

Please note that this is an unofficial translation of the Swedish-language original – in case of any discrepancies between this version and the Swedish original, the latter shall prevail.

NOTICE OF ANNUAL GENERAL MEETING IN PARADOX INTERACTIVE AB (PUBL)

The shareholders of Paradox Interactive AB (publ), org. no. 556667-4759, are hereby convened to the annual general meeting (the “**AGM**”) to be held on Wednesday 14 May 2025 at the company’s offices in Stockholm.

The board of directors has decided that the shareholders may exercise their voting rights ahead of the AGM through advance voting (postal voting). Consequently, the shareholders may exercise their voting rights in person, through proxy or by way of advance voting.

EXERCISE OF VOTING RIGHT AT THE AGM

Shareholders wishing to participate at the AGM shall:

- be entered in the share register kept by Euroclear no later than on Tuesday 6 May 2025, *and*
- give notice of its participation at the AGM, *either* in accordance with the instructions under the heading “Instructions for advance voting” or in accordance with the instructions for “Attendance in person or through proxy”, no later than on Thursday 8 May 2025.

NOMINEE-REGISTERED SHARES

A shareholder who has its shares registered with a nominee must, in order to be entitled to participate at the AGM and exercise its voting right, temporarily register the shares in its own name in the share register kept by Euroclear (so-called voting right registration). The share register for the AGM, as of the record date of Tuesday 6 May 2025, will consider voting right registrations completed no later than Thursday 8 May 2025, meaning that shareholders must request that the nominee makes such voting right registration well in advance of that date.

INSTRUCTIONS FOR ADVANCE VOTING

The shareholders may exercise their voting rights at the AGM by advance voting, so called postal voting. A specific form, available at the company’s website, shall be used for the advance voting. A submitted voting form also constitutes notice of participation at the AGM, meaning that a shareholder who exercises its voting right through advance voting does not need to notify the company of its attendance separately.

The completed and signed voting form shall be sent to the company by email to agm@paradoxinteractive.com or by mail to Paradox Interactive AB (publ), Magnus Ladulåsgatan 4, 118 66 Stockholm, and be at the company’s disposal no later than on Thursday 8 May 2025. If the shareholder votes in advance by proxy, a power of attorney shall be enclosed with the form. If the shareholder is a legal entity, a certificate of incorporation or a corresponding document evidencing

authorisation shall be enclosed to the form. The shareholder may not note special instructions or conditions in the voting form. If the shareholder does so, the vote is invalid.

Further instructions and conditions are set out on the form for advance voting.

ATTENDANCE IN PERSON OR THROUGH PROXY

A shareholder who wishes to attend the AGM in person or through proxy shall notify the company thereof by email to agm@paradoxinteractive.com or by mail to Paradox Interactive AB (publ), Magnus Ladulåsgatan 4, 118 66 Stockholm. The shareholder's name or company name, personal or corporate identification number, address, phone number and, if applicable, the number of accompanying advisors (not more than two) shall be set out in the notice of attendance. The AGM will be held at 14.00 CEST on Wednesday 14 May 2025 at the company's offices on Magnus Ladulåsgatan 4 in Stockholm.

A shareholder who does not wish to attend the AGM in person or exercise its voting rights through postal voting may exercise its voting rights through a proxy by way of a written, dated and signed power of attorney. If the power of attorney is issued by a legal entity, a copy of the registration certificate or corresponding document of the legal entity shall be enclosed.

In order to facilitate the entrance at the AGM, the power of attorney, registration certificate and other authorisation documentation, if any, should be at the company's disposal no later than on Thursday 8 May 2025. Please note that the notice of attendance at the AGM shall be submitted also if the shareholder wishes to exercise its voting rights at the AGM through proxy. A submitted power of attorney does not constitute notice of attendance. A power of attorney may not be older than one year if unless a longer term has been noted (in which case it may not be older than five years). A proxy form is available at the company's website www.paradoxinteractive.com.

PROPOSED AGENDA

1. Opening of the meeting
2. Election of the chairman of the meeting
3. Preparation and approval of the voting register
4. Approval of the agenda
5. Election of one or two persons to verify the minutes
6. Determination as to whether the meeting has been duly convened
7. Presentation of the annual report and the auditor's report as well as the consolidated annual report and the auditor's report in respect of such report
8. Resolution:
 - a. on the adoption of the income statement and the balance sheet as well as the group income statement and the group balance sheet
 - b. on the allocation of the company's profits in accordance with the adopted balance sheet
 - c. on discharge from liability for the directors of the board and the CEO
9. Determination of the number of directors and deputy directors
10. Resolution on remuneration to directors of the board and auditors

11. Election of board of directors and chairman of the board
12. Election of auditor
13. Resolution on authorisation for the board of directors to resolve on the issuance of shares, convertibles and/or warrants
14. Proposal of the board of directors for a resolution on (A) implementation of Option Program 2025/2029 and (B) a directed issue of warrants and approval of transfer of warrants to fulfil the company's commitments under the option program and to secure social security charges
15. Closing of the meeting

Item 2: Election of chairman of the meeting

The nominating committee proposes that the AGM elects the chairman of the company's board, Håkan Sjunnesson, as chairman of the meeting or, in his absence, the person appointed by the board of directors.

Item 3: Preparation and approval of voting register

The board of directors proposes that the voting register shall be the voting register prepared by the chairman of the board which is based on the share register for the AGM per 6 May 2025 and the received advance votes, as verified by the person appointed to verify the minutes.

Item 5: Election of one or two persons to verify the minutes

The board of directors proposes that Per Håkan Börjesson or, in his absence, the person instead appointed by the board of directors, to be elected to verify the minutes of the AGM. The person so elected shall also verify the voting list and that the received advance votes are correctly reflected in the minutes of the AGM.

Item 8b: Resolution on the allocation of the company's profits in accordance with the adopted balance sheet

The board of directors proposes that an ordinary dividend of SEK 3.00 per share and an extraordinary dividend of SEK 2.00 per share is distributed to the shareholders, with 16 May 2025 as record date. If the AGM resolves in accordance with the board's proposal, the dividend is expected to be distributed by Euroclear on 21 May 2025.

Item 9: Determination of the number of directors and deputy directors

The nomination committee proposes that the board of directors shall, to the extent elected by the AGM, consist of five directors without deputy directors.

Item 10: Resolution on remuneration to directors of the board and auditors

The nomination committee proposes that the remuneration to the directors of the board, for the period through the end of the next AGM, shall be SEK 800,000 to the chairman of the board (SEK 700,000 the previous period) and SEK 400,000 for each of the other directors of the board elected by the AGM (SEK 350,000 the previous period), except for Fredrik Wester who has requested to not receive any remuneration.

In addition to the remuneration set out above, the nomination committee proposes that the remuneration, for the period through the end of the next AGM, shall be SEK 100,000 to the chairman of

the auditing committee (SEK 85,000 the previous period), SEK 75,000 to the chairman of the remuneration committee (SEK 55,000 the previous period), and that the remuneration to each of the other members of such committees shall be 75 percent of that of the chairman for the relevant committee (75 percent previous period).

The nomination committee proposes that the remuneration for the auditor shall be paid according to approved account.

Item 11: Election of board of directors

The nomination committee proposes re-election of Håkan Sjunnesson, Fredrik Wester, Mathias Hermansson, Linda Höglund and Andras Vajlok as directors of the board as well as re-election of Håkan Sjunnesson as chairman of the board, all for the period through the end of the next AGM, and that the board of directors shall elect a new chairman amongst itself if such person's assignment should end in advance.

Item 12: Election of auditor

In accordance with the recommendation from the auditing committee the nomination committee proposes re-election of the auditing firm Öhrlings PricewaterhouseCoopers AB as the company's auditor. Öhrlings PricewaterhouseCoopers AB has declared that Aleksander Lyckow will be auditor-in-charge if the AGM resolves in accordance with the proposal.

Item 13: Resolution on authorisation for the board of directors to resolve on the issuance of shares, convertibles and/or warrants

The board of directors proposes that the AGM authorises the board of directors to, on one or several occasions, during the period up to the next AGM, with or without deviating from the shareholders' preferential rights, resolve to issue new shares, convertibles and/or warrants. The increase of the share capital may correspond to a dilution of a maximum of 10 percent of the share capital at the time of the first use of the authorisation. The purpose of the authorisation is to, in a fast and efficient manner, be able to acquire companies, businesses, or parts thereof, broaden the company's ownership structure or improve the capital structure. Payment may be made in cash and/or with a condition to pay in kind or by way of set-off, or other conditions.

A resolution in accordance with the board of directors' proposal shall only be valid where supported by not less than two-thirds of both the votes cast and the shares represented at the AGM. The board of directors shall have the right to make such minor adjustments in this resolution that may be necessary in order to register the authorisation with the Swedish Companies Registration Office.

Item 14: Proposal of the board of directors for a resolution on (A) implementation of Option Program 2025/2029 and (B) a directed issue of warrants and approval of transfer of warrants to fulfil the company's commitments under the option program and to secure social security charges

The board of directors proposes that the AGM resolves to implement an option program for key employees of the group – Option Program 2025/2029 – as set out below.

Background and reasons

Since 2018, the annual general meeting of the company has resolved on annually recurring incentive programs for the employees of the group, based on warrants or stock options issued to the participants. Following an evaluation, the remuneration committee has proposed to the board of directors, and the board of directors has now decided, to propose to the AGM the implementation of a new incentive program based on stock options. The purpose of Option Program 2025/2029 is to reward long term commitments of key employees, to ensure that the company's long term value increase is reflected in the remuneration of the participants of the program, to contribute to the capability to recruit and retain competent employees and to otherwise increase shared incentives between key employees and the company's shareholders. Participation in the program will be offered to the employees which according to the board's assessment have the largest impact on the company's financial and operational development. The board of directors assesses that the aligned interests between the company and the participants which are created by the program are sufficient to promote the long-term value-creation of the company, which is why the program is not conditional upon any performance.

The board of directors intends to annually propose incentive programs.

In order to secure the company's commitments under Option Program 2025/2029 and the social security contributions connected therewith, the board of directors also proposes that the AGM resolves on a directed issue of warrants and to approve the transfer of warrants in accordance with item B below.

Given the reasons set out above and the main terms and conditions set out below it is the opinion of the board of directors that the proposed Option Program 2025/2029 is reasonable and beneficial for the company and its shareholders.

(A) Proposal by the board of directors on resolution regarding implementation of Option Program 2025/2029

The board of directors proposes that the AGM resolves to implement Option Program 2025/2029, according to the following main principles:

- a) Option Program 2025/2029 shall include issuance of no more than 528,000 stock options.
- b) Each stock option shall entitle the holder to subscribe for one new share in the company at a subscription price corresponding to 120 per cent of the volume weighted average transaction price (rounded off to the closest whole öre (SEK 0.01)) for the company's share on Nasdaq First North Growth Market during the five trading days following the date of publication of the company's interim financial report for the first quarter of 2025. The subscription price and the number of shares for which each stock option entitles the holder to subscribe may be subject to recalculation pursuant to a bonus issue, share split, new issue with preferential rights and similar measures, whereby conventional terms and conditions for recalculation shall be applied.
- c) Option Program 2025/2029 participants shall comprise no more than 80 employees of the company and its subsidiaries.
- d) Stock options will be distributed in accordance with the following allotment categories (none of which have a minimum guaranteed allotment):
 - i. senior managers: not more than 25,000 stock options per person; and

- ii. certain other key employees of the group, who according to the assessment of the board of directors have the largest impact on the company's financial and operational performance: not more than 15,000 stock options per person.
- e) Allotted stock options shall be offered free of charge. Such offers shall be made within 10 banking days from the date the resolution on allotment is made. Over-allocation may not occur.
- f) All stock options are intended to be offered no later than on 15 June 2025.
- g) Stock options which are allotted and subscribed for may be exercised by the holder during the 30 days following publication of the company's interim financial reports for the second quarter of 2028, the third quarter of 2028 and the first quarter of 2029, respectively.
- h) The holder shall be entitled to exercise the stock options during the periods set out above, provided that the relevant holder at the date of exercise of the stock options (i) is employed by the company or by any other company within the group and (ii) has not given notice of resignation, received notice of dismissal (Sw. *avsked*) or received notice of termination from its employment in the company or in any company within the group due to personal reasons (Sw. *uppsägning av personliga skäl*).
- i) At exercise, each stock option will entitle the holder to receive one warrant immediately exercisable for one share in the company against payment of the subscription price.
- j) For participation in Option Program 2025/2029 it is required that such participation is legally possible, and that such participation in the board of directors' opinion is possible at reasonable administrative costs and with reasonable financial resources.
- k) Issued stock options do not constitute securities and may not be transferred, pledged or otherwise disposed of by the holder.
- l) The terms and conditions of the Option Program 2025/2029 may differ for certain participants due to the local laws and regulations of such participant's jurisdiction.
- m) Instead of subscription of new shares under item b) above, the board of directors shall have the right to offer the participants cash payments or a combination of cash payments and subscription under item b) above, provided that the financial outcome in all material respects are the same.
- n) In other respects, the board of directors shall establish the general terms for participation in the program.

(B) Directed issue of warrants and approval of transfer of warrants in order to fulfil the company's commitments under Option Program 2025/2029 and to secure social security charges

In order to enable the company's delivery of shares pursuant to Option Program 2025/2029 and to secure costs connected therewith, primarily social security charges, the board of directors proposes that the AGM resolves on a directed issue of warrants and to approve the transfer of warrants on the following terms:

- (a) A maximum of 693,898 warrants shall be issued, entailing an increase in the share capital of a maximum of SEK 3,469.49 upon full exercise.
- (b) Right to subscribe shall, with deviation from the preferential right for existing shareholders, reside in the company's wholly owned subsidiary Paradox Development Studio AB.
- (c) Subscription of the warrants shall be made on a separate subscription list no later than 15 June 2025.

- (d) The warrants shall be issued free of charge.
- (e) Each warrant shall entitle the holder to subscribe for one new share.
- (f) Each warrant shall initially entitle the holder to subscribe for one new share in the company at a subscription price corresponding to 120 per cent of the volume weighted average transaction price (rounded off to the closest whole öre (SEK 0.01)) for the company's share on Nasdaq First North Growth Market during the five trading days following the date of publication of the company's interim financial report for the first quarter of 2025. The subscription price and the number of shares for which each warrant entitles the holder to subscribe may be subject to recalculation pursuant to a bonus issue, share split, new issue with preferential rights and similar measures, whereby conventional terms and conditions for recalculation shall be applied.
- (g) Subscription of shares in the company by virtue of the warrants shall be made during the 30 days following publication of the company's interim financial reports for the second quarter 2028, the third quarter 2028 and the first quarter 2029, respectively. The share premium shall be transferred to the unrestricted premium reserve.
- (h) Shares issued following exercise of warrants during a certain financial year shall entitle to dividend for the first time on the record day for dividend which occurs following registration of the shares with the Swedish Companies Registration Office.
- (i) The complete terms and conditions for the warrants are set out in "Terms and conditions for Paradox Interactive AB (publ)'s warrants 2025/2029".

The reason for the deviation from the shareholders' preferential right is that the issue forms part of the implementation of Option Program 2025/2029. In view of what is set forth under "*Background and reasons*" above, the board of directors is of the opinion that it is of benefit to the company and its shareholders that key employees of the group are offered to participate in Option Program 2025/2029.

The board of directors further proposes that the AGM resolves to approve that Paradox Development Studio AB transfers warrants to participants in Option Program 2025/2029 and otherwise disposes of the warrants in order to secure the company's commitments and costs in connection with Option Program 2025/2029.

Finally, the board of directors proposes that the board of directors, or anyone appointed by the board of directors, should be authorised to make such minor adjustments to the above proposal that may be necessary in connection with the registration procedures with the Swedish Companies Registration Office, and possible registration of the warrants with Euroclear.

Costs

The Option Program 2025/2029 will incur costs for the company in reference partly to personnel costs from an accounting perspective in accordance with IFRS 2 and partly to social security contributions.

Based on the assumption of a share price at the time of allocation of the stock options of SEK 185.34, that all 528,000 stock options will be allotted no later than on 15 June 2025 and subsequently exercised, the personnel cost from an accounting perspective according to IFRS 2 for the Option Program 2025/2029 is estimated to amount to a total of approximately SEK 13.2 million recognised during the period 2025–2028. Tax effects should be determined locally. As an example, from a Swedish perspective

a final assessment should be made at the time of exercise, implying that the company should make adjustments between the amount already recognised and the final market value that forms the basis for social security contributions. Personnel costs in accordance with IFRS 2 do not affect the company's cash flow. The stock options do not have a market value since they are not transferable. However, the board of directors has calculated a theoretical value of the stock options using the Black & Scholes valuation model. The calculations have been based on the term of the stock options, the subscription price, an assumed share price of SEK 185.34 per share at the time of allocation of the stock options, a risk-free interest rate of 2.285 percent, an assumed volatility of 28.8 percent, and an expected dividend of SEK 3.00 per year. In accordance with this valuation, the value of the options in the Option Program 2025/2029 is approximately SEK 24.91 per option.

Upon a positive development of the share price, the Option Program 2025/2029 will entail costs in form of social security contributions. The total costs for social security contributions will depend on the number of stock options that will be vested and on the value of the benefit that the participant finally will receive, i.e., on the value of the stock options when exercised, but also in which countries the participants are resident and what percentages that apply to social security contributions in these countries. The costs for social security contributions are estimated to approximately SEK 8.1 million, assuming allotment of 528,000 stock options, exercise of all the allotted stock options, that the average social security contribution amount to 31.42 percent, an exercise price of SEK 222.41, and an assumed share price of SEK 271.35 when the stock options are exercised. With the same assumptions except for instead a share price of SEK 324.16 when the stock options are exercised, the corresponding costs are estimated to approximately SEK 16.9 million. The costs for social security contributions will be recognised during the period from the grant date to the end of the vesting period. The company's entire cost for social security contributions is expected to be secured through the directed issue of warrants in accordance with item (B) above.

All of the calculations above are preliminary and aim only to present an example of the potential costs that the Option Program 2025/2029 may incur. Actual costs may therefore deviate from what has been stated above.

Dilution and effect on material key ratios

Option Program 2025/2029 comprises the issuance of maximum 693,898 warrants, of which 528,000 warrants are issued in order to fulfil the company's commitments towards the participants in the program and 165,898 warrants are issued in order to secure costs for social security charges. At full exercise of all issued warrants under Option Program 2025/2029 for subscription of new shares, 693,898 shares will be issued, corresponding to approximately 0.66 percent of the shares in the company.

The company has an outstanding employee stock option program which was adopted by the annual general meeting held on 18 May 2021 ("Option Program 2021/2025"), an outstanding employee stock option program which was adopted by the annual general meeting held on 10 May 2022 ("Option Program 2022/2026"), an outstanding employee stock option program which was adopted by the annual general meeting held on 17 May 2023 ("Option Program 2023/2027") and an outstanding employee stock option program which was adopted by the annual general meeting held on 15 May 2024 ("Option Program 2024/2028").

A total of 278,742 warrants are outstanding under Option Program 2021/2025, which corresponds to the total number of stock options issued is the program, less the number of stock option which have lapsed since the holder no longer fulfils the prerequisites for exercising the stock options as well as the warrants issued to cover the social fees relating to such now lapsed options. Each such warrant entitles its holder to subscribe for one new share in the company during the 30 days following the publication of the company's interim financial report for the second quarter of 2024, the third quarter of 2024 and the first quarter of 2025. A total of 490,197 warrants are outstanding under Option Program 2022/2026, which corresponds to the total number of stock options issued is the program, less the number of stock option which have lapsed since the holder no longer fulfils the prerequisites for exercising the stock options as well as the warrants issued to cover the social fees relating to such now lapsed options. Each such warrant entitles its holder to subscribe for one new share in the company during the 30 days following the publication of the company's interim financial report for the second quarter of 2025, the third quarter of 2025 and the first quarter of 2026. A total of 604,532 warrants are outstanding under Option Program 2023/2027, which corresponds to the total number of stock options issued is the program, less the number of stock option which have lapsed since the holder no longer fulfils the prerequisites for exercising the stock options as well as the warrants issued to cover the social fees relating to such now lapsed options. Each such warrant entitles its holder to subscribe for one new share in the company during the 30 days following the publication of the company's interim financial report for the second quarter of 2026, the third quarter of 2026 and the first quarter of 2027. A total of 673,528 warrants are outstanding under Option Program 2024/2028, which corresponds to the total number of stock options issued is the program, less the number of stock option which have lapsed since the holder no longer fulfils the prerequisites for exercising the stock options as well as the warrants issued to cover the social fees relating to such now lapsed options. Each such warrant entitles its holder to subscribe for one new share in the company during the 30 days following the publication of the company's interim financial report for the second quarter of 2027 the third quarter of 2027 and the first quarter of 2028. If all outstanding warrants issued within the scope of Option Program 2021/2025, Option Program 2022/2026, Option Program 2023/2027 and Option Program 2024/2028 are exercised for subscription of shares in the company, 2,046,999 shares will be issued, corresponding to approximately 1.94 percent of the shares in the company.

If all warrants issued under Option Program 2021/2025, Option Program 2022/2026, Option Program 2023/2027 and Option Program 2024/2028 are exercised for subscription of shares and if all warrants proposed to be issued within the scope of the Option Program 2025/2029 are issued and exercised for subscription of shares, a total of 2,740,897 shares will be issued, corresponding to approximately 2.59 percent of the shares in the company.

The material key ratios for the group's business are the group's equity ratio (Sw. *soliditet*) and net margin (Sw. *nettomarginal*). By applying the above assumptions when estimating personnel costs from an accounting perspective in accordance with IFRS 2 and costs for social security contributions, it is the board of director's opinion that the effect of Option Program 2025/2029 on said key ratios is marginal.

Preparation

The proposal for Option Program 2025/2029 has been prepared by the board of directors in consultation with external advisers. The proposal has been unanimously adopted by the board of directors.

Majority requirements

The board of directors' proposal with respect to Option Program 2025/2029 and the board of directors' proposal for a directed issue and transfer of not more than 693,898 warrants is a cohesive proposal, why a resolution in accordance with one of the partial proposals shall be conditional upon a resolution in accordance with the other partial proposal and that Chapter 16 of the Companies Act shall be applied on the cohesive proposal. A valid resolution in accordance with the board of director's proposal requires that it is supported by shareholders representing at least nine tenths of both the number of votes cast and the shares represented at the meeting.

NUMBER OF SHARES AND VOTES

At the time of this notice there are 105,623,025 shares in the company, representing a total of 105,623,025 votes.

SHAREHOLDERS RIGHT TO REQUEST INFORMATION

The board of directors and the CEO shall, if any shareholder so requests and the board of directors considers that it can be done without material harm to the company, provide information at the AGM on matters that may affect the assessment of an item on the agenda or the company's financial situation. Such duty to provide information applies also to the company's relation to other group companies, the consolidated accounts and such circumstances regarding subsidiaries as specified in the foregoing sentence.

PROCESSING OF PERSONAL DATA

In order to carry out the AGM, the company will before, in connection with and in the subsequent work in relation to the AGM, process the personal data of attending shareholders. The personal data collected may be information from the share register, notice of participation at the AGM and information on proxies and advisors who will be used for registration, preparation of the voting register for the AGM and, if applicable, minutes of the AGM. The personal data will only be used for carrying out the AGM. The company process the shareholders' personal data because it is necessary in order to meet legal obligations, and/or it is in the company's legitimate interest and that interest is not subordinate to the shareholder's interest against the processing of its personal data. A shareholder can at any time get access to the information the company have saved about it by contacting: privacy@paradoxinteractive.com.

DOCUMENTATION

The annual report, the auditor report, complete proposals to resolutions and other documents that shall be available in accordance with the Swedish Companies Act and the Swedish Corporate Governance Code will be available at the company and at the company's website (www.paradoxinteractive.com) at least three weeks in advance of the AGM. The documents will also be sent free of charge to shareholders who so request if they provide their email or postal address. Such request shall be sent by mail to Paradox Interactive AB (publ), "AGM", Magnus Ladulåsgatan 4, 118 66 Stockholm, or by email to agm@paradoxinteractive.com.

Stockholm in April 2025

Paradox Interactive AB (publ)

The board of directors