

Message from the Board of EG7 in response to the public letter published by Alta Fox dated May 22, 2023.

Thank you for your continued belief in the Board and management. As board members of EG7, we agree with your sentiment and concur with many of your suggestions and have considered and will continue to consider numerous approaches to further unlock shareholder value.

We remain passionate around EG7's long-term prospects which we believe will lead to material and sustainable revenue and EBITDA growth over the next 5+ years. The underpinning of this belief is driven by the strong tactical decisions we have made over the past year and will continue to make to improve the operating leverage within the business. The effects of these decisions have now taken hold as the company enjoys a robust balance sheet (SEK 452 million of cash and no financial debt) as well as the success we have had refocusing our highly talented teams on strategic investments with attractive risk-adjusted returns potential – the recent highlights of which can be found in the attractive growth in our studios Big Blue Bubble and Piranha Games. This has resulted in multiple quarters of success, culminating in Q1 2023's all-time high financial results, including Net Revenue of SEK 572 million, Adjusted EBITDA of SEK 190 million and cash-flow from operations of SEK 171 million. We expect to continue improving upon and making strategic investments in our studios and other assets where we believe we maintain strategic advantages and will produce similar results across our portfolio of studios.

Finally, with long term shareholder value growth as our guide, we have proposed a new Board composition which reflects both the global nature of our business as well as significantly enhancing the industry acumen and strategic relationships available to EG7.

Once again, we would like to thank Alta Fox for their commitment, but also all our shareholders for the continuing faith in our efforts to date. As always, we remain attentive and focused on all paths to unlock shareholder value as we seek to maximize value for all shareholders.

FOR MORE INFORMATION, PLEASE CONTACT:

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About EG7

EG7 is a group of companies within the gaming industry that develops, markets, publishes and distributes PC, console and mobile games to the global gaming market. The company employs 470+ game developers and develops its own original IPs, as well as acts as consultants to other publishers around the world through its game development divisions Daybreak Games, Piranha Games, Toadman Studios, Big Blue Bubble and Antimatter Games. In addition, the group's marketing department Petrol has contributed to the release of 2,000+ titles, of which many are world famous brands such as Call of Duty, Destiny, Dark Souls and Rage. The group's publishing and distribution departments Fireshine Games hold expertise in both physical and digital publishing. EG7 is headquartered in Stockholm with approximately 630 employees in 16 offices worldwide.

Nasdaq First North Growth Market Ticker Symbol: EG7

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Attachments

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