

## Daybreak to publish an exciting new multiplayer action shooter from Cold Iron Studios

**INSIDE INFORMATION:** Enad Global 7 AB (publ) ("EG7" or the "Company") today announces that its subsidiary, Daybreak Game Company LLC ("Daybreak"), has entered into an agreement with Cold Iron Studios LLC ("Cold Iron") whereby Daybreak will publish Cold Iron's exciting new multiplayer action shooter based on a major global IP license across PC and consoles for release in 2025 (the "New Game"). Over 2023 and 2024, Daybreak will be advancing approximately USD 23 million to fund the development of the New Game. Cold Iron is hiring Toadman Interactive (Toadman) as its co-development partner for the New Game with a contract value of approximately USD 8 million. EG7's net investment is expected to be approximately USD 15 million.

The transaction is uniquely and attractively structured as a tri-party arrangement amongst Daybreak, Cold Iron and Toadman, EG7's wholly owned co-development studio, and can be summarized as follows:

- **Daybreak-Cold Iron Publishing Agreement**
  - Daybreak is acquiring the exclusive worldwide publishing rights to the New Game from Cold Iron.
  - Over 2023 and 2024, Daybreak will be advancing approximately USD 23 million to fund the development of the New Game.
- **Cold Iron-Toadman Co-development Agreement**
  - Cold Iron is hiring Toadman as its co-development partner for the New Game.
  - The estimated contract value for Toadman is approximately USD 8 million.
- **Unique and compelling transaction structure**
  - EG7's net investment is expected to be approximately USD 15 million, taking into account the co-development contract value for Toadman.
  - Appealing commercial potential with a favorable risk-reward balance in-line with previously communicated acceptable risk levels.
  - Secures a sizable and highly profitable co-development contract for Toadman, which not only provides meaningful profitability, but also helps to build a solid foundation and the necessary track record for Toadman's future.

Founded in 2015, Cold Iron is the independent studio behind *Aliens: Fireteam Elite* (AFE). Released in August 2021, AFE has been a huge success with over 2 million units shipped to date and over 5 million players across PC, PlayStation®, Xbox™, and Game Pass. As a follow up to AFE, Cold Iron is currently developing a multiplayer action shooter based on a major global IP license (New Game) targeted for release in 2025 across PC and consoles.

This marks Daybreak's first new product publishing since *H1Z1*, which was released in 2015 and went on to gross over USD 200 million of revenues over the following three years. The transaction also represents Daybreak's strategic return to the mid-market (A-AA), product publishing business as a core part of EG7's broader long-term strategy.

Concerning the transaction, EG7 board member Marie-Louise Gefwert remarked that *“we are excited to partner with Cold Iron on this new project. Cold Iron is comprised of a highly talented team that has a proven track record, having delivered great success with AFE. The ‘tried and true’ approach of leveraging proven gameplay and the team’s expertise as the foundation and continuing to build upon that is smart and highly compelling. We are looking forward to a great partnership with Cold Iron to bring another successful product to market.”*

*“Our team is fired up like never before. Working with Daybreak and Toadman provides even more wind in our sails,”* said Elena Siegman, Cold Iron Studio Head. *“All of us are incredibly excited to achieve new heights with a broader creative vision, while using the solid foundations of the studio’s previous achievements as a springboard.”*

Formerly a wholly owned subsidiary of Daybreak, Cold Iron was carved out at the time of EG7’s acquisition of Daybreak due to the parties not being able to agree on the terms for its inclusion. The ownership of Cold Iron was retained by the Daybreak sellers with Jason Epstein, the Chairman of the Board, and Ji Ham, the acting CEO of EG7, still maintaining ownership. As part of Daybreak’s transaction agreement, EG7 had been granted an option agreement to acquire Cold Iron. However, this option has since lapsed without being exercised. While a transaction to bring Cold Iron back into Daybreak was desired, EG7 was not able to pursue such opportunities during the option exercise period. However, this publishing transaction allows Daybreak to secure the rights for Cold Iron’s New Game and a significant part of the economics for the title.

Given the related party aspect of this transaction, it has been managed and resolved exclusively by the independent board members of EG7 and neither Ji Ham nor Jason Epstein has been involved. As the publishing agreement is not with EG7 or any of its Swedish subsidiaries, and the WFH (Work for Hire) contract is in the ordinary course of business for Toadman, a shareholder’s meeting is not required to proceed with the transaction. In evaluating the transaction, the Board of Directors established a Contract Oversight Committee of independent board members which was advised by a number of independent third-party experts and advisors, who at arm’s-length have evaluated the project’s commercial viability and the arm’s-length nature of the publishing and co-development agreements.

**FOR MORE INFORMATION, PLEASE CONTACT:**

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### **About EG7**

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

Nasdaq First North Growth Market Ticker Symbol: EG7

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*This information is information that Enad Global 7 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 2023-09-15 07:00 CEST.*

### **Attachments**

[Daybreak to publish an exciting new multiplayer action shooter from Cold Iron Studios](#)