in light of established targets. The outcomes in the table below are within the established targets.

In connection with the business combination of Gameday Group PLC, parts of the consideration were settled against equity instruments.

Group	2025	2024
Total borrowings	187,690	231,471
Less cash and cash equivalents	-156,854	-125,327
Net debt	30,836	106,144
Total equity	82,148	88,668
Total capital	112,984	194,812
Net debt-to-equity ratio	38%	120%
Group	2025	2024
Cash and bank balances	156,854	125,327
Current liabilities	8,329	9,737
Non-current liabilities	179,361	221,734
Net debt	344,544	356,797

Note 28 Pledged assets and contingent liabilities

On 13 March 2024, the Parent Company took up a long-term loan of EUR 5 million from the subsidiary Together Gaming Solutions PLC. Until May 2025, the loan was secured by pledged assets in the form of shares in subsidiaries as set out below:

Parent company		
Internally pledged assets, KSEK	2025	2024
Shares in subsidiaries		
Cherry Spelglädje	–	80,175
Total pledged assets	–	80,175

At the start of 2024, the Parent Company had a loan from Nordea, secured by shares in subsidiaries. The loan was redeemed in April 2024, and during 2025 the Group has consequently had no externally pledged assets.

**Note 29 Related party transactions**

Cherry with Friends AB is primarily owned by New Berrie AB and Inter Leisure i Göteborg Invest AB. Both New Berrie AB and Inter Leisure i Göteborg Invest AB are domiciled in Sweden.

New Berrie AB

Östermalmsgatan 3
SE-504 55 Borås

Inter Leisure i Göteborg Invest AB

Vasagatan 43 B
SE-411 37 Gothenburg

The company's ultimate controlling party is Aron Egfors.

During the year, the Group has had the following transactions with related parties:

Group

Amounts, KSEK	2025	2024
Interest paid to shareholders	-683	-561
Total transactions with related parties	-683	-561

Balances at year-end:

Amounts, KSEK	2025	2024
Shareholder loans	-34,378	-33,695
Total balances at year-end	-34,378	-33,695

Parent Company

Amounts, KSEK	2025	2024
Sales to subsidiaries	5,290	1,818
Interest from subsidiaries	2,344	1,877
Interest to subsidiaries	-3,449	-2,746
Interest paid to shareholders	-683	-561
Total transactions with related parties	3,503	387

Balances at year-end:

Amounts, KSEK	2025	2024
Receivables from subsidiaries	47,788	81,034
Liabilities to subsidiaries	-88,392	-124,197
Shareholder loans	-34,378	-33,695
Total balances at year-end	-74,983	-76,857

**Note 30 Events after the reporting period**

During the year, the Group provided loans to a business partner operating outside the Swedish market, with the aim of broadening the Group's operations geographically. During early 2026, the Group began winding down its engagement with the business partner to which loans had been provided, as the established targets were not met. As a consequence, the Group recognised significant impairment losses on outstanding loan receivables during 2025. Remaining receivables amounted to MSEK 4.0 at Group level as at 31 December 2025, which is considered to correspond to the amount the Group can be expected to recover.

In March 2026, new agreements were entered into regarding the company's shareholder loans. Under the agreements, the loans are committed up to and including 1 January 2028 in order to provide greater predictability. The interest rate has been renegotiated to current market terms of 8.25 per cent, applicable from January 2026.

In April 2026, the Board proposed a buy-back of shares corresponding to 7.8 per cent of the total number of outstanding shares in the company, together with the cancellation of the repurchased shares. The total consideration amounts to MSEK 14.8 and entails a corresponding reduction in the Group's equity. The purpose of the buy-back is to create shareholder value, as the Board considers the price to be attractive in light of the company's position and future prospects. The Board further considers that the buy-back can be carried out without affecting the company's operations or jeopardising its financial position. The buy-back and cancellation are conditional upon approval by the general meeting.



Gothenburg, on the date set out in our electronic signature

Fredrik Burvall

Chair

Pamela Morris

Board member

Jörgen Olsson

Board member

Dawid Myslinski

Board member

Aron Egfors

Board member

Erik Skarp

Chief Executive Officer

Gothenburg, on the date set out in my electronic signature

Öhrlings PricewaterhouseCoopers AB

Niklas Renström

Authorised Public Accountant