

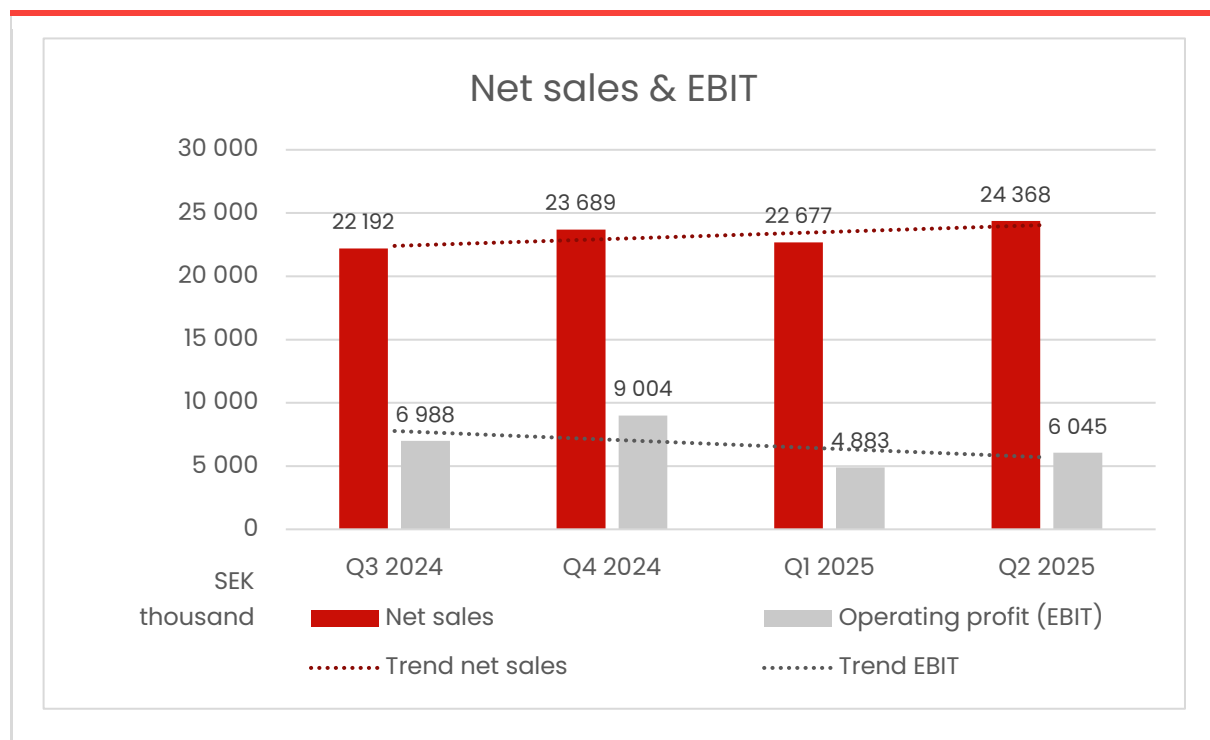


# Interim report

Second quarter 2025

Envar Holding AB

## Financial highlights | Q2 2025



### FINANCIAL OVERVIEW

SEK thousand	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024
Net sales	24,368	22,677	23,689	22,192	16,164
EBITDA	6,222	5,061	9,208	7,192	1,182
EBITDA margin (%)	25.53	22.32	38.87	32.41	7.31
Operating profit (EBIT)	6,045	4,883	9,004	6,988	978
EBIT margin (%)	24.81	21.53	38.01	31.49	6.05
Sales growth (%)	50.75	104.94	18.53	165.52	N/A
Equity ratio (%)	83.19	85.09	82.12	68.37	69.12
Earnings per share (SEK)	0.38	0.25	0.71	12,176.06	1,692.12
Average number of shares, basic*	12,500,000	12,500,000	10,833,333	500	500
Average number of shares, diluted*	13,014,780	13,014,780	11,176,520	500	500
Number of shares at balance sheet date*	12,500,000	12,500,000	12,500,000	500	500

\*A 20,000:1 share split and a quota value issue of 2,500,000 shares were registered in the fourth quarter of 2024.  
 For definitions of key performance indicators go to page 22 in the report.

# Interim report

## Second quarter | April – June

- Net sales amounted to SEK 24,368 thousand (16,164), an increase of 50.75 percent compared to the same period last year.
- Operating profit before depreciation (EBITDA) totaled SEK 6,222 thousand (1,182), representing an operating margin of 25.53 percent (7.31) before depreciation.
- Operating profit (EBIT) totaled SEK 6,045 thousand (978) representing an operating margin of 24.81 percent (6.05).
- Earnings per share, basic, amounted to SEK 0.38 (1,692.12). A 20,000-for-1 share split and a quota value issue of 2,500,000 shares were registered in the fourth quarter of 2024.
- Cash and cash equivalents totaled SEK 54,324 thousand (3,062). Cash flow from operating activities amounted to SEK 7,475 thousand (1,119).
- Net cash totaled SEK 54,324 thousand. The Company has no interest-bearing liabilities.

## Accumulated | January – June

- Net sales amounted to SEK 47,044 thousand (27,229), an increase of 72.77 percent compared to the same period last year.
- Operating profit before depreciation (EBITDA) totaled SEK 11,283 thousand (-2,243), representing an operating margin of 23.98 percent (-8.24) before depreciation.
- Operating profit (EBIT) totaled SEK 10,928 thousand (-2,651), representing an operating margin of 23.23 percent (-9.74).
- Earnings per share, basic, amounted to SEK 0.65 (-5,474.93). A 20,000-for-1 share split and a quota value issue of 2,500,000 shares were registered in the fourth quarter of 2024.
- Cash and cash equivalents totaled SEK 54,324 thousand (3,062). Cash flow from operating activities amounted to SEK 2,922 thousand (971).
- Net cash totaled SEK 54,324 thousand. The Company has no interest-bearing liabilities.

(Figures for comparison in parentheses refer to the corresponding period of the previous year).

## Comments on the second quarter of 2025

In the year's second quarter, Envar recorded very strong sales. Compared to the same period last year, net sales increased by SEK 8,204 thousand to SEK 24,368, an increase of 50.75 percent. Operating profit totaled SEK 6,045 thousand for the quarter, an increase of SEK 5,067 thousand, or 518.10 percent. As also described in the June CEO letter, order bookings remain strong from both existing and new customers, who are increasingly choosing to outsource aspects of their operations. This approach gives customers the flexibility to up or down scale their business, which offers a clear gain.

The main driver of growth in sales in the Envar Group was the ever-increasing shift in the gaming market from employing personnel in-house to outsourcing projects. Another was the Company's representation at international and national gaming events.

Net sales during the quarter amounted to SEK 24,368 thousand (16,164). Operating profit (EBIT) totaled SEK 6,045 thousand (978), an EBIT margin of 24.81 percent (6.05).

## COMMENT FROM THE CEO

I am pleased to present Envar's second quarter for the 2025 financial year, a quarter in which the Company again delivered a strong financial performance. Compared to Q2 2024, sales increased by just over 50 percent and operating profit (EBIT) improved by approximately SEK 5 million.

Through the first half of the year, a close focus was maintained on raising Envar's profile in the international arena via participation at international and national gaming events, with the aim of broadening the customer base, stepping up the pace of sales and building the brand.

### Envar Entertainment

During the spring, Envar Entertainment announced two major customer orders. One, valued at approximately SEK 9.1 million, was from a globally leading game developer in the Battle Royal category. The company has been an Envar customer since 2024. The second order, valued at approximately SEK 7.3 million, was from a leading game developer with the largest title in the multiplayer online battle arena (MOBA). This company has been an Envar customer since 2020.

The trend of the gaming industry continues to be towards cost efficiency and outsourcing, and during the second quarter Envar's focus remained on developing existing customer relationships and raising the Company's profile. This is reflected in the robust sales recorded, of around SEK 24.4 million in Q2, compared to around SEK 16.2 million in Q2 2024.

### Envar Games

In the second quarter, the Company signed a new partnership to drive marketing and PR for the game. The collaboration involves, for example, preparation of a store page and press contacts for the announcement of the game, which took place at the world's largest gaming fair, Gamescom, held in August 2025. In connection with the announcement, an animated trailer and key art for the game were released.

The development team continued to expand during Q2 and the recruitment process has been very successful. As of August, Envar Games will be fully staffed to provide the very best conditions for launching on schedule.

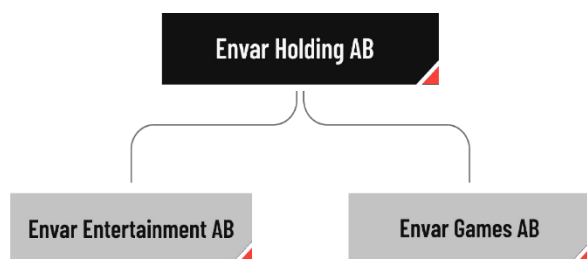
Yours sincerely,

Atey Ghailan  
CEO Envar Holding AB

## About Envar Holding

Envar Holding is an outsourcing and development studio focusing on graphic design, 3D graphics, animations and illustrations mainly on behalf of world-leading game development companies and other companies active in the entertainment industry. The Company has established itself as a provider of graphics and development services to some of the biggest brands in the gaming industry, including companies such as Riot Games, Netflix, EA Games, Nickelodeon, NetEase, Blizzard, 2K, Hasbro, Sony, Tencent and EPIC Games.

Envar Holding today consists of two wholly-owned subsidiaries: Envar Entertainment AB and Envar Games AB. Historically, Envar Entertainment has constituted the main business but at the end of 2022 the Company established Envar Games for in-house game development and IP ownership.



### Envar Entertainment

Envar Entertainment is a leading player in outsourcing and co-development in the gaming and entertainment industry. Through its expertise, wide-ranging services and high quality, the Company has established strong relationships with several of the largest players in the market, including industry giants such as Riot Games, Tencent and Blizzard. The size of the team varies, depending on the nature of client assignments, and consists of mainly freelancers in more than 20 countries.

### Envar Games

Envar Games is a game development company with a long-term vision of creating, developing and refining innovative and engaging gaming experiences. Envar Games is responsible for developing the Company's first in-house developed game – Witchspire – with a launch planned for Q2 2026.



## History

### 2020

Envar Entertainment is founded by Atey Ghailan in Stockholm

### 2021

Revenue:  
SEK 20,225 thousand

EBIT: SEK 10,435 thousand

### 2022

Number of co-workers reaches 60

Atey Ghailan establishes game development activities

Revenue:  
SEK 54,944 thousand

EBIT: SEK 20,689 thousand

### 2023

Envar Games is established to separate the Group's two business areas

Investment in game development increased via cash flows from Envar Entertainment

Revenue:  
SEK 75,214 thousand

EBIT: SEK 2,030 thousand

### 2024

130 co-workers in more than 20 countries

Listed on Nasdaq First North Growth Market

Revenue:  
SEK 87,204 thousand

EBIT: SEK 13,340 thousand

## SIGNIFICANT EVENTS DURING THE QUARTER

- In April, the Board of Directors of Envar Holding AB decided that Swedish and English would be established as the Company's languages of communication, starting with publication of the interim report for the first quarter of 2025. In the event of any differences in language versions, the Swedish version is authoritative.
- In early May, Envar announced a major order from a leading game developer in the Multiplayer Online Battle Arena (MOBA) category. The order is valued at approximately SEK 7.3 million and the counterparty has been a customer of Envar since 2020.
- Envar Holding's Annual General Meeting was held on May 27, attended by approximately 80 percent of the shareholders in the Company. The meeting resolved, among other things, to appoint Grant Thornton Sweden AB as the Company's auditor, with John Liljenfeldt as Key Audit Partner. The meeting also resolved that regular Board member Pernilla Jennesäter would depart from the Board of Directors.
- In June, Envar's first CEO letter was presented to the market. The Company's CEO letter is intended to better inform market about Envar, to increase awareness of developments in Envar's business areas and to supplement the quarterly reports.

## SIGNIFICANT EVENTS AFTER THE QUARTER

- In July, Envar Holding AB announced an update of the financial calendar for 2025/2026 published earlier. The background to this is that Envar's financial monitoring has been streamlined, making it possible to bring forward the quarterly reporting to the market as of the Q3 report in 2025.
- In July, Envar Holding AB published a "reverse" profit warning as a result of a materially higher operating profit (EBIT). The reason for the announcement was a preliminary positive EBIT of SEK 6,045 thousand, an increase of 518.10 percent compared to Q2 2024 and of 23.80 percent compared to Q1 2025.

## MATERIAL RISKS AND UNCERTAINTIES

Envar Holding AB's operations and performance are affected by a number of external and internal factors. Management works continuously to identify risks and assess how each risk should be managed. Risks may be categorized as financial, market and operational risks.

The risks identified include the Group's dependence on certain key customers and the need to attract the right talent to maintain the company's growth and profitability. In the game development industry, where Envar operates, there is a risk that the market will not receive the company's game developments as expected. At present, the risks are considered limited, but company management continuously monitors market developments.

## EMPLOYEES AND ORGANIZATION

At the end of the period, the Group had 32 employees. The Company also engages external consultants for individual projects.

Number of employees at the end of the period	Total, Group
<b>Number of employees Q2 2025</b>	<b>32</b>
Number of employees Q2 2024	23
<b>Number of consultants Q2 2025</b>	<b>155</b>
Number of consultants Q2 2024	67

## NUMBER OF SHARES

At the end of the period the Company has 12,500,000 (500) shares in issue. The average number of shares is shown below.

	30/06/2025	30/06/2024	31/12/2024
Average number of shares, basic	12,500,000	500	2,708,708
Average number of shares, diluted	13,014,780	500	2,794,505

## FINANCIAL POSITION | GROUP

### SALES, EXPENSES AND OPERATING PROFIT

#### SECOND QUARTER | APRIL – JUNE

Net sales totaled SEK 24,368 thousand (16,164), representing growth of 50.75 percent from the same period last year.

Research and development expenses during the period totaled SEK 5,913 thousand (1,521). Game development costs are capitalized on an ongoing basis over the quarter. The costs capitalized are, on prudential grounds, mainly those linked to direct salary and consultancy fees for the in-house developed game.

Operating profit (EBIT) totaled SEK 6,045 thousand (978). Operating profit increased by SEK 5,067 thousand, compared to the same period last year. The increase in profit reported for the second quarter of 2025 was in the main attributable to increased revenue attributable to deeper partnerships with existing customers in the co-development of games. The increase in revenue in the second quarter was again due to the fact that game development companies are increasingly choosing to outsource more and more of their work, which favors Envar's business model.



**ACCUMULATED | JANUARY – JUNE**

Net sales totaled SEK 47,044 thousand (27,229), representing growth of 72.77 percent from the same period last year.

Research and development expenses during the period totaled SEK 8,381 thousand (4,144). Game development costs are capitalized on an ongoing basis over the quarter. The costs capitalized are, on prudential grounds, mainly those linked to direct salary and consultancy fees for the in-house developed game.

Operating profit (EBIT) totaled SEK 10,928 thousand (-2,651). Operating profit increased by SEK 13,579 thousand, compared to the same period last year. The main factor in the strong improvement in profitability was significantly increased net sales compared to the same period last year. The gaming industry as a whole faced major challenges in 2024, which led Envar to put a number of cost efficiency measures in place. In the second half of 2024, and continuing into 2025, the market underwent a shift to a greatly increased focus on external development on the part of most market players, which has led to significant improvements in earnings for Envar.

**CASH FLOW, INVESTMENTS AND FINANCIAL POSITION****SECOND QUARTER | APRIL – JUNE**

Cash flow from operating activities during the quarter totaled SEK 7,475 thousand (1,119). The Company's cash and cash equivalents totaled SEK 54,324 thousand (3,062).

During the quarter, investments affected cash flow in the amount of SEK -6,039 thousand (-1,521). These investments consisted for the most part of capitalization of costs incurred in in-house game development.

Cash flow from financing activities was SEK 0 thousand (0).

**ACCUMULATED | JANUARY – JUNE**

Cash flow from operating activities during the quarter totaled SEK 2,922 thousand (971). The Company's cash and cash equivalents totaled SEK 54,324 thousand (3,062).

During the period, investments affected cash flow in the amount of SEK -8,901 thousand (-4,145). These investments consisted for the most part of capitalization of costs incurred in in-house game development.

Cash flow from financing activities was SEK 0 thousand (-18).

## CONSOLIDATED INCOME STATEMENT

SEK thousand	NOTE	APR 2025– JUN 2025	APR 2024– JUN 2024	JAN 2025– JUN 2025	JAN 2024– JUN 2024	FULL YEAR 2024
Net sales		24,368	16,164	47,044	27,229	73,110
Research and development expenses		5,913	1,521	8,381	4,144	9,389
Other operating income		2,184	285	4,413	846	4,705
<b>Total revenue</b>		<b>32,465</b>	<b>17,970</b>	<b>59,838</b>	<b>32,219</b>	<b>87,204</b>
<b>Operating expenses</b>						
Raw materials and consumables		-13,229	-6,834	-23,598	-13,321	-32,489
Other external costs		-5,276	-3,360	-10,112	-6,595	-15,087
Personnel costs		-7,359	-6,280	-13,635	-13,945	-23,674
Depreciation and amortization		-177	-204	-355	-408	-816
Other operating expenses		-377	-314	-1,209	-601	-1,798
<b>Operating profit/loss</b>		<b>6,045</b>	<b>978</b>	<b>10,928</b>	<b>-2,651</b>	<b>13,340</b>
<b>Net financial items</b>						
Financial income	8	228	-26	229	36	35
Financial expenses	9	-211	-106	-1,091	-122	-745
<b>Profit/loss after financial items</b>		<b>6,063</b>	<b>846</b>	<b>10,066</b>	<b>-2,737</b>	<b>12,630</b>
Tax on profit for the period	10	-1,267	-	-1,991	-	-1,594
<b>Profit/loss for the period</b>		<b>4,796</b>	<b>846</b>	<b>8,075</b>	<b>-2,737</b>	<b>11,036</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK thousand	NOTE	APR 2025– JUN 2025	APR 2024– JUN 2024	JAN 2025– JUN 2025	JAN 2024– JUN 2024	FULL YEAR 2024
Profit/loss for the period		4,796	846	8,075	-2,737	11,036
<b>Profit/loss for the period</b>		<b>4,796</b>	<b>846</b>	<b>8,075</b>	<b>-2,737</b>	<b>11,036</b>

## CONSOLIDATED BALANCE SHEET

SEK thousand	NOTE	30/06/2025	30/06/2024	31/12/2024
<b>ASSETS</b>				
<b>Non-current assets</b>				
Intangible non-current assets	2	25,621	11,995	17,239
Property, plant and equipment	3	1,780	2,024	1,616
Financial non-current assets	4	2,000	2,000	2,000
<b>Total non-current assets</b>		<b>29,401</b>	<b>16,019</b>	<b>20,855</b>
<b>Current assets</b>				
Trade receivables		4,294	5,899	7,073
Current tax assets		-	6	14
Other receivables		132	93	49
Revenue earned but not invoiced		10,631	125	1,471
Interim receivables		4,129	2,369	3,579
<b>Total current assets</b>		<b>19,186</b>	<b>8,492</b>	<b>12,186</b>
<b>Cash and cash equivalents</b>		<b>54,324</b>	<b>3,062</b>	<b>61,383</b>
<b>TOTAL ASSETS</b>		<b>102,911</b>	<b>27,573</b>	<b>94,424</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>		<b>85,616</b>	<b>19,058</b>	<b>77,542</b>
<b>Non-current liabilities</b>				
Deferred tax liability	6	1,590	1,698	1,698
Other liabilities	7	1,198	-	1,198
<b>Total non-current liabilities</b>		<b>2,788</b>	<b>1,698</b>	<b>2,896</b>
<b>Current liabilities</b>				
Accounts payable		5,584	4,163	7,639
Current tax liabilities		3,582	291	1,608
Other liabilities		1,471	1,009	1,116
Interim liabilities		3,870	1,354	3,623
<b>Current liabilities</b>		<b>14,507</b>	<b>6,817</b>	<b>13,986</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>102,911</b>	<b>27,573</b>	<b>94,424</b>

## KEY PERFORMANCE INDICATORS – GROUP

SEK thousand	APR 2025– JUN 2025	APR 2024– JUN 2024	JAN 2025– JUN 2025	JAN 2024– JUN 2024	FULL YEAR 2024
Net sales	24,368	16,164	47,044	27,229	73,110
EBITDA	6,222	1,182	11,283	-2,243	14,156
EBITDA margin (%)	25.53	7.31	23.98	-8.24	19.36
Operating profit (EBIT)	6,045	978	10,928	-2,651	13,340
EBIT margin (%)	24.81	6.05	23.23	-9.74	18.25
Sales growth (%)	50.75	N/A	72.77	N/A	12.06
Equity ratio (%)	83.19	69.12	83.19	69.12	82.12
Earnings per share, SEK	0.38	1,692.12	0.65	-5,474.93	4.07
Average number of shares, basic*	12,500,000	500	12,500,000	500	2,708,708
Average number of shares, diluted*	13,014,780	500	13,014,780	500	2,794,520
Number of shares at balance sheet date *	12,500,000	500	12,500,000	500	12,500,000

\*A 20,000:1 share split and a quota value issue of 2,500,000 shares were registered in the fourth quarter of 2024.  
For definitions of key performance indicators go to page 22 in the report.

## STATEMENT OF CHANGES IN CONSOLIDATED EQUITY

SEK thousand	Share capital	Other contributed capital	Retained earnings incl. profit/loss for the year*	Equity attributable to shareholders in Parent Company	Total Equity
<b>Opening Equity 01/04/2024</b>	<b>50</b>	<b>107</b>	<b>18,055</b>	<b>18,212</b>	<b>18,212</b>
Profit/loss for the period			846	846	846
<b>Equity 30/06/2024</b>	<b>50</b>	<b>107</b>	<b>18,901</b>	<b>19,058</b>	<b>19,058</b>
<b>Opening Equity 01/01/2024</b>	<b>50</b>	<b>125</b>	<b>21,639</b>	<b>21,813</b>	<b>21,813</b>
New share issue and warrants		-18		-18	-18
Profit/loss for the period			-2,737	-2,737	-2,737
<b>Equity 30/06/2024</b>	<b>50</b>	<b>107</b>	<b>18,901</b>	<b>19,058</b>	<b>19,058</b>
<b>Opening Equity 01/01/2024</b>	<b>50</b>	<b>125</b>	<b>21,639</b>	<b>21,813</b>	<b>21,813</b>
New share issue and warrants	125	50,191		50,317	50,317
Costs associated to issue of shares		-5,481		-5,481	-5,481
Repurchase of warrants		-143		-143	-143
Bonus share issue	450		-450	-	-
Profit/loss for the period			11,036	11,036	11,036
<b>Equity 31/12/2024</b>	<b>625</b>	<b>44,692</b>	<b>32,225</b>	<b>77,542</b>	<b>77,542</b>
<b>Opening Equity 01/04/2025</b>	<b>625</b>	<b>44,692</b>	<b>35,503</b>	<b>80,821</b>	<b>80,821</b>
Profit/loss for the period			4,796	4,796	4,796
<b>Equity 30/06/2025</b>	<b>625</b>	<b>44,692</b>	<b>40,299</b>	<b>85,616</b>	<b>85,616</b>
<b>Opening Equity 01/01/2025</b>	<b>625</b>	<b>44,692</b>	<b>32,225</b>	<b>77,542</b>	<b>77,542</b>
Profit/loss for the period			8,075	8,075	8,075
<b>Equity 33/06/2025</b>	<b>625</b>	<b>44,692</b>	<b>40,299</b>	<b>85,616</b>	<b>85,616</b>

\* Retained profit includes ongoing allocations to the development reserve representing the entry for capitalized work for own account under intangible non-current assets on the balance sheet.

## CONSOLIDATED STATEMENT OF CASH FLOWS

SEK thousand	APR 2025– JUN 2025	APR 2024– JUN 2024	JAN 2025– JUN 2025	JAN 2024– JUN 2024	FULL YEAR 2024
<b>Operating activities</b>					
Operating profit/loss	6,045	978	10,928	-2,651	13,340
Adjustments for non-cash items	-64	204	506	408	179
Interest received	229	-26	229	36	35
Interest paid	186	-2	-12	-18	-744
Income tax paid	-86	-232	-111	1,336	-1 752
<b>Cash flow from operating activities before changes in working capital</b>	<b>6,310</b>	<b>922</b>	<b>11,540</b>	<b>-889</b>	<b>11,058</b>
Change in trade receivables	685	-1,472	2,584	67	-717
Change in current trade receivables	-1,479	205	-9,792	2,275	-239
Change in trade payables	1,302	1,092	-2,012	-109	3,357
Change in current liabilities	657	372	602	-373	4,852
<b>Cash flow from operating activities</b>	<b>7,475</b>	<b>1,119</b>	<b>2,922</b>	<b>971</b>	<b>18,311</b>
<b>Investing activities</b>					
Acquisitions of intangible non-current assets	-5,913	-1,521	-8,381	-4,145	-9 389
Acquisitions of property, plant and equipment	-126	-	-520	-	-
<b>Cash flow from investing activities</b>	<b>-6,039</b>	<b>-1,521</b>	<b>-8,901</b>	<b>-4,145</b>	<b>-9 389</b>
<b>Financing activities</b>					
New share issue during the year	-	-	-	-18	44,835
Repayment of warrants	-	-18	-	-	-142
Loans raised	-	-	-	-	1,198
<b>Cash flow from financing activities</b>	<b>-</b>	<b>-18</b>	<b>-</b>	<b>-18</b>	<b>45,891</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>1,436</b>	<b>-402</b>	<b>-5,979</b>	<b>-3,192</b>	<b>54,813</b>
Cash and cash equivalents at the beginning of the period	53,285	3,465	61,383	6,254	6,254
Exchange rate difference in cash and cash equivalents	-397	-	-1,080	-	316
<b>Cash and cash equivalents at the end of the period</b>	<b>54,324</b>	<b>3,062</b>	<b>54,324</b>	<b>3,062</b>	<b>61,383</b>

## PARENT COMPANY INCOME STATEMENT

SEK thousand	NOTE	APR 2025– JUN 2025	APR 2024– JUN 2024	JAN 2025– JUN 2025	JAN 2024– JUN 2024	FULL YEAR 2024
Net sales		-	-	-	-	-
Other operating income		-	-	-	-	-
<b>Total revenue</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operating expenses</b>						
Other external costs		-468	-62	-525	-66	-92
Other operating expenses		-	-	-	-	-
<b>Operating profit/loss</b>		<b>-468</b>	<b>-62</b>	<b>-525</b>	<b>-66</b>	<b>-92</b>
<b>Net financial items</b>						
Interest income and similar items	8	228	-	228	-	-
Interest expense and similar items	9	186	-	-0	-	-717
<b>Profit/loss after financial items</b>		<b>-54</b>	<b>-62</b>	<b>-297</b>	<b>-66</b>	<b>-809</b>
Group contribution		-	-	-	-	6,290
Tax on profit for the period	10	-	-	-	-	-
<b>Profit/loss for the period</b>		<b>-54</b>	<b>-62</b>	<b>-297</b>	<b>-66</b>	<b>5,481</b>

## PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEK thousand	NOTE	APR 2025– JUN 2025	APR 2024– JUN 2024	JAN 2025– JUN 2025	JAN 2024– JUN 2024	FULL YEAR 2024
Profit/loss for the period		-54	-62	-297	-66	5,481
<b>Profit/loss for the period</b>		<b>-54</b>	<b>-62</b>	<b>-297</b>	<b>-66</b>	<b>5,481</b>



## PARENT COMPANY BALANCE SHEET

SEK thousand	NOTE	36/06/2025	30/06/2024	31/12/2024
<b>ASSETS</b>				
<b>Financial non-current assets</b>				
Shares in Group companies	5	3,493	3,472	3,493
<b>Total non-current assets</b>		<b>3,493</b>	<b>3,472</b>	<b>3,493</b>
<b>Current assets</b>				
Receivables from Group companies		11,800	–	5,197
Other receivables		–	–	–
Interim receivables		158	11	45
<b>Total current assets</b>		<b>11,957</b>	<b>11</b>	<b>5,242</b>
<b>Cash and cash equivalents</b>		<b>38,026</b>	<b>3</b>	<b>46,890</b>
<b>TOTAL ASSETS</b>		<b>53,477</b>	<b>3,486</b>	<b>55,625</b>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>		<b>53,476</b>	<b>3,409</b>	<b>53,773</b>
<b>Current liabilities</b>				
Accounts payable		1	–	1,852
Liabilities to Group companies		–	31	–
Other liabilities		–	46	–
<b>Current liabilities</b>		<b>1</b>	<b>77</b>	<b>1,852</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>53,477</b>	<b>3,486</b>	<b>55,625</b>

## STATEMENT OF CHANGES IN EQUITY IN PARENT COMPANY

SEK thousand	Share capital	Other contributed capital	Retained earnings incl. profit for the year	Equity attributable to shareholders in Parent Company	Total Equity
<b>Opening Equity 01/04/2024</b>	<b>50</b>	<b>-</b>	<b>3,420</b>	<b>3,470</b>	<b>3,470</b>
Profit/loss for the period			-62	-62	-62
<b>Equity 30/06/2024</b>	<b>50</b>	<b>-</b>	<b>3,359</b>	<b>3,409</b>	<b>3,409</b>
<b>Opening Equity 01/01/2024</b>	<b>50</b>	<b>-</b>	<b>3,425</b>	<b>3,475</b>	<b>3,475</b>
Profit/loss for the period			-66	-66	-66
<b>Equity 30/06/2024</b>	<b>50</b>	<b>-</b>	<b>3,359</b>	<b>3,409</b>	<b>3,409</b>
<b>Opening Equity 01/01/2024</b>	<b>50</b>	<b>-</b>	<b>3,425</b>	<b>3,475</b>	<b>3,475</b>
New share issue / Warrants	125	50,173		50,298	50,298
Costs associated to issue of shares		-5,481		-5,481	-5,481
Increase in share capital	450		-450	-	-
Profit/loss for the period			5,481	5,481	5,481
<b>Equity 31/12/2024</b>	<b>625</b>	<b>44,692</b>	<b>8,456</b>	<b>53,773</b>	<b>53,773</b>
<b>Opening Equity 01/04/2025</b>	<b>625</b>	<b>44,692</b>	<b>8,213</b>	<b>53,530</b>	<b>53,530</b>
Profit/loss for the period			-54	-54	-54
<b>Equity 30/06/2025</b>	<b>625</b>	<b>44,692</b>	<b>8,159</b>	<b>53,476</b>	<b>53,476</b>
<b>Opening Equity 01/01/2025</b>	<b>625</b>	<b>44,692</b>	<b>8,456</b>	<b>53,773</b>	<b>53,773</b>
Profit/loss for the period			-297	-297	-297
<b>Equity 30/06/2025</b>	<b>625</b>	<b>44,692</b>	<b>8,159</b>	<b>53,476</b>	<b>53,476</b>

## PARENT COMPANY STATEMENT OF CASH FLOWS

SEK thousand	APR 2025– JUN 2025	APR 2024– JUN 2024	JAN 2025– JUN 2025	JAN 2024– JUN 2024	FULL YEAR 2024
<b>Operating activities</b>					
Operating profit/loss	-468	-62	-525	-66	-92
Adjustments for non-cash items	-	-	-	-	-
Interest received	228		228		
Interest paid	186	-	-0	-	-717
<b>Cash flow from operating activities before changes in working capital</b>	<b>-54</b>	<b>-62</b>	<b>-297</b>	<b>-66</b>	<b>-809</b>
Change in current trade receivables	-4,266	5	-6 715	-11	-5,242
Change in trade payables	-	-	-1 852	-	1,852
Change in current liabilities	-	-	-	-	-46
<b>Cash flow from operating activities</b>	<b>-4,320</b>	<b>-57</b>	<b>-8 864</b>	<b>-77</b>	<b>-4,245</b>
<b>Investing activities</b>					
Acquisitions of Group companies	-	-	-	-	-22
<b>Cash flow from investing activities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-22</b>
<b>Financing activities</b>					
New share issue	-	-	-	-	44,817
Group contribution	-	-	-	-	6,29
Loans raised by Group companies	-	10	-	10	1,072
Repayment of loans to Group companies	-	-	-	-	-1,093
<b>Cash flow from financing activities</b>	<b>-</b>	<b>10</b>	<b>-</b>	<b>10</b>	<b>-</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>-4,320</b>	<b>-47</b>	<b>-8 864</b>	<b>-67</b>	<b>46,819</b>
Cash and cash equivalents at the beginning of the period	42,346	50	46 890	71	71
<b>Cash and cash equivalents at the end of the period</b>	<b>38,026</b>	<b>3</b>	<b>38 026</b>	<b>3</b>	<b>46,890</b>

## NOTES TO THE FINANCIAL STATEMENTS

### Note 1 Accounting policies

This condensed interim report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's general recommendation BFNAR 2012:1 Annual Report and Consolidated Accounts (K3).

### PREPARATION OF THE COMPANY'S FINANCIAL STATEMENTS

The Company's functional currency is the Swedish krona, which is also the Company's reporting currency. The financial statements are thus presented in Swedish kronor. Unless otherwise stated, all amounts are rounded off to the nearest thousand.

The financial statements are prepared in accordance with BFNAR 2012:1 (K3), which requires management to make assessments, estimates and assumptions that affect the application of accounting policies and the amounts reported regarding assets, liabilities, revenue and expenses. Actual outcomes may differ from these estimates and assessments.

The estimates and assumptions are reviewed regularly. Changes in accounting estimates are recognized in the period in which the change is made if the change affects only that period, or in the period in which the change is made and in future periods if the change affects both the current period and future periods.

### CONSOLIDATED ACCOUNTS

#### *Method of consolidation*

The consolidated accounts are prepared using the purchase method of accounting. Under the acquisition method, the acquisition of a subsidiary by an entity is regarded as a transaction whereby the Parent Company indirectly acquires the assets and assumes the liabilities of the subsidiary. The costs of acquisition are expensed as incurred.

The consolidated accounts include the companies in which the Parent Company directly or indirectly holds more than half of the votes for all shares, or otherwise has a controlling influence as defined in section 1:4 of the Swedish Annual Accounts Act. The results of subsidiaries are included in the consolidated results from the date of acquisition until the date of disposal.

#### *Goodwill*

Goodwill consists of the amount by which the cost of an acquisition exceeds the fair value of the Group's share of the net identifiable assets of the acquired entity at the date of acquisition. Goodwill is amortized on a straight-line basis over the estimated useful life. Goodwill is amortized over 10 years, in view of the fact that the acquisitions made by the Parent Company are regarded as long-term holdings and will contribute value over a long period of time within the Group.

#### *Intra-Group transactions*

Intra-Group receivables and liabilities, intra-Group transactions and unrealized gains are eliminated in full. Unrealized losses are also eliminated unless the transaction represents an impairment loss.

Any change in internal gains over the financial year has been eliminated in the consolidated income statement.

#### *Revenue recognition*

Sales of goods or services are recognized when material risks and rewards are transferred from the seller to the buyer in accordance with the terms of the sale. Sales are recorded net of VAT and discounts.

#### *Interest income and dividends*

Compensation in the form of interest or dividends is recognized as revenue when it is probable that the entity will receive the economic benefits associated with the transaction and when the amount of income can be measured reliably. Dividends are recognized when the competent body has resolved that the dividend should be paid. Interest income is recognized over the period to maturity using the effective interest method.

### **FINANCIAL INSTRUMENTS**

Financial non-current assets are measured at cost less and impairment and financial current assets at the lower-of-cost-principle. The cost of interest-bearing instruments is adjusted for the accrued difference between what was originally paid, net of transaction costs, and the amount paid at maturity (premium or discount).

A financial asset is derecognized from the statement of financial position when the rights in the contract are realized, expire or the Company loses control over them. The same applies to part of a financial asset. A financial liability is derecognized from the statement of financial position when the contractual obligation is discharged or otherwise extinguished. The same applies to part of a financial liability.

### **CLASSIFICATION**

Non-current assets and non-current liabilities consist essentially of amounts expected to be recovered or paid after more than 12 months from the balance sheet date. Current assets and current liabilities consist essentially of amounts expected to be recovered or paid within 12 months of the balance sheet date.

#### *Shares and participations in subsidiaries*

Shares and participations in subsidiaries are recognized at cost, less any write-downs. The cost includes the purchase consideration paid for the shares and acquisition costs. Any capital contributions are added to the cost as they are made. Dividends from subsidiaries are recognized as revenue.

In the case of investments in subsidiaries, the value of the asset is assessed annually on the basis of the forecast earnings of the subsidiaries.

#### *Intangible non-current assets*

Other intangible assets acquired by the Company are recognized at cost less accumulated amortization and impairment losses. Expenditure on internally generated goodwill and trademarks is recognized in the income statement as an expense as incurred.

Amortization is calculated using the straight-line method over the estimated useful life of the asset and begins when the asset becomes available for use. The amortization items are recognized as an expense in the income statement.

<i>Intangible non-current assets</i>	<i>Year</i>
Capitalized expenditure on development and similar work	5

#### *Property, plant and equipment*

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. In addition to the purchase price, the cost includes expenditure directly attributable to the acquisition.

Depreciation is applied on a straight-line basis over the estimated useful life of the asset as it reflects the expected consumption of the asset's future economic benefits. The depreciation amount is recognized as an expense in the income statement.

<i>Property, plant and equipment</i>	<i>Year</i>
Expenditure on leasehold property	3
Machinery, computers and other technical equipment	3
Equipment, tools and installations	5

#### *Tax*

Tax on profit for the year in the income statement consists of current tax and deferred tax. Current tax is income tax for the current financial year relating to the taxable profit for the year and the part of the previous financial year's income tax that has not yet been recognized. Deferred tax is income tax on taxable profits of future financial years arising from past transactions or events. Deferred tax liabilities are recognized for all taxable temporary differences, except for temporary differences arising from the initial recognition of goodwill. Deferred tax assets are recognized for deductible temporary differences and for the possibility of future utilization of tax loss carryforwards. The calculation is based on how the carrying amount of the corresponding asset or liability is expected to be recovered or settled. The amounts are based on the tax rates and tax rules enacted before the balance sheet date and have not been discounted.

## **CASH AND CASH EQUIVALENTS**

Cash and cash equivalents consist of available balances at banks and balances at securities depositories.

## **SHARE CAPITAL**

Ordinary shares are classified as equity. Transaction costs directly attributable to the issue of new shares or options are recognized, net of tax, in equity as a deduction from the issue proceeds.

## **CONTINGENT LIABILITIES**

A contingent liability is recognized when there is a possible obligation that arises from past events and whose existence will be confirmed only by one or more uncertain future events or multiple uncertain future events, or when there is an obligation that is not recognized as a liability or provision because it is not probable that an outflow of resources will be required.



## **EARNINGS PER SHARE**

Profit for the year in SEK in relation to the average number of shares in issue on the balance sheet date.

## **STATEMENT OF CASH FLOWS**

The statement of cash flows is prepared using the indirect method. The recognized cash flow includes only transactions resulting in cash receipts or payments.

In addition to cash and cash equivalents, the Company classifies as cash and cash equivalents balances with banks and other credit institutions and short-term liquid investments that are quoted in an active market and have a maturity of less than three months from the date of acquisition. Changes in restricted funds are reported in investing activities.

## **DEFINITIONS OF KEY PERFORMANCE INDICATORS**

### **Net sales**

The principal items of operating income, invoiced expense, ancillary revenue and revenue adjustments of the business.

### **EBITDA\***

The Company's operating profit before interest, tax, impairment losses, depreciation and amortization.

### **EBITDA margin, (%)\***

Operating profit before depreciation, amortization and impairment losses, as a percentage of net sales.

### **Operating profit (EBIT)\***

Profit before financial income and expenses, and before extraordinary income and expenses.

### **EBIT margin (%)\***

Operating profit as a percentage of net sales.

### **Sales growth (%)\***

Percentage increase in sales for the period compared to the reference period.

### **Equity ratio (%)\***

Equity as a percentage of total assets.

### **Net cash\***

Cash, cash equivalents and short-term investments less interest-bearing liabilities.

### **Earnings per share, SEK**

Profit for the year in SEK in relation to the average number of shares in issue on the balance sheet date.

### **Number of shares**

The number of shares in the Company

\*Alternative key performance indicators not defined according to BFNAR 2012:1 Annual Report and Consolidated Financial Statements (K3), which are thus not necessarily comparable with key performance indicators with similar names used by other companies.

## Note 2 Intangible non-current assets

GROUP	30/06/2025	30/06/2024	31/12/2024
<b>Capitalized development expenditure</b>			
<i>Accumulated cost</i>			
At beginning of period	17,239	7,851	7,851
In-house developed assets	8,382	4,144	9,388
<b>At end of period</b>	<b>25,621</b>	<b>11,995</b>	<b>17,239</b>
<i>Accumulated amortization</i>			
At beginning of period	-	-	-
Amortization for the year	-	-	-
<b>At end of period</b>	<b>-</b>	<b>-</b>	<b>-</b>
	<b>25,621</b>	<b>11,995</b>	<b>17,239</b>

## Note 3 Property, plant and equipment

GROUP	30/06/2025	30/06/2024	31/12/2024
<b>Expenditure on improvements to leasehold property</b>			
<i>Accumulated cost</i>			
At beginning of period	418	418	418
Purchases for the year	-	-	-
<b>At end of period</b>	<b>418</b>	<b>418</b>	<b>418</b>
<i>Accumulated depreciation</i>			
At beginning of period	-406	-267	-267
Depreciation for the year	-12	-70	-139
<b>At end of period</b>	<b>-418</b>	<b>-337</b>	<b>-406</b>
<b>Equipment, tools and installations</b>			
<i>Accumulated cost</i>			
At beginning of period	2,962	2,962	2,962
Purchases for the year	519	-	-
<b>At end of period</b>	<b>3,481</b>	<b>2,962</b>	<b>2,962</b>
<i>Accumulated depreciation</i>			
At beginning of period	-1,358	-681	-681
Depreciation for the year	-343	-338	-677
<b>At end of period</b>	<b>-1,701</b>	<b>-1,019</b>	<b>-1,358</b>
	<b>1,780</b>	<b>2,024</b>	<b>1,616</b>

## Note 4 Financial non-current assets

GROUP	30/06/2025	30/06/2024	31/12/2024
<b>Other long-term receivables</b>			
<i>Accumulated cost:</i>			
At beginning of period	2,000	2,000	2,000
Additional receivables	–	–	–
Claims settled	–	–	–
<b>At end of period</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>

## Note 5 Participations in Group companies

PARENT COMPANY	Share of equity	Share of votes	Number of participations	Book value 30/06/2025	Book value 30/06/2024	Book value 31/12/2024
Envar Entertainment AB	100%	100%	500	3,446	3,446	3,446
Envar Games AB – Class A	100%	100%	5,000	25	25	25
Envar Games AB – Class B	100%	100%	45,217	22	–	22
				<b>3,493</b>	<b>3,472</b>	<b>3,493</b>

## Note 6 Deferred tax liability

GROUP	30/06/2025	30/06/2024	31/12/2024
<i>Deferred tax liability on untaxed reserves</i>			
At beginning of period	1,698	1,698	1,698
Change for the year	–108	–	–
<b>At end of period</b>	<b>1,590</b>	<b>1,698</b>	<b>1,698</b>

## Note 7 Other long-term liabilities

GROUP	30/06/2025	30/06/2024	31/12/2024
Rent deposits	1,198	1,198	1,198
	<b>1,198</b>	<b>1,198</b>	<b>1,198</b>

## Note 8 Interest income and similar items

GROUP	APR 2025– JUN 2025	APR 2024– JUN 2024	JAN 2025– JUN 2025	JAN 2024– JUN 2024	FULL YEAR 2024
Foreign exchange gains, unrealized	–	–	–	–	–
Other interest income	228	–26	229	36	35
	<b>228</b>	<b>–26</b>	<b>229</b>	<b>36</b>	<b>35</b>

PARENT COMPANY	APR 2025– JUN 2025	APR 2024– JUN 2024	JAN 2025– JUN 2025	JAN 2024– JUN 2024	FULL YEAR 2024
Other interest income	228	–	228	–	–
	<b>228</b>	<b>–</b>	<b>228</b>	<b>–</b>	<b>–</b>

## Note 9 Interest expense and similar items

GROUP	APR 2025– JUN 2025	APR 2024– JUN 2024	JAN 2025– JUN 2025	JAN 2024– JUN 2024	FULL YEAR 2024
Exchange rate losses	–396	–104	–1 079	–103	–832
Other interest costs	–1	–2	–12	–19	–28
Other financial costs*	186	–	–	–	–717
	<b>–211</b>	<b>–106</b>	<b>–1 091</b>	<b>–122</b>	<b>–745</b>

PARENT COMPANY	APR 2025– JUN 2025	APR 2024– JUN 2024	JAN 2025– JUN 2025	JAN 2024– JUN 2024	HELÅR 2024
Other financial costs*	186	–	–0	–	–717
	<b>186</b>	<b>–</b>	<b>–0</b>	<b>–</b>	<b>–717</b>

\* During the period, the financial costs of the first quarter have been reclassified as operating expenses.

## Note 10 Tax on profit for the year

GROUP	PERCENT	APR 2025– JUN 2025	APR 2024– JUN 2024	JAN 2025– JUN 2025	JAN 2024– JUN 2024	FULL YEAR 2024
Current tax	20.60%	-1,267	-	-	-	-1,594
<b>Reconciliation of effective tax</b>						
Profit before tax		6 063	978	10 066	-2,737	12,630
Tax at the rate applicable to the Parent Company	20.60%	-1 249	-	-2 073	-	-2 602
Non-deductible expenses		-18	-	-26	-	-92
Non-taxable income		0	-	0	-	13
Non-deductible expenses not entered in the accounts		-	-	10 066	-	1,129
Standard interest rate on tax allocation reserve		-	-	-	-	-42
Utilization of non-capitalized loss carryforwards		-	-	-	-	-
			-	-	-	-1,594

## Note 11 Transactions with related parties

None of the shareholders, directors, senior executives, auditors or related parties in the Envar Group has had any direct or indirect involvement in any business transactions with the companies that are or were unusual in nature or as regards terms. Nor has the Company granted any loans, guarantees or sureties to or for the benefit of any of the shareholders, directors, senior executives, auditors or related parties of the companies. Agreements on services with related parties are entered into on an arm's length basis. There were no transactions between Envar and related parties that materially affected the Group's financial position and performance during the reporting periods.

## OTHER INFORMATION

### REVIEW

This interim report has not been reviewed by the Company's auditor.

### COMMUNICATION LANGUAGE

The board has decided that the communication language for the company shall be Swedish and English, with the Swedish version taking precedence.

### THE COMPANY'S OPERATIONS AND RISK FACTORS

The Board of Directors and the CEO certify that the interim report gives a true and fair view of the Company's and the Group's operations, financial position and performance, and describes the material risks and uncertainties faced by the Company and the companies included in the Group.

### CERTIFIED ADVISER

Amudova AB is the Company's Certified Adviser and may be contacted at [info@amudova.se](mailto:info@amudova.se) or +46 8 545 017 58.

### UPCOMING REPORT DATES

Interim report January–September 2025	November 11, 2025
Year-end report January–December 2025	February 16, 2026
Interim report January–March 2026	May 11, 2026

Stockholm August 26, 2025

**Atey Ghailan**  
CEO

**Emil Daugaard**  
Chair of the Board of Directors

**Ewelina Pettersson**  
Member of the Board of Directors

**Amanda Bergerståhl**  
Member of the Board of Directors

### FOR FURTHER INFORMATION, PLEASE CONTACT

**Atey Ghailan, CEO**  
[info@envarstudio.com](mailto:info@envarstudio.com)

**Envar Holding AB**  
Org. reg. no. 559407-6563  
Götgatan 78  
SE-118 20 STOCKHOLM, SWEDEN

*This information is information that ENVAR HOLDING AB 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 above, at 2025-08-26 08:00 CEST.*