



Magnet Gaming ApS

Lauritzens Plads 1, 4.
9000 Aalborg
CVR No. 36461306

Annual report 2024

The Annual General Meeting adopted the
annual report on 14.04.2025

Esben Serup Thomsen

Chairman of the General Meeting

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Entity details

Entity

Magnet Gaming ApS
Lauritzens Plads 1, 4.
9000 Aalborg

Business Registration No.: 36461306
Registered office: Aalborg
Financial year: 01.01.2024 - 31.12.2024

Executive Board

Esben Serup Thomsen

Auditors

Deloitte Statsautoriseret Revisionspartnerselskab
Østre Havnepromenade 26, 4th floor
9000 Aalborg

Statement by Management

The Executive Board has today considered and approved the annual report of Magnet Gaming ApS for the financial year 01.01.2024 - 31.12.2024.

The annual report is presented in accordance with the Danish Financial Statements Act.

In my opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024.

I believe that the management commentary contains a fair review of the affairs and conditions referred to therein.

I recommend the annual report for adoption at the Annual General Meeting.

Aalborg, 27.03.2025

Executive Board

Esben Serup Thomsen

Independent auditor's report

To the shareholders of Magnet Gaming ApS

Opinion

We have audited the financial statements of Magnet Gaming ApS for the financial year 01.01.2024 - 31.12.2024, which comprise the income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Entity's financial position at 31.12.2024 and of the results of its operations for the financial year 01.01.2024 - 31.12.2024 in accordance with the Danish Financial Statements Act.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of this auditor's report. We are independent of the Entity in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Entity's ability to continue as a going concern, for disclosing, as applicable, matters related to going concern, and for using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Entity or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

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

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements, and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures in the notes, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on the management commentary

Management is responsible for the management commentary.

Our opinion on the financial statements does not cover the management commentary, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the management commentary and, in doing so, consider whether the management commentary is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the management commentary provides the information required by relevant law and regulations.

Based on the work we have performed, we conclude that the management commentary is in accordance with the financial statements and has been prepared in accordance with the requirements in the relevant law and regulations. We did not identify any material misstatement of the management commentary.

Aalborg, 27.03.2025

Deloitte

Statsautoriseret Revisionspartnerselskab

CVR No. 33963556

René Winther Pedersen

State Authorised Public Accountant

Identification No (MNE) mne34173

Management commentary

Financial highlights

	2024	2023	2022	2021	2020
	DKK'000	DKK'000	DKK'000	DKK'000	DKK'000
Key figures					
Gross profit/loss	83,549	64,685	74,975	65,080	108,671
Operating profit/loss	14,191	4,010	17,650	33,341	81,592
Net financials	154	112	177	344	(370)
Profit/loss for the year	11,203	3,412	14,516	26,877	63,429
Total assets	90,218	79,800	89,859	91,836	143,499
Investments in property, plant and equipment	861	1,738	1,172	1,643	1,418
Equity	63,318	59,614	66,203	66,687	89,810
Ratios					
Return on equity (%)	18.23	5.42	21.85	34.35	141.24
Equity ratio (%)	70.18	74.70	73.67	72.62	62.59

Return on equity

The entity's return on capital invested in the entity by the owners.

Solvency ratio

The financial strength of the entity.

Financial highlights are defined and calculated in accordance with the current version of "Recommendations & Ratios" issued by the CFA Society Denmark.

Return on equity (%):

Profit/loss for the year * 100

Average equity

Equity ratio (%):

Equity * 100

Total assets

Primary activities

Magnet Gaming ApS develops and maintains online casino games and an in-house-built iCasino platform. It provides its services to entities within the CEGO Group.

Development in activities and finances

The CEGO in-house studio has effectively developed and launched 12 unique in-house slot machines, all tailored for casual players. Games from the portfolio have been customized and introduced in the UK market. Furthermore, the iCasino platform has been optimized to ensure a consistently robust customer experience, facilitating commercial initiatives designed for multi-market operations.

Profit/loss for the year in relation to expected developments

Profit for the year is DKK 11.2 million which is in line with management expectations.

Outlook

Management expects continued growth in investments supporting the CEGO Group's product and platform offering in 2025 and thus expects profits in line with 2024.

Knowledge resources

CEGO is dedicated to maintaining a leading position in the adoption of new technologies across platform operations, product development, and compliance, with a primary focus on catering to casual players. The expertise of CEGO's personnel is pivotal to all aspects of the business and the Group.

Research and development activities

The company capitalizes development costs incurred during internal projects related to Games and Platform development. In the fiscal year 2024, the company capitalized DKK 26 million on such development projects. This capitalization primarily pertains to salaries allocated to these projects

Income statement for 2024

	Notes	2024 DKK	2023 DKK
Gross profit/loss		83,548,695	64,685,180
Staff costs	1	(45,165,359)	(39,379,697)
Depreciation, amortisation and impairment losses	2	(21,342,293)	(20,929,816)
Other operating expenses		(2,849,652)	(365,508)
Operating profit/loss		14,191,391	4,010,159
Other financial income	3	167,458	121,133
Other financial expenses	4	(13,306)	(9,152)
Profit/loss before tax		14,345,543	4,122,140
Tax on profit/loss for the year	5	(3,142,252)	(710,533)
Profit/loss for the year	6	11,203,291	3,411,607

Balance sheet at 31.12.2024

Assets

	Notes	2024 DKK	2023 DKK
Completed development projects	8	50,881,589	51,778,284
Acquired intangible assets		40,632	0
Development projects in progress	8	17,542,454	12,938,726
Intangible assets	7	68,464,675	64,717,010
Other fixtures and fittings, tools and equipment		1,752,226	2,288,551
Property, plant and equipment	9	1,752,226	2,288,551
Fixed assets		70,216,901	67,005,561
Receivables from group enterprises		12,052,969	10,869,349
Other receivables		0	48,317
Joint taxation contribution receivable		0	410,825
Prepayments	10	522,307	331,369
Receivables		12,575,276	11,659,860
Cash		7,425,928	1,134,542
Current assets		20,001,204	12,794,402
Assets		90,218,105	79,799,963

Equity and liabilities

	Notes	2024 DKK	2023 DKK
Contributed capital		400,000	400,000
Reserve for development expenditure		53,370,754	50,479,270
Retained earnings		2,546,952	1,235,145
Proposed dividend		7,000,000	7,500,000
Equity		63,317,706	59,614,415
Deferred tax	11	14,855,902	14,063,817
Provisions		14,855,902	14,063,817
Other payables	12	3,011,717	2,921,161
Non-current liabilities other than provisions	13	3,011,717	2,921,161
Trade payables		586,696	185,699
Payables to group enterprises		2,643,195	0
Joint taxation contribution payable		2,350,167	0
Other payables	14	3,452,722	3,014,871
Current liabilities other than provisions		9,032,780	3,200,570
Liabilities other than provisions		12,044,497	6,121,731
Equity and liabilities		90,218,105	79,799,963
Contingent liabilities	15		
Assets charged and collateral	16		
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Statement of changes in equity for 2024

	Contributed capital DKK	Reserve for development expenditure DKK	Retained earnings DKK	Proposed dividend DKK	Total DKK
Equity beginning of year	400,000	50,479,270	1,235,145	7,500,000	59,614,415
Ordinary dividend paid	0	0	0	(7,500,000)	(7,500,000)
Transfer to reserves	0	2,891,484	(2,891,484)	0	0
Profit/loss for the year	0	0	4,203,291	7,000,000	11,203,291
Equity end of year	400,000	53,370,754	2,546,952	7,000,000	63,317,706

Notes

1 Staff costs

	2024 DKK	2023 DKK
Wages and salaries	40,566,119	35,304,341
Pension costs	3,686,588	3,208,798
Other social security costs	912,652	866,558
	45,165,359	39,379,697
Average number of full-time employees	75	69

Remuneration to the Executive Board has not been disclosed in accordance with section 98 B(3) of the Danish Financial Statements Act.

2 Depreciation, amortisation and impairment losses

	2024 DKK	2023 DKK
Amortisation of intangible assets	19,954,292	18,461,619
Impairment losses on intangible assets	0	1,056,305
Depreciation of property, plant and equipment	1,388,001	1,411,892
	21,342,293	20,929,816

3 Other financial income

	2024 DKK	2023 DKK
Financial income from group enterprises	136,341	98,173
Other interest income	31,117	22,960
	167,458	121,133

4 Other financial expenses

	2024 DKK	2023 DKK
Financial expenses from group enterprises	2,877	0
Other interest expenses	3,561	1,643
Exchange rate adjustments	6,868	7,509
	13,306	9,152

5 Tax on profit/loss for the year

	2024 DKK	2023 DKK
Current tax	2,350,167	0
Change in deferred tax	792,085	1,121,358
Refund in joint taxation arrangement	0	(410,825)
	3,142,252	710,533

6 Proposed distribution of profit and loss

	2024 DKK	2023 DKK
Ordinary dividend for the financial year	7,000,000	7,500,000
Retained earnings	4,203,291	(4,088,393)
	11,203,291	3,411,607

7 Intangible assets

	Completed development projects DKK	Acquired intangible assets DKK	Development projects in progress DKK
Cost beginning of year	124,467,028	4,321,768	12,938,726
Transfers	21,412,471	0	(21,412,471)
Additions	481,675	44,629	26,016,199
Disposals	(4,481,912)	0	0
Cost end of year	141,879,262	4,366,397	17,542,454
Amortisation and impairment losses beginning of year	(72,688,744)	(4,321,768)	0
Amortisation for the year	(19,950,295)	(3,997)	0
Reversal regarding disposals	1,641,366	0	0
Amortisation and impairment losses end of year	(90,997,673)	(4,325,765)	0
Carrying amount end of year	50,881,589	40,632	17,542,454

8 Development projects

In 2024, DKK 26,498 thousand has been capitalized allocated on 140 projects of which 83 have been launched and those projects are now subject to amortisation. The remaining projects are in preparation. The capitalization solely relates to salary allocated to development projects. The projects are often completed within two years and thus amortisation of capitalised expenses on the projects are commenced shortly after the capitalization of the projects. The projects are amortised over a period of three to five years. The affiliated companies Spilnu.dk A/S and Happytiger ApS pays a royalty fee for use of the fully developed games.

9 Property, plant and equipment

	Other fixtures and fittings, tools and equipment DKK
Cost beginning of year	7,607,400
Additions	860,782
Disposals	(589,674)
Cost end of year	7,878,508
Depreciation and impairment losses beginning of year	(5,318,849)
Depreciation for the year	(1,388,001)
Reversal regarding disposals	580,568
Depreciation and impairment losses end of year	(6,126,282)
Carrying amount end of year	1,752,226

10 Prepayments

Prepayments mainly consist of smaller costs relating to future periods.

11 Deferred tax

	2024 DKK	2023 DKK
Changes during the year		
Beginning of year	14,063,817	12,942,459
Recognised in the income statement	792,085	1,121,358
End of year	14,855,902	14,063,817

12 Other payables

	2024 DKK	2023 DKK
Holiday pay obligation	3,011,717	2,921,161
	3,011,717	2,921,161

13 Non-current liabilities other than provisions

	Due after more than 12 months 2024 DKK	Outstanding after 5 years 2024 DKK
Other payables	3,011,717	3,011,717
	3,011,717	3,011,717

14 Other payables

	2024 DKK	2023 DKK
VAT and duties	467,941	411,681
Wages and salaries, personal income taxes, social security costs, etc payable	361,551	292,258
Holiday pay obligation	2,623,230	2,310,932
	3,452,722	3,014,871

15 Contingent liabilities

The Entity participates in a Danish joint taxation arrangement where CEGO Holding ApS serves as the administration company. According to the joint taxation provisions of the Danish Corporation Tax Act, the Entity is therefore secondarily liable for income taxes, etc for the jointly taxed entities, which is limited to the equity interest by which the entity participates in the Group. The jointly taxed entities' total known net liability under the joint taxation arrangement is disclosed in the administration company's financial statements.

16 Assets charged and collateral

None.

17 Related parties with controlling interest

CEGO A/S, Aalborg (parent company)

CEGO Midco ApS, Aalborg (parent of CEGO A/S)

CEGO Holding ApS, Aalborg (ultimate parent company)

18 Non-arm's length related party transactions

Only related party transactions not conducted on an arm's length basis are disclosed in the annual report.

No such transactions have been conducted in the financial year.

19 Group relations

Name and registered office of the Parent preparing consolidated financial statements for the largest group:

CEGO Holding ApS, Aalborg

Name and registered office of the Parent preparing consolidated financial statements for the smallest group:

CEGO A/S, Aalborg

Accounting policies

Reporting class

This annual report has been prepared in accordance with the provisions of the Danish Financial Statements Act governing reporting class C enterprises (medium).

The accounting policies applied to these financial statements are consistent with those applied last year.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable as a result of a prior event that future economic benefits will flow to the Entity, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when the Entity has a legal or constructive obligation as a result of a prior event, and it is probable that future economic benefits will flow out of the Entity, and the value of the liability can be measured reliably.

On initial recognition, assets and liabilities are measured at cost. Measurement subsequent to initial recognition is effected as described below for each financial statement item.

Anticipated risks and losses that arise before the time of presentation of the annual report and that confirm or invalidate affairs and conditions existing at the balance sheet date are considered at recognition and measurement.

Income is recognised in the income statement when earned, whereas costs are recognised by the amounts attributable to this financial year.

Income statement

Gross profit or loss

Gross profit or loss comprises revenue, own work capitalised, other operating income, cost of sales and external expenses.

Revenue

Revenue from the sale of games is recognised in the income statement when delivery is made and risk has passed to the buyer. Revenue is recognised net of VAT, duties and sales discounts and is measured at fair value of the consideration fixed.

Own work capitalised

Own work capitalised comprises staff costs and other costs incurred in the financial year and recognised in cost for proprietary intangible assets.

Other operating income

Other operating income comprises income of a secondary nature as viewed in relation to the Entity's primary activities, including salary refunds.

Cost of sales

Cost of sales comprises goods consumed in the financial year measured at cost.

Other external expenses

Other external expenses include expenses relating to the Entity's ordinary activities, including stationery and office supplies, marketing costs, etc. This item also includes write downs of receivables recognised in current assets.

Staff costs

Staff costs comprise salaries and wages, and social security contributions, pension contributions, etc for entity staff.

Depreciation, amortisation and impairment losses

Depreciation, amortisation and impairment losses relating to property, plant and equipment and intangible assets comprise depreciation, amortisation and impairment losses for the financial year, and gains and losses from the sale of intangible assets and property, plant and equipment.

Other operating expenses

Other operating expenses comprise expenses of a secondary nature as viewed in relation to the Entity's primary activities, including loss from the sale of intangible assets and property, plant and equipment.

Other financial income

Other financial income comprises interest income, interest income on receivables from group enterprises, net capital or exchange gains on securities, payables and transactions in foreign currencies and tax relief under the Danish Tax Prepayment Scheme etc.

Other financial expenses

Other financial expenses comprise interest expenses, including interest expenses on payables to group enterprises, net capital or exchange losses on securities, payables and transactions in foreign currencies, amortisation of financial liabilities, and tax surcharge under the Danish Tax Prepayment Scheme etc.

Tax on profit/loss for the year

Tax for the year, which consists of current tax for the year and changes in deferred tax, is recognised in the income statement by the portion attributable to the profit for the year and recognised directly in equity by the portion attributable to entries directly in equity.

The Entity is jointly taxed with all Danish group enterprises. The current Danish income tax is allocated among the jointly taxed entities proportionally to their taxable income (full allocation with a refund concerning tax losses).

Balance sheet**Intellectual property rights etc**

Intellectual property rights etc comprise development projects completed and in progress with related intellectual property rights, acquired intellectual property rights and prepayments for intangible assets.

Development projects on clearly defined and identifiable products and processes, for which the technical rate of utilisation, adequate resources and a potential future market or development opportunity in the enterprise can be established, and where the intention is to manufacture, market or apply the product or process in question, are recognised as intangible assets. Other development costs are recognised as costs in the income statement as incurred.

When recognising development projects as intangible assets, an amount equalling the costs incurred less deferred tax is taken to equity in the reserve for development costs that is reduced as the development projects are amortised and written down.

The cost of development projects comprises costs such as salaries and other costs that are directly and indirectly attributable to the development projects.

Completed development projects are amortised on a straight-line basis using their estimated useful lives which are determined based on a specific assessment of each development project. The amortisation periods used are 2-5 years.

Intellectual property rights acquired are measured at cost less accumulated amortisation. Patents are amortised on a straight-line basis over their remaining duration, and licenses are amortised over the term of the agreement.

Intellectual property rights etc are written down to the lower of recoverable amount and carrying amount.

Property, plant and equipment

Other fixtures and fittings, tools and equipment are measured at cost less accumulated depreciation and impairment losses.

Cost comprises the acquisition price, costs directly attributable to the acquisition and preparation costs of the asset until the time when it is ready to be put into operation.

The basis of depreciation is cost less estimated residual value after the end of useful life. Straight-line depreciation is made on the basis of the following estimated useful lives of the assets:

	Useful life
Other fixtures and fittings, tools and equipment	3 years

Estimated useful lives and residual values are reassessed annually. Residual values are estimated at DKK 0.

Items of property, plant and equipment are written down to the lower of recoverable amount and carrying amount.

Receivables

Receivables are measured at amortised cost, usually equalling nominal value less write downs for bad and doubtful debts.

Joint taxation contributions receivable or payable

Current joint taxation contributions payable or joint taxation contributions receivable are recognised in the balance sheet, calculated as tax computed on the taxable income for the year, which has been adjusted for prepaid tax. For tax losses, joint taxation contributions receivable are only recognised if such losses are expected to be used under the joint taxation arrangement.

Prepayments

Prepayments comprise incurred costs relating to subsequent financial years. Prepayments are measured at cost.

Cash

Cash comprises bank deposits.

Dividend

Dividend is recognised as a liability at the time of adoption at the general meeting. Proposed dividend for the financial year is disclosed as a separate item in equity.

Deferred tax

Deferred tax is recognised on all temporary differences between the carrying amount and the tax-based value of assets and liabilities, for which the tax-based value is calculated based on the planned use of each asset or the planned settlement of each liability.

Deferred tax assets, including the tax base of tax loss carryforwards, are recognised in the balance sheet at their estimated realisable value, either as a set-off against deferred tax liabilities or as net tax assets.

Other financial liabilities

Other financial liabilities are measured at amortised cost, which usually corresponds to nominal value.

Cash flow statement

Cash flow statement has been omitted in the annual report, according to the Danish Financial Statements Act Section 86 subsection 4, as it is included in the Group cash flow statement of CEGO Holding ApS Business Reg. No. 40559493 and CEGO A/S Business Reg. No. 29206651.