

ENAD GLOBAL 7 AB (PUBL)

YEAR-END AND Q4 REPORT 2022

JAN-DEC 2022



YEAR-END AND Q4 REPORT 2022

SUMMARY COMMENTS

For Q4, Net Revenue came in at SEK 559.0 (499.0) million, representing 12.0 percent growth YoY. Adjusted EBITDA nearly doubled from the prior year to SEK 178.9 (91.8) million with solid margin of 32.0 percent. The strength in profitability resulted in SEK 114.3 (79.0) million of operating cash flows.

For the full year 2022, EG7 delivered SEK 1,865.9 (1,467.9) million in Net Revenue corresponding to a solid 27.1 percent growth YoY and 6.2 percent organic growth in local currencies. Adjusted EBITDA came in at SEK 482.8 (324.8) million, representing a solid growth rate of 48.6 percent YoY. The operating cash flows grew by 57.1 percent YoY to SEK 374.6 (238.5) million.

Headlining the group's performance for the quarter was Big Blue Bubble's My Singing Monsters. My Singing Monsters had a "monster" quarter literally, and the title reached the top 10 spot in over 100 countries in the App Store games category and reached the number one spot in more than 15 countries. With this viral uptick in popularity, Big Blue Bubble delivered a record performance in Q4, contributing Net Revenue and Adjusted EBITDA of SEK 192.7 (27.3) million and SEK 116.5 (16.3) million, respectively. The growth was exponential with both metrics topping 600 percent growth YoY.

January 2023 results came in strong, reflecting the continuing momentum from My Singing Monsters. However, at this time, we are refraining from providing guidance until we evaluate additional data over a longer sampling period to better estimate the new baseline level of performance for the title going forward.

HIGHLIGHTS

- Net Revenue in Q4 amounted to SEK 559.0 (499.0) million, representing 12.0 percent growth.
- EBITDA of SEK 177.6 (426.1) million.
- Adjusted EBITDA of SEK 178.9 (91.8) million, corresponding to 94.8 percent growth and 32.0 percent margin. The adjustment for non-recurring items affecting EBITDA in Q4 was SEK -1.3 million of acquisition related costs.
- EBIT of SEK -184.2 (84.5) million.
- Adjusted EBIT was SEK 130.4 (26.5) million, adjusted for non-recurring items mentioned above and write-downs of game related capitalized R&D of SEK 308.6 million. Along with the group's decision to prioritize the WFH business, the first party games with new unproven IPs or subscale IPs with limited audience are no longer part of the group's core strategy.
- Profit before tax of SEK -180.9 (57.9) million.
- Earnings per share of SEK -1.01 (1.27).
- Adjusted earnings per share of 1.80 (0.59) SEK.
- Cash flow from operations of SEK 114.3 (79.0) million, and cashflow from investing activities amounted to SEK -46.6 (-71.2) million.
- SEK 300 million of credit facilities was repaid in Q4 and the remaining part was repaid in February 2023.
- Year-end cash balance of SEK 407.8 million and the net cash position of SEK 303.7 million.

KEY METRICS

SEKm	QUARTER		YTD	
	OCT-DEC 2022	OCT-DEC 2021	JAN-DEC 2022	JAN-DEC 2021
Net Revenue	559.0	499.0	1,865.9	1,467.9
Growth	12.0%	154.7%	27.1%	157.6%
Organic FX adj. growth	-4.6%	36%	6.2%	1.9%
EBITDA	177.6	426.1	474.5	642.6
Adjusted EBITDA	178.9	91.8	482.8	324.8
Adjusted EBITDA margin, %	32.0%	18.4%	25.9%	22.1%
EBIT	-184.2	84.5	-275.9	157.7
Adjusted EBIT	130.4	26.5	275.1	116.1
Adjusted EBIT margin, %	23.3%	5.3%	14.7%	7.9%
Profit before tax	-180.9	57.9	-296.2	53.6
Net profit	-89.5	110.5	-1,239.0	96.8
Earnings per share (SEK)	-1.01	1.27	-13.98	1.11
Adjusted Earnings per share (SEK)	1.80	0.59	1.91	0.37

Note: Innova was divested in September 2022 and is excluded from all actual and comparable figures unless otherwise stated. For further details please see note 5.

COMMENTS FROM THE CEO



Ji Ham, Acting CEO, Enad Global 7 AB (PUBL)

Finishing the year on a high note

What a year it has been. The group faced extraordinary, unforeseen challenges, beginning the year with the Russia-Ukraine situation. After successfully divesting this risk, we finished the year strong, delivering our best quarter and full year performance to date.

For Q4, the group delivered Net Revenue of SEK 559.0 (499.0) million, representing 12.0 percent growth over the comparable period. Adjusted EBITDA came in at SEK 178.9 (91.8) million, nearly doubling from the prior year with an elevated margin of 32.0 percent. The group generated strong operating cash flow of SEK 114.3 (79.0) million for the quarter.

For the full year, Net Revenue and Adjusted EBITDA came in at SEK 1,865.9 (1,467.9) million and SEK 482.8 (324.8) million, respectively. Despite the softening global economy and the headwinds faced by the industry this year, we are proud to deliver solid growth with Net Revenue and Adjusted EBITDA growing by 27.1 percent and 48.6 percent, respectively.

The key driver that contributed to the boost in Q4 performance was My Singing Monsters. During Q4, it became a viral success across social media channels, including TikTok and YouTube. My Singing Monsters reached the top 10 spot in over 100 countries in the App Store Games category and reached the No. 1 spot in more than 15 countries. All major KPIs for the title experienced significant boost. As a result, Big Blue Bubble delivered its best quarter in its history - Net Revenue of SEK 192.7 (27.3) million and EBITDA of SEK 116.5 (16.3) million, representing an exponential growth of more than 600 percent for both metrics. This was a transformative growth for My Singing Monsters, and we are excited to see what further heights it can reach going forward.

Driven by Big Blue Bubble's performance, Game Segment delivered Net Revenue of SEK 422.6 (230.9) million, representing 83.0 percent growth YoY. Daybreak and other business units performed in line with expectations, experiencing modest declines in performance due to the unfavorable comparison to the prior year's pandemic-boostered results. However, Big Blue Bubble's exceptional performance more than offset these to drive the overall segment's strong performance.

Service Segment also performed according to our expectations. Comparatively, it delivered lower Net Revenue of SEK 136.4 (268.1) million for the quarter. This seemingly pronounced decline was due to Q4 2021 having had highly elevated results from the back-weighted product releases in 2021, stemming from the pandemic related delays. As a result, it is more appropriate to look at the full year performance comparison for Service Segment, where it delivered Net Revenue of SEK 622.5 (556.3) million, representing 11.9 percent growth on a full year basis for 2022.

Emphasis on predictability and risk management

We are fully pivoting to work-for-hire (WFH) business for our development studios. As we prioritize WFH, the projects currently under development will be wound down. As these projects are non-core to our long-term plans, we have fully written down the capitalized R&D asset of SEK 308.6 million associated with these projects. However, until we have more prioritized projects, we will continue to finalize them.

This transition is a costly one. However, for the group's long-term success, we firmly believe this change is necessary. We are transforming the business into one that prioritizes investments in more predictable outcomes, optimizing capital allocation based on risk and achieving profitability for all business units. We have a solid foundation of growing revenues and cash flows from our service and live games business units. We want to add to this growth by investing in more predictable business lines, such as WFH and reallocating capital into products with more attractive risk-reward profile. As a result, we are refocusing our future investments in opportunities that we believe will have significant contribution to the group's long-term growth.

Conviction in our long-term future

Looking back at 2022, we are very proud of what the team has achieved and where we stand today. It was truly a year of growth, not only in terms of profits but more importantly, shaping the group into an organization with a solid foundation for long-term success. With what we have accomplished in 2022 and how we have positioned the group today, we are looking forward to an exciting and a sustainable long-term future for EG7.

EG7 BUSINESS OVERVIEW

A leading global MMO developer and publisher

Daybreak currently operates a portfolio of 8 live service titles. Combining Daybreak, Big Blue Bubble and Piranha titles, EG7 currently operates 10 live service games, making EG7 one of the leading live service game publishers and operators in the world. This diversified and long-life cycle live games portfolio is a key differentiator for the group and provides a solid foundation of on-going, sustainable, and predictable revenues and cash flows. Net Revenue from these titles in Q4 amounted to SEK 357.3 million, corresponding to 63.9 percent of Net Revenue for the group.

Iconic, world class brands

EG7 is home to some of the most iconic IPs - both first-party and third-party brands.

- Key first party brands include:
 - EverQuest, considered to be one of the three most iconic fantasy MMO brands in the world together with World of Warcraft and Ultima Online.
 - H1Z1, the very first battle royale game that was credited as one of the inspirations for Fortnite, with over 40 million life-to-date (LTD) registrations.
 - My Singing Monsters, which has over 125 million (LTD) registrations on mobile and PC, reaching top 10 in over 100 countries in the App Store games category and the No. 1 spot in more than 15 countries during Q4.
- Top tier global third-party brands:
 - DC Comics from Warner Brothers with continuing pipeline of content from blockbuster feature films and TV shows.
 - The Lord of the Rings, arguably the most iconic classic fantasy IP, which has experienced mainstream resurgence with the highly appreciated Amazon series that premiered in September 2022.
 - Dungeons & Dragons, with a passionate fan base world-wide, poised for further global brand expansion with the new feature film Dungeons & Dragons: Honor Among Thieves expected to release in spring 2023.
 - Magic: The Gathering, the number one trading card game in the world from Wizards of the Coast.

These brands differentiate our portfolio of games from competitors and provide great opportunities to leverage them further towards continuing content development and new future products.

Robust game development capabilities and live operations expertise

We have 8 game development and live operations studios across North America and Europe in the group: AntiMatter Games, Piranha, Toadman Studios, Big Blue Bubble, Dimensional Ink, Standing Stone, Rogue Planet and Darkpaw. There are 506 passionate and talented individuals at these studios, and they constitute the core driver of our success. In addition to the 10 live service titles managed by our studios, we are prioritizing Work-for-Hire (WFH) opportunities to drive further increase in profitability and growth for the group.

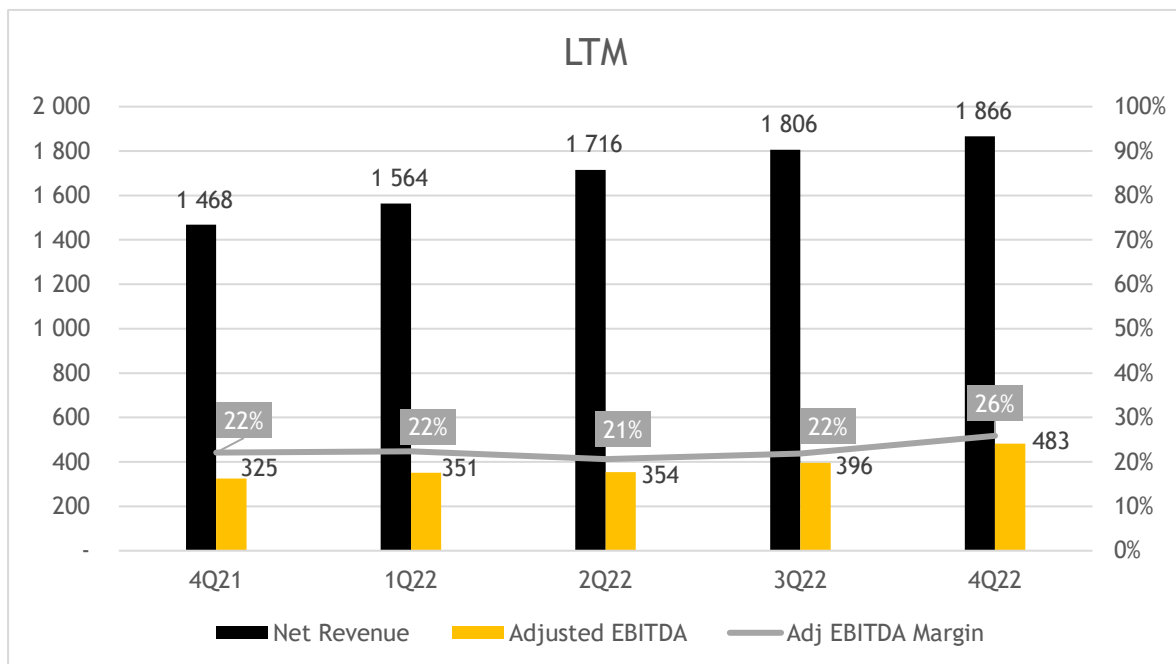
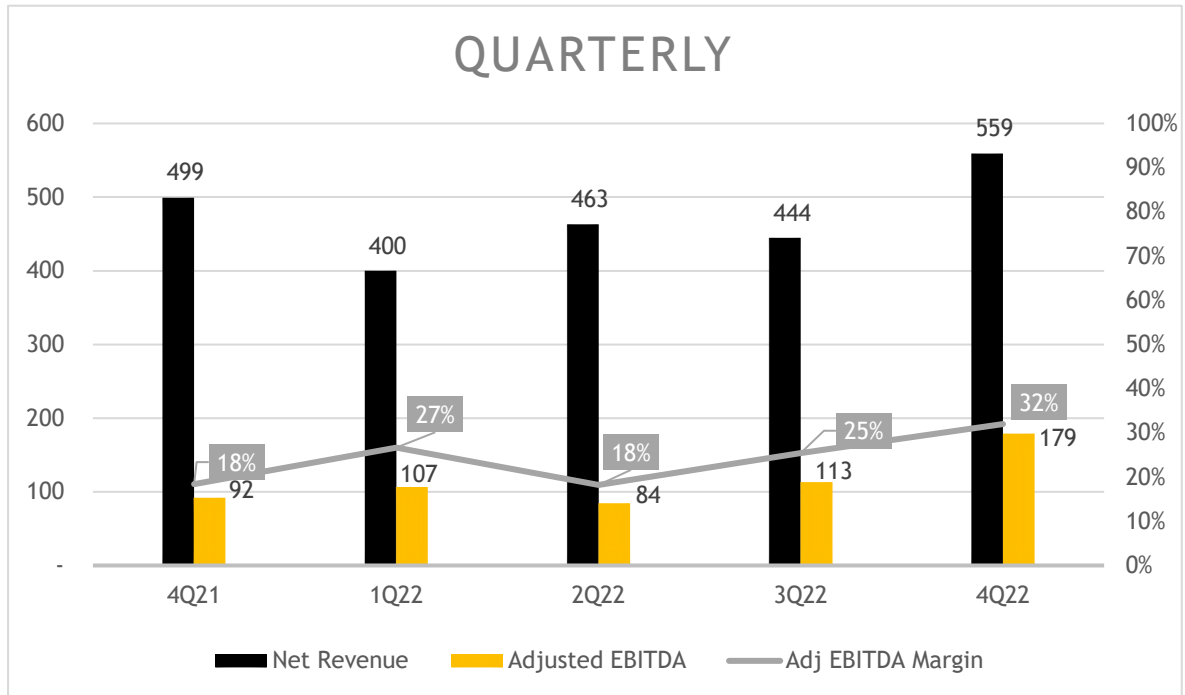
Creative, marketing and distribution expertise and capabilities

Petrol has been responsible for some of the most iconic imageries in gaming with the Call of Duty key art for 17 consecutive years and many other creative works on AAA products in its history. With a blue-chip client list who repeatedly tap Petrol for its premier services, Petrol continues to stamp their mark across the industry, creating some of the most iconic imageries in gaming.

Fireshine Games brings a wealth of experience and knowledge in publishing and distribution for premium titles. Fireshine extends the group's capabilities beyond digital and live service. In addition to its expertise in physical publishing and distribution, Fireshine continues to invest in digital publishing capabilities to expand its digital growth opportunities.

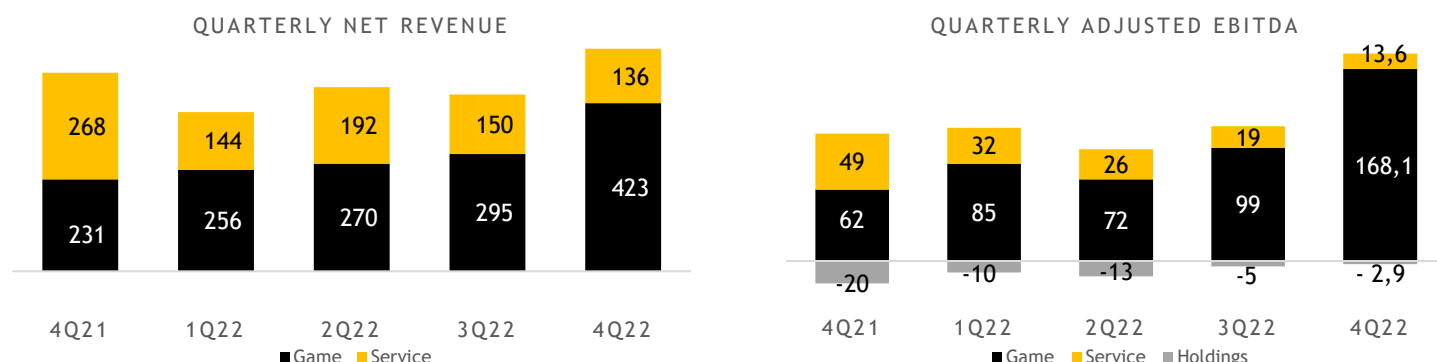
Net Revenue and Adjusted EBITDA

SEKm



SUMMARY BY SEGMENT

SEKm



Game Segment

Net Revenue for the Game Segment amounted to SEK 422.6 (230.9) million in Q4 2022, corresponding to an 83.0 percent growth over the comparable period and representing 75.6 percent of total group Net Revenue. Adjusted EBITDA for the period amounted to SEK 168.1 (62.4) million, representing 94.0 percent of the group total. The strong performance by My Singing Monsters was the key driver for the Game Segment's solid performance for the period.

DAYBREAK

For Q4 2022, Daybreak contributed Net Revenue of SEK 198.9 (172.4) million, corresponding to 15.3 percent growth and Adjusted EBITDA amounted to SEK 41.7 (51.5) million. Adjusted EBITDA margin amounted to 20.9 (29.9) percent. The unfavorable comparison against the pandemic boosted result in 2021 remained throughout the quarter. The growth YoY was largely driven by Magic Online and the favorable currency movement. In Q4, Magic Online was successfully transitioned to Daybreak's platform infrastructure to help ensure long-term growth and continued service for the game's many fans. Daybreak results represented the largest Net Revenue contribution amongst the group companies with a contribution of 35.6 percent and the second largest Adjusted EBITDA contribution of 23.3 percent for the period.

BIG BLUE BUBBLE

Big Blue Bubble delivered a record performance for the fourth quarter with Net Revenue of SEK 192.7 (27.3) million corresponding to a 606.9 percent growth and Adjusted EBITDA of SEK 116.5 (16.3) million. Big Blue Bubble contributed with 34.5 percent of Net Revenue and 65.1 percent of Adjusted EBITDA for the group during the period. My Singing Monsters' viral success on TikTok with 1.7 million followers, 210 million views and over 2.5 billion hashtags helped take the game to top 10 in over 100 countries in the App Store games category and reach the No. 1 spot in more than 15 countries. In its 10th year of service, My Singing Monsters delivered its best quarter since release, which is a phenomenal achievement and a great way to end the year as well as start 2023.

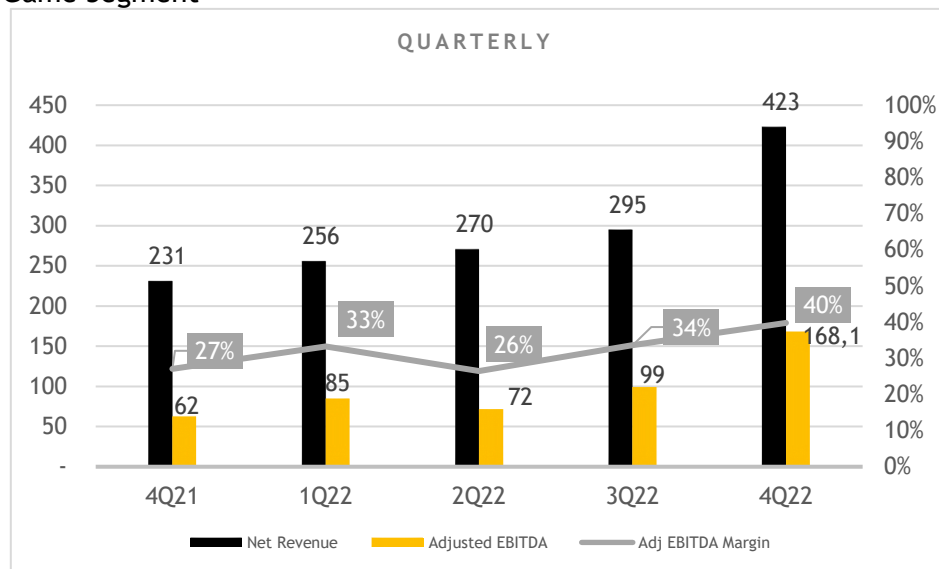
PIRANHA

Net Revenue and Adjusted EBITDA for the quarter came in at SEK 25.3 million and SEK 15.1 million, respectively. Since Q4 2021, Piranha has been operating profitably. In addition to continuing earnings from MechWarrior 5 DLCs and MechWarrior Online, Piranha is continuing to ramp up the WFH business successfully.

TOADMAN STUDIOS AND ANTIMATTER GAMES

Along with our focus on transitioning the business to more predictable and profitable business models, we have decided to fully pivot to WFH business for our first-party game development studios. This has led to a write-down in the fourth quarter amounting to SEK 308.6 million in our own titles Evil v Evil, Block N Load 2, Minimal Affect, Hathor, I.G.I and 83. The book value for these games has been set to zero by the end of 2022 due to their misalignment with our core strategy. We have evaluated the return potential for the titles, utilizing market test methods such as close beta testing, mock critics reviews and third-party publisher evaluations. However, until we have more prioritized projects, we will continue to finalize them, which may provide potential upside in the future.

Game Segment



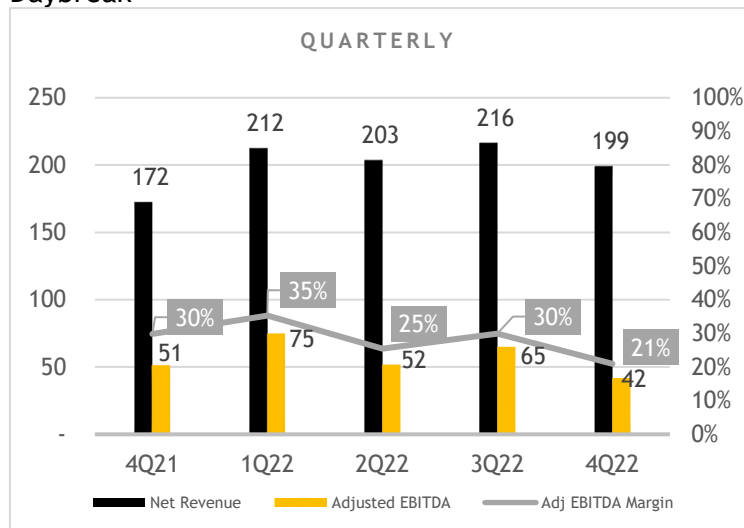
Q4 Net Revenue Contribution

Daybreak	199	47%
Big Blue Bubble	193	46%
Piranha	25	6%
Toadman & AMG	6	1%
Game Segment total	423	100%

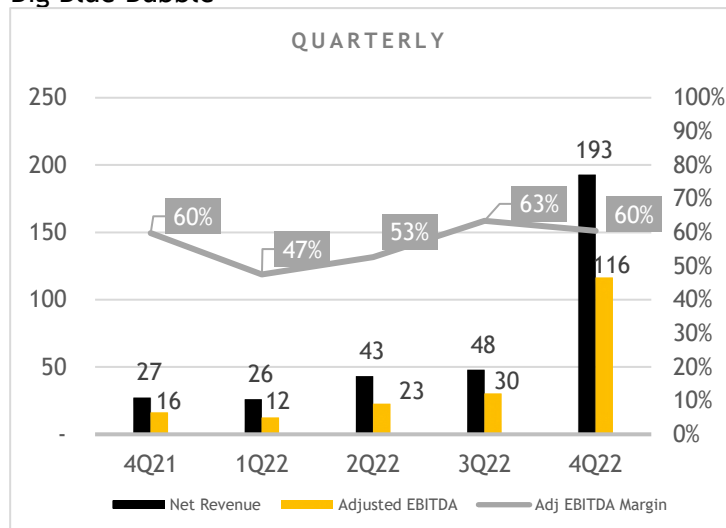
Q4 Adj EBITDA Contribution

Daybreak	42	25%
Big Blue Bubble	116	69%
Piranha	15	9%
Toadman & AMG	-5	-3%
Game Segment total	168	100%

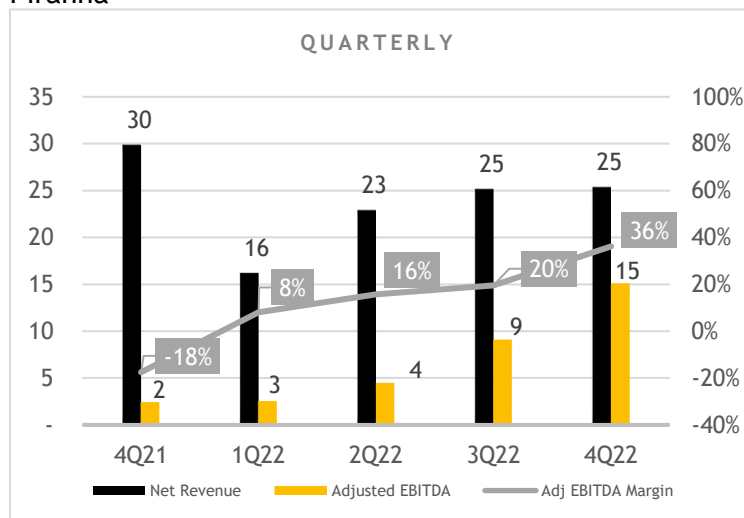
Daybreak



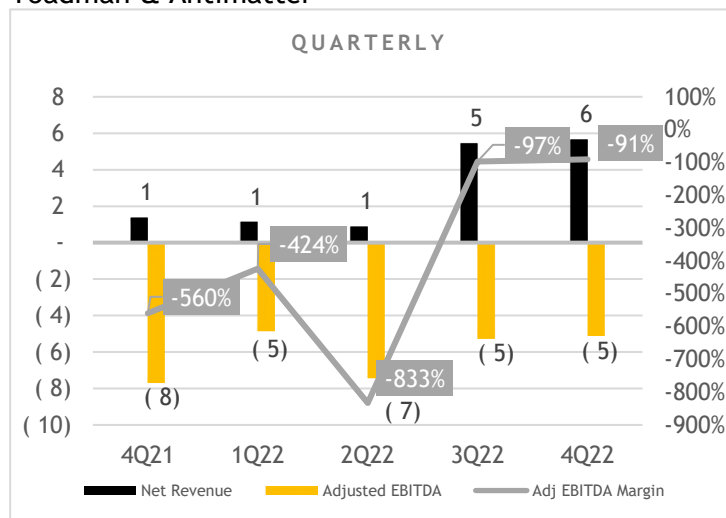
Big Blue Bubble



Piranha



Toadman & Antimatter



Service Segment

For Q4 2022, the Service Segment delivered Net Revenue of SEK 136.4 (268.1) million, representing 24.4 percent of the group's total Net Revenue. The comparison to the prior comparable period was unfavorable with Net Revenue decline of 49.1 percent. This seemingly pronounced decline was due to Q4 2021 having had highly elevated results from the back-weighted product releases in 2021, stemming from the pandemic related delays in product releases from the beginning to the end of 2021. As a result, it would be more appropriate to look at the full year performance comparison for Service Segment, where it delivered Net Revenue of SEK 622.5 (556.3) million, representing 11.9 percent growth on a full year basis for 2022. Adjusted EBITDA in Q4 amounted to SEK 13.6 (49.0) million, corresponding to an Adjusted EBITDA margin of 10.0 (18.3) percent.

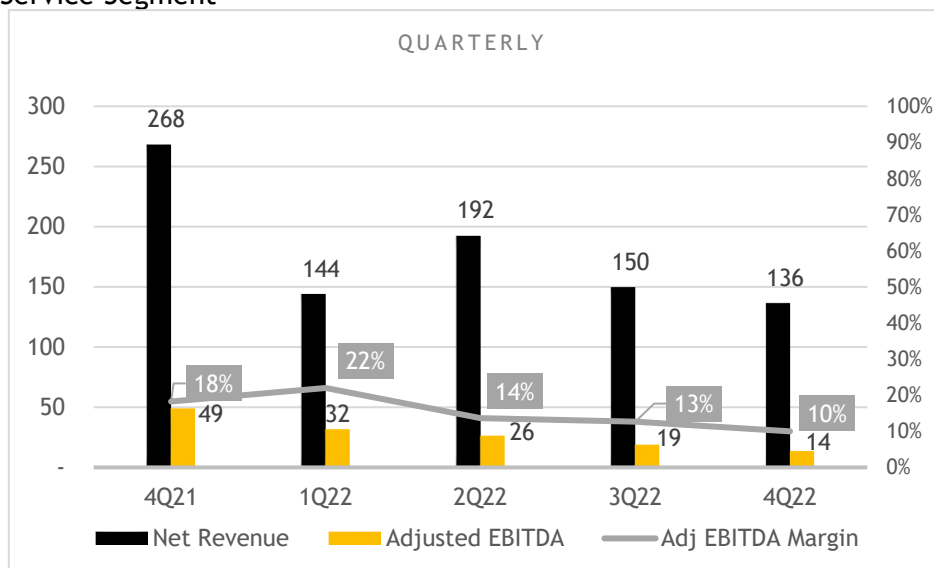
PETROL

For Q4 2022, Petrol delivered solid performance with Net Revenue of SEK 59.0 (64.4) million, corresponding to a decline of 8.4 percent from the comparable period last year. Adjusted EBITDA was SEK 3.4 (17.4) million, representing a margin of 5.8 percent. During the quarter, Petrol had several successful campaigns, including Call of Duty Warzone II, JBL Quantum Cup and Dead Island 2. In wrapping up another successful year, Petrol received 24 industry awards for their excellent work on titles, including Call of Duty, DOOM, Far Cry, Saints Row and Cookie Run, from both Clio and Graphis, the leading industry organizations who honor creative excellence in advertising, design, and art.

FIRESHINE GAMES

Fireshine Games delivered a solid fourth quarter despite a handful of game releases being moved into 2023. Net Revenue for the period came in at SEK 77.4 (203.7) million, representing 62.0 percent decline over Q4 2021. Adjusted EBITDA came in at SEK 10.2 (31.6) million, representing a 13.2 percent Adjusted EBITDA margin. The successful release of digital indie titles earlier this year continued to be a key contributor in the fourth quarter. Fireshine continues its transition to a more balanced model with both digital and physical distribution by investing in digital publishing pipeline and capabilities. With a strong lineup of digital indie studio games scheduled for release in 2023 and 2024, the pipeline looks promising. The transformation to more digital indie game releases reduce Fireshine's historical dependency on a few large publisher partners. This is consistent with EG7's goals to improve the overall risk-reward profile of the group.

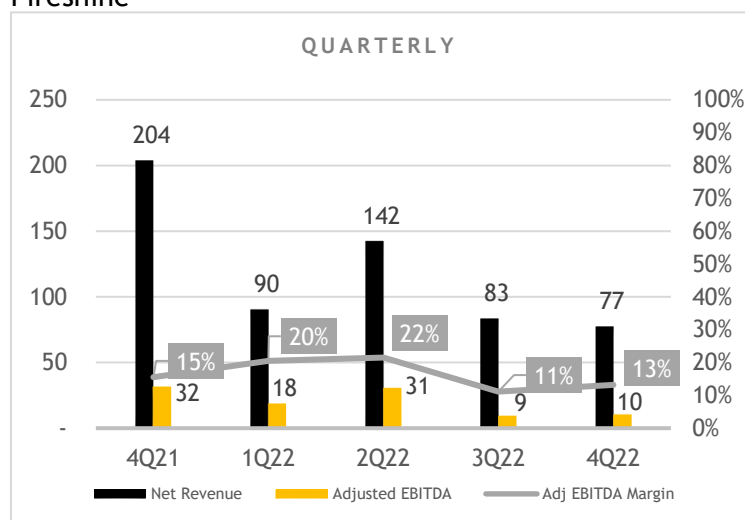
Service Segment



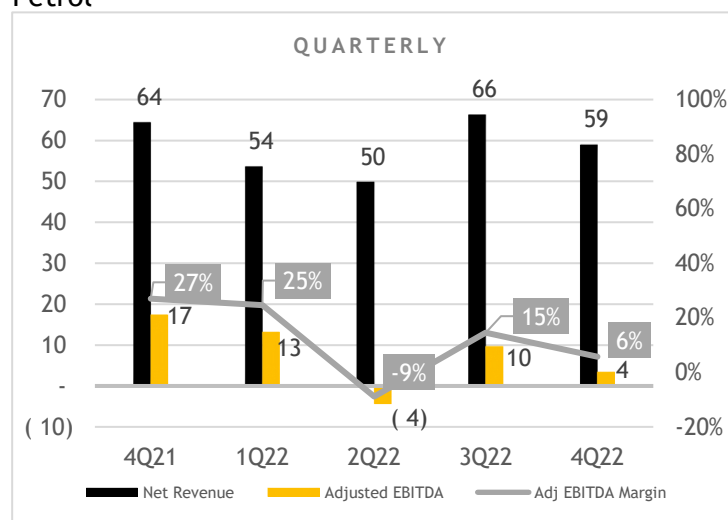
Q4 Net Revenue Contribution		
Fireshine	77	57%
Petrol	59	43%
Service Segment total	136	100%

Q4 Adj EBITDA Contribution		
Fireshine	10	77%
Petrol	4	23%
Service Segment total	14	100%

Fireshine



Petrol



FINANCIAL OVERVIEW

Net Revenue and Operating Profit

SEKm	OCT-DEC			JAN-DEC		
	2022	2021	% CHG	2022	2021	% CHG
Net Revenue	559.0	499.0	12.0%	1,865.9	1,467.9	27.1%
Adjusted EBITDA	178.9	91.8	94.8%	482.8	324.8	48.6%
EBITDA	177.6	426.1	-58.3%	474.5	642.6	-26.1%
Adjusted EBIT	130.4	26.5	392.0%	275.0	116.1	136.8%
EBIT	-184.2	84.5	-317.9%	-275.9	157.7	-275.0%
% Margins						
Adjusted EBITDA margin	32.0%	18.4%		25.9%	22.1%	
EBITDA margin	31.8%	85.4%		25.4%	43.8%	
Adjusted EBIT margin	23.3%	5.3%		14.7%	7.9%	
EBIT margin	-33.0%	16.9%		-14.8%	10.7%	

Net Revenue in Q4 2022 came in at SEK 559.0 (499.0) million, representing a 12.0 percent growth YoY, the growth was driven by a combination of acquisitions and organic growth. Excluding Magic Online the organic growth amounted to 8.5 percent. Without the positive currency effect of SEK 68.5 million there was an organic decline of -4.6 percent in the quarter. Adjusted EBITDA and Adjusted EBIT were SEK 178.9 (91.8) million and SEK 130.4 (26.5) million for the quarter, representing 32.0 percent and 23.3 percent margin respectively. The adjustment for non-recurring items affecting EBITDA in the fourth quarter of SEK 1.3 million (-334.2) was primarily adjustments for acquisition costs, last year's adjustment included a SEK 336.4 million release of earn-out for Piranha. Adjusted EBIT was SEK 130.4 (26.5) million, adjusted for non-recurring items as mentioned above and write-downs of game related capitalized R&D of SEK 308.6 (171.2) million and write down of goodwill SEK 0.0 (105.0) million.

Adjustment bridge

SEKm	OCT-DEC		JAN-DEC	
	2022	2021	2022	2021
EBITDA	177.6	426.1	474.5	642.6
Revaluation of deferred purchase consideration*	0.0	-336.4	-0.9	-352.0
M&A costs	1.3	2.1	9.2	34.3
Adjusted EBITDA	178.9	91.8	482.8	324.8
EBIT	-184.2	84.5	-275.9	157.7
Revaluation of deferred purchase consideration*	0.0	-336.4	-0.9	-352.0
M&A costs	1.3	2.1	9.2	34.3
Write-down goodwill**	0.0	105.0	0.0	105.0
Write-down games***	308.6	171.2	528.3	171.2
FX	4.7	0.0	14.4	0.0
Adjusted EBIT	130.4	26.5	275.1	116.1
Net profit	-89.5	110.5	-1,239.0	110.5
Revaluation of deferred purchase consideration*	0.0	-336.4	-0.9	-352.0
M&A costs	1.3	2.1	9.2	34.3
Write-down goodwill**	0.0	105.0	0.0	105.0
Write-down games***	308.6	171.2	528.3	171.2
FX	4.7	0.0	14.4	0.0
Tax effect adjustments	-64.8	12.0	-113.5	8.6
Discontinued operations	-0.4	-13.0	970.9	-31.5
Adjusted net profit	159.9	51.5	169.4	46.1
Earnings per share	-1.01	1.27	-13.98	1.27
Adjusted earnings per share	1.80	0.59	1.91	0.53

*In Q2 2022 release of earn-out for Big Blue Bubble. Last year revaluation of Piranha earn-out SEK 336,4 million in Q4 and SEK 15,6 million Big Blue Bubble in Q2.

** Write down of goodwill in Petrol

*** Q4 2022 write-down of games in Toadman and AMG SEK 308.6 million; Evil v Evil, Minimal Affect, Block N Load 2, Hathor, I.G.I and 83. In Q2 2022 Marvel in Daybreak was written down. Q4 2021 MechWarrior in Piranha was written down.

Organic growth bridge

SEKm	OCT-DEC			JAN-DEC		
	2022	2021	% CHG	2022	2021	% CHG
Net Revenue proforma	559.0	499.0	12.0%	1,865.9	1,471.0	26.8%
Magic Online	-17.7			-86.1		
Organic Revenue excl Magic Online	541.2	499.0	8.5%	1,779.8	1,471.0	21.0%
FX effect		+68.5			+205.6	
Organic Revenue FX adjusted excl Magic Online	541.2	567.5	-4.6%	1,779.8	1,676.6	6.2%

Capitalized development costs

SEKm	OCT-DEC		JAN-DEC	
	2022	2021	2022	2021
Beginning balance	343.3	300.1	328.8	184.4
Acquired capitalized development costs	-1.1	6.0	0.0	37.3
Capitalized development cost	44.7	31.2	157.3	134.2
Reclassified from Other intangible assets	2.3	0.0	121.0	-9.1
Amortization of product development	-6.3	-11.2	-40.8	-25.5
Write down	-308.6	-0.4	-510.1	-0.4
FX	-3.6	2.9	14.7	7.9
Ending balance	70.8	328.8	70.8	328.8

For Q4 2022 the total development costs capitalized were SEK 44.7 (31.2) million. Amortization of product development amounted to SEK -6.3 (-11.2) million. In the fourth quarter SEK 308.6 million capitalized cost was written down related to games in Toadman and Antimatter Games due to the shift towards WFH. The level of quarterly capitalizations will in the first quarter remain on the fourth quarters level until any further strategic decision is made. The level will gradually be reduced thereafter. In the second quarter there was a decision to stop developing Marvel and the capitalized development costs together with acquisition related assets were written down, a total write down of SEK -234.1 million affecting the full year figures.

The net closing balance of capitalized development cost as of the end of the quarter was SEK 70.8 million, and only refers to game related assets.

Financial net

SEKm	OCT-DEC		JAN-DEC	
	2022	2021	2022	2021
Net interest expense	-3.4	-3.8	-13.6	-20.6
Interest on earn-out and other	9.0	-19.9	-14.8	-74.0
Interest leasing	-0.4	-0.4	-2.5	-1.7
Financing fees	-1.4	-3.9	-1.6	-12.8
Loan forgiveness (Covid related in US)	0.7	0.0	12.7	0.0
FX effects	-1.2	1.4	-0.5	5.0
Financial net	3.3	-26.6	-20.3	-104.1

The financial net amounted in Q4 to SEK 3.3 million compared to SEK -26.6 million for the same period last year. Last year the income statement was charged with a higher interest related to earnouts. The positive amount in interest on earnout for Q4 2022 relate to a year-to-date adjustment of the discount rate for a tax related debt to sellers in Daybreak. Last year the discount interest was greater due to higher estimated earn-out for the Piranha acquisition that was revalued in Q4 2021.

Financing

	DEC	
	2022	2021
SEKm		
Total debt	-104.0	-406.9
Cash and cash equivalents	407.8	483.9
Net cash	303.7	77.7

***Note:** Innova is included for year 2021

The net cash by the end of the quarter amounted to SEK 303.7 million consisting of a cash balance of SEK 407.8 million and a financial debt of SEK 104.0 million. The Group repaid SEK 300 million of the external loan in Q4. Additional SEK 100.0 million was repaid after closing the period. The comparable figure for 2021 includes SEK 2.1 million of debt, and SEK 94.3 million cash from Innova.

Cash flow

	OCT-DEC		JAN-DEC	
	2022	2021	2022	2021
SEKm				
Operating profit (EBIT) from continuing operations	-184.2	84.5	-275.9	157.7
Adjustment for non-cash flow items	347.5	-47.2	770.3	76.7
Financial net	3.3	43.9	-20.3	-33.6
Taxes paid	-13.9	-2.3	-34.6	-7.3
Operating cash flows before balance sheet cash flow impact	152.7	79.1	439.5	193.5
Change in net working capital	-38.4	0.0	-64.9	45.0
Cash flow from operations	114.3	79.0	374.6	238.5
Cash flow from investment activities	-46.6	-71.2	-58.1	-723.5
Cash flow from financing activities	-298.9	2.6	-331.8	-235.2
Cash and cash equivalents, start of period	654.3	370.8	389.6	1,087.5
Cash flow for the period	-231.2	10.3	-15.3	-720.3
Exchange rate differences	-15.3	8.5	33.5	22.3
Cash and cash equivalents, end of period	407.8	389.5	407.8	389.6

For Q4 2022 EG7 had net cash outflow of SEK 231.2 million, mainly due to the repayment of the external loan in Q4, amounting to SEK 300.0 million. The cash flow from operations was SEK 114.3 million compared to SEK 79.0 million for the same period last year. The cash flow was also negatively affected by SEK 46.6 million of investing activities, capitalized development expenses amounted to SEK -44.7 million, first settlement of the remaining guaranteed purchase price from the buyers of Innova contributed positively with SEK 7.3 million. Financing activities was SEK -298.9 million mainly due to the repayment of the external loan. Exchange fluctuation in liquid funds amounted to SEK -15.3 million. Overall, the Group continued to have a strong liquidity with SEK 407.8 million of cash and cash equivalents available by the end of Q4 2022.

FINANCIAL REPORTS

Income Statement - Group

SEKm	Note	QUARTER		ACCUMULATED	
		OCT-DEC 2022	OCT-DEC 2021	JAN-DEC 2022	JAN-DEC 2021
Net Revenue	2,3	559.0	499.0	1,865.9	1,467.9
Other Revenue		1.2	339.9	12.8	365.1
Total Revenue		560.2	838.9	1,878.7	1,832.9
<i>Operating expenses</i>					
Cost of goods sold		-181.0	-243.9	-626.3	-584.6
Other external expenses		-54.8	-58.9	-209.0	-178.5
Personnel expenses		-195.7	-147.5	-742.4	-553.3
Own work capitalized		44.7	36.5	157.3	127.0
Other expenses		4.2	0.9	16.2	-1.0
Operating profit before depreciation and amortization (EBITDA)		177.6	426.1	474.5	642.6
Depreciation of tangible and right-of-use assets		-11.7	-9.1	-45.9	-37.8
Operating profit before amortization of intangible assets (EBITA)		166.0	417.0	428.7	604.8
Amortization of acquisition-related intangible assets		-33.3	-315.1	-124.6	-414.5
Amortization of other intangible assets		-316.9	-17.4	-580.0	-32.6
Operating profit (EBIT)		-184.2	84.5	-275.9	157.7
Financial net		3.3	-26.6	-20.3	-104.1
Profit before tax		-180.9	57.9	-296.2	53.6
Tax expense for the period		91.0	39.6	28.1	11.7
NET PROFIT FROM CONTINUED OPERATIONS		-89.9	97.5	-268.1	65.3
Profit from discontinued operations, net of tax	5	0.4	13.0	-970.9	31.5
NET PROFIT FOR THE YEAR		-89.5	110.5	-1,239.0	96.8

The Net profit for the period is fully attributable to the parent company's shareholders.

EARNINGS PER AVERAGE SHARE	QUARTER		ACCUMULATED	
	OCT-DEC 2022	OCT-DEC 2021	JAN-DEC 2022	JAN-DEC 2021
Earnings per share before and after dilution (SEK)	-1.01	1.27	-14.04	1.13
Average number of shares before and after dilution	88,603,526	87,118,089	88,270,408	85,370,134

The comprehensive income for the period is attributable in its entirety to the parent company's shareholders.

SEKm	QUARTER		ACCUMULATED	
	OCT-DEC 2022	OCT-DEC 2021	JAN-DEC 2022	JAN-DEC 2021
Net profit for the period	-89.5	110.5	-1,239.0	96.8
<i>Items that will be reclassified to profit or loss</i>				
Translation difference	-215.3	61.3	527.6	248.2
Deferred tax	0.5	-10.1	-45.8	-28.8
Other comprehensive income for the period	-214.8	51.2	481.8	219.4
Comprehensive income for the period	-304.3	161.7	-757.1	316.3

Balance Sheet - Group

SEKm	Note	31 DEC 2022	31 DEC 2021*
ASSETS			
Non-current assets			
Intangible non-current assets		3,907.4	5,016.5
Tangible non-current assets		29.1	43.3
Right-of-use assets		39.9	44.2
Financial non-currents assets	4	110.4	71.6
Total non-current assets		4,086.8	5,175.6
Current assets			
Inventory	13,2	17.3	13.2
Current receivables	4	440.5	335.4
Cash and cash equivalents	4	407.8	483.9
Total current assets		865.5	832.5
TOTAL ASSETS		4,952.3	6,008.1
EQUITY AND LIABILITIES			
Equity			
Equity attributable to the parent company's shareholders		3,902.3	4,597.8
Total equity		3,902.3	4,597.8
Non-current liabilities	4	414.5	691.0
Current liabilities	4	635.5	719.3
TOTAL EQUITY AND LIABILITIES		4,952.3	6,008.1

***Note:** Innova is included for year 2021

Cash Flow Statement - Group

	QUARTER		ACCUMULATED	
	OCT-DEC 2022	OCT-DEC 2021	JAN-DEC 2022	JAN-DEC 2021
<i>SEKm</i>				
OPERATING ACTIVITIES				
Operating profit (EBIT) from continuing operations	-184.2	84.5	-275.9	157.7
Adjustments for non-cash flow items	347.5	-47.2	770.3	76.7
Financial items and tax	-10.6	41.6	-54.9	-40.9
Cash flow from operating activities before changes in working capital	152.7	79.1	439.5	193.5
Cash flow from changes in working capital	-38.4	0.0	-64.9	45.0
Cash flow from operating activities	114.3	79.0	374.6	238.5
Investment tangible assets	-5.4	6.7	-12.2	-18.1
Investment intangible assets	-44.4	-33.5	-187.9	-140.4
Investment activities subsidiaries	3.2	-44.4	142.0	-565.0
Cash flow from investment activities	-46.6	-71.2	-58.1	-723.5
FINANCING ACTIVITIES	-298.9	2.6	-331.8	-235.2
Cash flow from financing activities	-298.9	2.6	-331.8	-235.2
CASH FLOW FOR THE PERIOD	-231.2	10.3	-15.3	-720.3
Cash and cash equivalents at start of period	654.3	370.8	389.5	1087.5
Cash flow for the period	-231.2	10.3	-15.3	-720.3
Exchange rate differences	-15.3	8.5	33.5	22.3
Cash and cash equivalents at end of period	407.8	389.5	407.8	389.5
Specification of cash and cash equivalents				
Total cash balance	407.8	389.5	407.8	389.6
<i>of which are blocked</i>	-2.6	-2.6	-2.6	-2.6
Cash at the end of the period	405.2	386.9	405.2	386.9

Change in Equity - Group

EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY		
SEKm	2022 JAN-DEC	2021 JAN-DEC
Opening balance	4,597.8	3,108.2
Changes in equity during the period		
The Net profit of the period	-1,239.0	96.8
Other comprehensive income for the period	481.8	219.4
Rights issue	61.7	1,172.8
First consolidation of OOO Artplant		0.5
Closing balance	3,902.3	4,597.8

Income Statement - Parent Company

	QUARTER		ACCUMULATED	
	OCT-DEC 2022	OCT-DEC 2021	JAN-DEC 2022	JAN-DEC 2021
<i>SEKm</i>				
Net Revenue	1.8	1.5	5.6	7.5
Other Revenue	0.0	0.0	0.0	0.0
Total Revenue	1.8	1.5	5.6	7.5
<i>Operating expenses</i>				
Cost of goods sold	-14.1	-28.2	-54.4	-91.5
Other external expenses	-6.3	-11.6	-27.6	-38.5
Personnel expenses	1.4	-6.1	-15.4	-22.9
Own work capitalized	17.6	17.9	48.6	56.4
Other expenses	0.0	0.0	0.0	0.0
Operating profit before depreciation and amortization (EBITDA)	0.4	-26.6	-43.2	-89.0
Depreciation and amortization	-106.3	-5.6	-104.5	-5.9
Operating profit (EBIT)	-105.9	-32.2	-147.8	-94.8
Financial net	104.4	-92.4	-523.2	13.9
Profit before tax	-1.5	-124.6	-670.9	-80.9
Appropriations	-226.7	1.8	-226.7	1.8
Tax expense for the period	71.4	-4.9	27.0	-13.8
NET PROFIT	-156.8	-127.6	-870.6	-92.9

Balance Sheet - Parent Company

<i>SEKm</i>	31 DEC 2022	31 DEC 2021 2021-03-31
ASSETS		
Non-current assets		
Intangible non-current assets	0.0	200.9
Tangible non-current assets	0.0	0.1
Financial non-currents assets	3,658.9	2,653.4
Total non-current assets	3,659.0	2,854.4
Current assets		
Current receivables	69.2	1,900.4
Cash and cash equivalents	42.5	82.5
Total current assets	111.7	1,982.9
TOTAL ASSETS	3,770.6	4,837.2
EQUITY AND LIABILITIES		
Equity	3,535.6	4,344.6
Non-current liabilities	99.5	399.2
Current liabilities	135.5	93.4
EQUITY AND LIABILITIES	3,770.6	4,837.2

Segment performance data

	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2021 Q1	2022 Full year	2021 Full year
MSEK										
NET REVENUE										
Game Segment										
Daybreak	198.9	216.2	203.4	212.1	172.4	169.7	174.7	187.2	830.7	704.0
Big Blue Bubble	192.7	47.9	43.2	26.2	27.3	31.6	27.3	22.9	310.1	109.0
Piranha	25.3	25.1	22.9	16.2	29.9	47.6	11.9	1.7	89.5	91.1
Toadman & AMG	5.7	5.5	0.9	1.1	1.4	1.3	2.6	2.2	13.2	7.5
Game total	422.6	294.8	270.4	255.6	230.9	250.3	216.4	214.0	1,243.4	911.6
Service Segment										
Petrol	59.0	66.3	49.9	53.7	64.4	35.0	32.7	31.5	228.8	163.5
Fireshine Games	77.4	83.4	142.5	90.4	203.7	68.9	62.0	58.1	393.7	392.7
Service total	136.4	149.7	192.4	144.0	268.1	103.9	94.7	89.6	622.5	556.3
GROUP TOTAL	559.0	444.5	462.8	399.7	499.0	354.2	311.1	303.6	1,865.9	1,467.9
SHARE OF TOTAL REVENUE (%)										
Game Segment										
Daybreak	36%	49%	44%	53%	35%	48%	561%	62%	45%	48%
Big Blue Bubble	35%	11%	9%	7%	6%	9%	9%	8%	17%	7%
Piranha	5%	6%	5%	4%	6%	14%	4%	1%	5%	6%
Toadman & AMG	1%	1%	0%	0%	0%	0%	1%	1%	1%	1%
Game total	76%	66%	58%	64%	46%	71%	70%	71%	67%	62%
Service Segment										
Petrol	11%	15%	11%	14%	13%	10%	11%	10%	12%	11%
Fireshine Games	14%	19%	31%	23%	41%	20%	20%	19%	21%	27%
Service total	24%	34%	42%	36%	54%	30%	30%	30%	33%	38%
GROUP TOTAL	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
NET REVENUE GROWTH YoY (%)										
Game Segment										
Daybreak	15%	27%	16%	13%	6%*	-12%*	-23%*	11%*	18%	-6%*
Big Blue Bubble	607%	52%	59%	14%	21%*	27%*	-6%*	35%*	184%	17%*
Piranha	-15%	-47%	92%	247%*	1035%*	14%*	-60%*	-89%*	-5%*	-22%*
Toadman & AMG	311%	305%	-65%	-48%	-46%	3%	9%	-67%	76%	-42%
Game total	83%	18%	25%	19%*	22%*	-4%*	-25%*	-9%*	36%*	-7%*
Service Segment										
Petrol	-8%	90%	52%	71%	140%	62%	-16%	-47%	40%	11%
Fireshine Games	-62%	21%	130%	55%	55%	14%	-39%	-35%	0%	3%
Service total	-49%	44%	103%	61%	69%	27%	-33%	-40%	12%	5%
GROUP TOTAL	12%	25%	49%	32%*	43%*	4%*	-28%*	-21%*	27%*	-2%*

	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2021 Q1	2022 Full year	2021 Full year
NET REVENUE ORGANIC YoY (%)										
Game Segment										
Daybreak	5%*	13%*	2%*	2%*	6%*	-12%*	-23%*	11%*	6%*	-6%*
Big Blue Bubble	607%	52%	59%	14%	21%*	27%*	-6%*	35%*	185%*	17%*
Piranha	-15%	-47%	92%	247%*	1035%*	14%*	-60%*	-89%*	-1%*	-22%*
Toadman & AMG	311%	305%	-65%	-48%	-46%	3%	9%	-67%	76%	-42%
Game total	75%*	8%*	14%*	10%*	22%*	-4%*	-25%*	-9%*	27%*	-6%*
Service Segment										
Petrol	-8%	90%	52%	71%	140%	62%	-16%	-47%	40%	11%
Fireshine Games	-62%	21%	130%	55%	55%	14%	-39%	-35%	0%	3%
Service total	-49%	44%	103%	61%	69%	27%	-33%	-40%	12%	5%
GROUP TOTAL	8%*	19%*	41%*	25%*	43%*	4%*	-28%*	-21%*	21%*	-2%*
ORGANIC FX ADJUSTED										
Growth YoY (%)										
Game Segment										
Daybreak	-13%*	-8%*	-12%*	-8%*	2%*	-9%*	-12%*	28%*	-10%*	32%*
Big Blue Bubble	529%	30%	40%	4%	14%*	23%*	-3%*	46%*	151%*	57%*
Piranha	-25%	-54%	69%	216%	487%*	12%*	-59%*	-88%*	-16%*	-15%*
Toadman & AMG	313%	300%	-65%	-48%	-47%	-2%	7%	-66%	75%	-27%
Game total	47%*	-10%*	-2%*	-2%*	15%*	-3%*	-16%*	4%*	8%*	27%*
Service Segment										
Petrol	-23%	55%	31%	53%	123%	52%	-3%	-39%	19%	51%
Fireshine Games	-64%	16%	119%	44%	50%	6%	-37%	-30%	-5%	59%
Service total	-53%	31%	86%	47%	63%	18%	-29%	-34%	2%	56%
GROUP TOTAL	-5%	1%	24%	12%	36%	3%	-20%	-11%	6%	2%
ADJ EBITDA										
Game Segment										
Daybreak	41.7	64.8	51.7	74.8	51.5	63.7	65.6	79.5	233.0	260.4
Big Blue Bubble	116.5	30.4	22.8	12.4	16.3	18.3	11.9	8.1	182.1	54.6
Piranha	15.1	9.1	4.5	2.5	2.4	-8.4	9.0	-0.7	31.2	2.3
Toadman & AMG	-5.1	-5.3	-7.4	-4.9	-7.7	-6.8	-3.0	-2.4	-22.7	-19.9
Game total	168.1	99.0	71.6	84.9	62.5	66.8	83.5	84.5	423.6	297.3
Service Segment										
Petrol	3.4	9.6	-4.4	13.2	17.4	2.8	4.8	5.8	21.8	30.7
Fireshine Games	10.2	9.3	30.6	18.5	31.6	10.5	1.9	-1.4	68.6	42.6
Service total	13.6	18.9	26.2	31.7	49.0	13.3	6.6	4.4	90.4	73.2
Holding	-2.9	-4.8	-13.5	-10.1	-19.7	-9.0	-9.0	-8.2	-31.3	-45.9
GROUP TOTAL	178.8	113.1	84.3	106.5	91.7	71.1	81.2	80.7	482.7	324.7

	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2021 Q1	2022 Full year	2021 Full year
ADJ EBITDA MARGIN (%)										
Game Segment										
Daybreak	21%	30%	25%	35%	30%	38%	38%	42%	28%	37%
Big Blue Bubble	60%	63%	53%	47%	60%	58%	44%	35%	59%	50%
Piranha	60%	36%	20%	16%	8%	-18%	75%	-45%	35%	3%
Toadman & AMG	-91%	-97%	-833%	-424%	-560%	-508%	-118%	-107%	-173%	-266%
Game total	40%	34%	26%	33%	27%	27%	39%	39%	34%	33%
Service Segment										
Petrol	6%	15%	-9%	25%	27%	8%	15%	18%	10%	19%
Fireshine Games	13%	11%	22%	20%	15%	15%	3%	-2%	17%	11%
Service total	10%	13%	14%	22%	18%	13%	7%	5%	15%	13%
GROUP TOTAL	32%	25%	18%	27%	18%	20%	26%	27%	26%	22%
ADJ EBITA										
Game Segment										
Daybreak	35.9	58.0	45.3	69.0	46.5	58.0	60.2	74.1	208.3	238.8
Big Blue Bubble	115.8	29.7	22.1	11.8	15.8	16.4	11.9	8.1	179.4	52.2
Piranha	14.1	7.6	4.5	2.5	2.4	-8.4	9.0	-0.7	28.7	2.3
Toadman & AMG	-5.8	-6.0	-8.0	-5.4	-8.2	-7.3	-3.5	-2.8	-25.1	-21.8
Game total	160.0	89.3	63.9	78.0	56.5	58.8	77.7	78.6	391.2	271.5
Service Segment										
Petrol	1.1	7.4	-6.2	11.4	15.7	1.0	3.2	4.2	13.7	24.0
Fireshine Games	9.9	8.9	30.3	18.1	31.2	10.1	1.5	-1.7	67.2	41.2
Service total	11.0	16.3	24.1	29.5	46.9	11.1	4.7	2.5	80.8	65.2
Holding	-3.9	-5.8	-14.4	-11.0	-20.7	-10.0	-10.0	-9.1	-35.2	-49.7
GROUP TOTAL	167.1	99.7	73.6	96.4	82.7	59.9	72.4	72.0	436.9	287.0
ADJ EBITA MARGIN (%)										
Game Segment										
Daybreak	18%	27%	22%	33%	27%	34%	34%	40%	25%	34%
Big Blue Bubble	60%	62%	51%	45%	58%	52%	44%	35%	58%	48%
Piranha	56%	30%	20%	16%	8%	-18%	75%	-45%	32%	3%
Toadman & AMG	-102%	-110%	-896%	-468%	-597%	-543%	-137%	-126%	-191%	-291%
Game total	38%	30%	24%	31%	24%	23%	36%	37%	31%	30%
Service Segment										
Petrol	2%	11%	-12%	21%	24%	3%	10%	13%	6%	15%
Fireshine Games	13%	11%	21%	20%	15%	15%	2%	-3%	17%	10%
Service total	8%	11%	13%	20%	17%	11%	5%	3%	13%	12%
GROUP TOTAL	30%	22%	16%	24%	17%	17%	23%	24%	23%	20%

	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3	2021 Q2	2021 Q1	2022 Full year	2021 Full year
ADJ EBIT										
Game Segment										
Daybreak	4.1	26.6	17.1	42.9	21.5	33.5	36.7	50.8	90.7	142.4
Big Blue Bubble	111.8	25.6	18.2	8.1	12.7	14.0	7.7	4.0	163.8	38.4
Piranha	10.4	1.1	-5.7	-8.9	-22.0	-25.2	-3.5	-3.3	-3.1	-54.0
Toadman & AMG	-1.4	-6.9	-8.2	-5.6	-6.4	-7.4	-3.6	-2.9	-22.0	-20.4
Game total	125.0	46.4	21.4	36.5	5.8	14.8	37.2	48.5	229.3	106.4
Service Segment										
Petrol	1.1	7.4	-6.2	11.4	15.7	1.0	3.2	4.2	13.7	24.0
Fireshine Games	9.9	8.9	30.3	18.1	31.2	10.1	1.5	-1.7	67.2	41.2
Service total	11.0	16.3	24.1	29.5	46.9	11.1	4.7	2.5	80.8	65.2
Holding	-5.7	-5.8	-12.6	-11.0	-26.3	-10.1	-10.1	-9.1	-35.2	-55.6
GROUP TOTAL	130.3	56.9	32.9	55.0	26.4	15.9	31.9	41.9	275.0	116.1
ADJ EBIT MARGIN (%)										
Game Segment										
Daybreak	2%	12%	8%	20%	12%	20%	21%	27%	11%	20%
Big Blue Bubble	58%	53%	42%	31%	47%	44%	28%	17%	53%	35%
Piranha	41%	4%	-25%	-55%	-74%	-53%	-29%	-197%	-3%	-59%
Toadman & AMG	-24%	-126%	-919%	-486%	-462%	-553%	-142%	-132%	-167%	-272%
Game total	30%	16%	8%	14%	3%	6%	17%	23%	18%	12%
Service Segment										
Petrol	2%	11%	-12%	21%	24%	3%	10%	13%	6%	15%
Fireshine Games	13%	11%	21%	20%	15%	15%	2%	-3%	17%	10%
Service total	8%	11%	13%	20%	17%	11%	5%	3%	13%	12%
GROUP TOTAL	23%	13%	7%	14%	5%	4%	10%	14%	15%	8%
Employees on the last day of the period										
Game Segment										
Daybreak	258	243	234	246	239	247	239		258	239
Big Blue Bubble	69	64	69	69	69	72	80		69	69
Piranha	72	70	77	77	80	77	75		72	80
Toadman	57	122	143	137	133	134	114		57	133
AMG	50	58	56	46	43	41	42		50	43
Game total	506	557	579	575	564	571	550		506	564
Service Segment										
Petrol	84	84	79	80	76	72	72		84	76
Fireshine Games	30	30	27	28	28	28	22		30	28
Service total	114	114	106	108	104	100	94		114	104
Holding	9	10	8	6	7	14	12		9	7
GROUP TOTAL	629	681	693	689	675	685	656		629	675

* Proforma

NOTES TO THE INTERIM REPORT

Note 1 Accounting principles. Estimates and Assessments

This interim report regards the Swedish parent company Enad Global 7 AB, corporate identity number 556923-2837, and its subsidiaries. EG7 is a group in the gaming industry that develops, markets, publishes and distributes PC, console and mobile games to the global gaming market. The parent company is a corporation with its registered office in Stockholm, Sweden. The address of the head office is Ringvägen 100, 118 60 Stockholm.

EG7 applies International Financial Reporting Standards (IFRS) as adopted by the EU. The group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable parts of the Annual Accounts Act (1995: 1554).

The parent company applies the Annual Accounts Act and RFR 2 Accounting for Legal Entities.

All amounts in this report are stated in millions of Swedish kronor (SEK millions) unless otherwise stated.

Rounding differences may occur.

Note 2 Operational Segments

	Service Segment	Game Segment	Total Segments	Intra-group items and eliminations	Total group
Jan-Dec 2022					
Revenue from external customers	622.5	1,243.4	1,865.9	0.0	1,865.9
Revenues from other segments	0.0	0.0	0.0	0.0	0.0
Net Revenue	622.5	1,243.4	1,865.9	0.0	1,865.9
 Operating profit before depreciation and amortization (EBITDA)	 90.5	 418.2	 508.6	 -34.1	 474.5
Depreciation and amortization					-750.4
Financial net					-20.3
Profit before tax					-296.2
Tax expense					28.1
NET PROFIT FROM CONTINUED OPERATIONS					-268.1
Profit from discontinued operations, net of tax					-970.9
NET PROFIT FOR THE YEAR					-1,239.0
 Jan-Dec 2021					
Revenue from external customers	556.2	911.6	1,467.9	0.0	1,467.9
Revenues from other segments	0.0	0.0	0.0	0.0	0.0
Net Revenue	556.2	911.6	1,467.9	0.0	1,467.9
 Operating profit before depreciation and amortization (EBITDA)	 71.2	 637.6	 708.9	 -66.4	 642.5
Depreciation and amortization					-484.9
Financial net					-104.1
Profit before tax					53.6
Tax expense					11.7
NET PROFIT FROM CONTINUED OPERATIONS					65.3
Profit from discontinued operations, net of tax					31.5
NET PROFIT FOR THE YEAR					96.8

Note 3 Revenue from Customer Contracts

Jan-Dec 2022	Service Segment	Game Segment	Group eliminations	Total group
<i>Geographical region</i>				
Europe	224.3	286.5	0.0	510.7
North America	338.9	895.4	0.0	1,234.4
Other markets	59.3	61.5	0.0	120.8
Revenue from customer contracts	622.5	1,243.4	0.0	1,865.9
Jan-Dec 2021	Service Segment	Game Segment	Group eliminations	Total group
<i>Geographical region</i>				
Europe	219.5	192.0	0.0	411.6
North America	275.5	682.5	0.0	958.1
Other markets	61.2	37.1	0.0	98.2
Revenue from customer contracts	556.2	911.6	0.0	1,467.9

Note 4 Financial Instruments

Valuation of financial assets and liabilities per Dec 31. 2022

	Financial assets valued at fair value through profit or loss	Financial assets valued at amortized cost	Total reported values
Financial assets			
Accounts receivable	0.0	267.4	267.4
Cash and cash equivalents	0.0	407.8	407.8
Total	0.0	675.2	675.2
	Financial liabilities valued at fair value through profit or loss	Financial liabilities valued at amortized cost	Total reported values
Financial liabilities			
Contingent consideration	83.9	0.0	83.9
Liabilities to credit institutions	0.0	104.0	104.0
Accounts payable	0.0	110.1	110.1
Other financial liabilities	0.0	488.9	488.9
Total	83.9	702.0	785.9

*Valuation of financial assets and liabilities per Dec 31. 2021**

Financial assets	Financial assets valued at fair value through profit or loss	Financial assets valued at amortized cost	Total reported values
Accounts receivable	0.0	242.9	242.9
Cash and cash equivalents	0.0	483.9	483.9
Total	0.0	726.8	726.8

Financial liabilities	Financial liabilities valued at fair value through profit or loss	Financial liabilities valued at amortized cost	Total reported values
Contingent consideration	128.8	0.0	128.8
Liabilities to credit institutions	0.0	406.2	406.2
Accounts payable	0.0	71.6	71.6
Other financial liabilities	0.0	663.4	663.4
Total	128.8	1,141.2	1,270.0

***NOTE: INNOVA IS INCLUDED FOR YEAR 2021**

VALUATION HIERARCHY

The levels in the valuation hierarchy are defined as follows:

- Level 1 - Listed prices (unadjusted) in active markets for identical assets and liabilities.
- Level 2 - Observable input data for the asset or liability other than quoted prices included in level 1. either directly (i.e. price quotations) or indirectly (i.e. derived from price quotations).
- Level 3 - Input data for the asset or liability that is not based on observable market data (i.e. non-observable input data).

Contingent consideration

The contingent consideration is reported at fair value according to level 3 in the valuation hierarchy. The fair value is calculated using a valuation model that discounts the present value of expected payments of cash flows with a risk-adjusted discount rate. Expected cash flows are determined based on probable scenarios based on expected financial outcomes and future financial forecasts. The most significant input factor used in the valuation at fair value is a risk-adjusted discount factor of 16.3 percent.

Contingent consideration	Jan-Dec 2022	Jan-Dec 2021
At beginning of period	128.7	484.3
Acquisitions during the period	0.0	276.6
Payments	-68.2	-445.2
Interest	14.2	59.0
Reclassification through profit or loss	-0.9	-352.0
FX effect	10.1	106.1
At end of period	83.9	128.7

Realized gains for contingent consideration held as of the balance sheet date amounted to 0.9 MSEK (15.3 MSEK). This amount is included as part of other operating income in the group's income statement.

Current receivables and liabilities

For current receivables and liabilities, such as accounts receivable and accounts payable. The reported value is considered to be a good approximation of the fair value.

Note 5 Divestments and discontinued operations

April 19, 2022, EG7 announced the intent to sell the Russian subsidiary Innova Intellectual Properties S.ar.L. subsidiary. The completion of the sale to Games Mobile ST LTD ("GMST") was communicated on September 23, with a transaction value of EUR 21 million. EUR 17 million paid at closing and an additional EUR 4 million in six installments over the following 18 months.

Income statement discontinued operations	QUARTER		ACCUMULATED	
	OCT-DEC 2022	OCT-DEC 2021	JAN-DEC 2022	JAN-DEC 2021
SEKm				
Net Revenue		74.1	197.2	202.6
Other Revenue		1.0	27.2	2.9
Total Revenue		75.1	224.4	205.5
<i>Operating expenses</i>				
Cost of goods sold		-29.3	-78.8	-78.2
Other external expenses		-3.7	-22.5	-13.7
Personnel expenses		-15.7	-57.9	-41.5
Other expenses		0.0	-7.4	0.0
Operating profit before depreciation and amortization (EBITDA)		26.4	57.8	72.0
Depreciation of tangible and right-of-use assets		-5.4	-14.1	-10.3
Operating profit before amortization of intangible assets (EBITA)		21.0	43.7	61.7
Amortization of acquisition-related intangible assets		-2.5	-1,126.8	-13.7
Amortization of other intangible assets		-2.6	-0.2	-9.7
Operating profit (EBIT)		15.9	-1,083.3	38.3
Transactional result	0.4	-0.2	112.9	-1.2
Profit before tax	0.4	15.6	-970.5	37.1
Tax expense for the period		-2.6	-0.4	-5.6
NET PROFIT FROM DISCONTINUED OPERATIONS	0.4	13.0	-970.8	31.5

Balance sheet discontinued operations		
	26 Sep 2022	31 Dec 2021*
Intangible non-current assets	27.7	1,096.4
Tangible non-current assets	9.1	14.6
Financial non-currents assets	48.3	50.9
Inventory	1.0	0.4
Current receivables	151.2	6.6
Cash and cash equivalents	121.7	94.3
Non-current liabilities	-5.7	-24.4
Current liabilities	-241.3	-82.9
Net identifiable assets	112.0	1,155.8

*Innova is included in the group balance sheet as of 2021.

Note 6 Significant Events After the Balance Date

On February 8, 2023, EG7 announced that the board of directors had authorized the repayment of all outstanding loan balance on the company's Revolving Credit Facility (RCF), amounting to SEK 100 million. The credit frame remains at SEK 400 million until November 2023. EG7 will save approximately SEK 25 million in interest on an annual basis, net of commitment fee the savings on an annual basis is approximately SEK 20 million.

THE SHARE AND SHAREHOLDERS

SHAREHOLDER (31-12-2022)	No. of Shares	Capital %
Settecento LTD	8,916,304	10.06%
Jason Epstein	7,999,092	9.03%
Media and Games Invest SE	7,126,190	8.04%
Dan Sten Olsson med familj och stiftelse	6,912,000	7.80%
Avanza Pension	5,076,252	5.73%
Lloyd Fonds AG	3,000,000	3.39%
Rasmus Davidsson	2,872,743	3.24%
Alexander Albedj	1,912,706	2.16%
Alan Hunter	1,835,680	2.07%
Ji Ham	1,826,376	2.06%
Other shareholders	41,126,183	46.42%
Total	88,603,526	100%

EG7 stock is listed on Nasdaq First North Growth Market with the ticker symbol 'EG7'. As of December 31, 2022, the total number of shares outstanding was 88,603,526 and the closing share price was SEK 28.00 per share.

RELATED PARTY TRANSACTIONS

The company did not make any material transactions with related parties during the period.

Related party	Related party transaction	Jan-Dec 2022
Arte Actus Capital AB ¹⁾	Consulting services	1,05
Cold Iron LLC ²⁾	Game developing - WFH contract	1,84
Petrol properties ³⁾	Renting office premises	3,92
Pixelated Ink ⁴⁾	Marketing services	12,20
Total		19,0

¹⁾ Arte Actus Capital AB is owned by Board member Alexander Albedj

²⁾ Cold Iron is owned by CEO Ji Ham and Chairman of the Board Jason Epstein

³⁾ Petrol properties is owned by Alan Hunter and Ben Granados

⁴⁾ Pixelated Ink is partially owned by Alan Hunter and Ben Granados

RISKS

Risks with the company's share are described in EG7's company description, which was published on January 30, 2019. It can be downloaded from the company's website www.enadglobal7.com. Risks are also included in the annual report of 2021.

AUDITOR

Öhrlings PricewaterhouseCoopers AB (PwC) is the company's auditor and is represented by Niklas Renström.

ALLOCATION OF PROFIT AND LOSS

Proposed allocation of the company's profit

At the Annual General Meeting's disposal stands:

SEKm

Accumulated loss	-206,3
Share premium reserve	4,609.0
Profit/loss of the year	-870,6
	3,532.1

The board proposes that the following is carried forward 3,532.1

DEFINITIONS

Average number of employees: The average number of employees during the period.

Cash conversion: Operational cashflow divided by proforma EBITDA over the last twelve months.

Earnings per share: Net profit for the period divided by the total number of shares outstanding.

EBITDA: Earnings before interest, tax, depreciation and amortization of tangible and intangible non-current assets.

Adjusted EBITDA: EBITDA adjusted for items considered to be non-recurring and one-time in nature for comparability between periods.

EBITDA margin (%): EBITDA as a percentage of total Revenue.

EBITA: Operating profit before depreciation of intangible assets.

EBITA margin (%): EBITA as a percentage of total Revenue.

Adjusted EBIT: EBIT adjusted for items considered to be non-recurring and one-time in nature for comparability between periods.

Operating profit (EBIT): Earnings before financial items and tax.

EBIT: Earnings before interest and tax

EBIT margin (%): Operating profit as a percentage of total Revenue.

Equity ratio: Equity as a percentage of total assets.

Life to Date (LTD): Accumulated number since right from start.

Net cash: Interest-bearing assets and cash and cash equivalents less interest-bearing liabilities.

Net debt: Interest-bearing liabilities less interest-bearing assets and cash and cash equivalents.

Net profit: Profit after tax for the period.

Net Revenue: Revenue from sales less discounts and after elimination of any related party transactions.

Net Revenue growth: Increase in Net Revenue from the same period the previous year as a percentage.

Number of shares: Total number of shares outstanding.

Organic growth: Net Revenue increase from comparable period last year divided by the Net Revenue for the comparable period last year. Including all newly acquired businesses contributing with Revenue last year but excluding newly acquired businesses contributing with Revenues this year.

Organic growth in local currency: Organic growth excluding the translation impact of changed currency exchange rates. The comparison period is recalculated with the average exchange rate for the current period.

Total Leverage: Cash debt (including remaining purchase consideration in cash and for the avoidance of doubt excluding any remaining purchase considerations to be settled in company shares) divided by proforma EBITDA.

**FOR MORE INFORMATION, PLEASE
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EG7 IN SHORT

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 approximately 500 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 leading global brands such as Call of Duty, Destiny and Elden Ring. The group's publishing and distribution department Firespine 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

CERTIFIED ADVISOR

As a company listed on Nasdaq First North Growth Market Stockholm, the company has an obligation to use a Certified advisor. EG7 has appointed:

Eminova Fondkommission AB
Mail: info@eminova.se
Phone: +46 8 684 211 00

NOMINATION COMMITTEE

The nomination committee for AGM 2023 consists of:

- Jason Epstein, chairman of the board
- Georgy Chumbridge, appointed by Settecento Ltd
- Remco Westerman, appointed by Media and Games Invest
- Johan Wester, appointed by Dan Sten Olsson with family and trust

AUDITING

This report has not been audited by the company's auditor.

NEXT REPORT

The next financial report will be published:

Annual Report 2022: April 25, 2023

Interim report Q1 2023: May 16, 2023

Interim report Q2 2023: August 15, 2023

Interim report Q3 2023: November 14, 2023

Interim report Q4 2023: February 13, 2024

IMPORTANT INFORMATION

This information is information that Enad Global 7 AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the contact persons set out below at 7:00am CET on February 17, 2023.

THE BOARD'S DECLARATION

The Board of Directors and CEO ensure that this interim report gives a true and fair view of the company's operations and financial position.

Stockholm. February 17. 2023

Ji Ham	Jason Epstein	Alexander Albedj	Marie-Louise Gefwert	Shum Singh	Gunnar Lind
<i>Acting Chief Executive Officer</i>	<i>Chairman of the board</i>	<i>Member of the board</i>	<i>Member of the board</i>	<i>Member of the board</i>	<i>Member of the board</i>