

Enad Global 7 initiates a wind down of the operations in Toadman

As part of Enad Global 7's (EG7) efforts to deliver on the groups long term strategy, the Board of Directors has initiated the process to wind down the operations in Toadman. This decision does not come lightly and follows several initiatives to turn the subsidiary profitable, including the cost-saving measures executed last year. Ongoing Work-for-Hire (WFH) contracts with Daybreak and Cold Iron will be protected in this process, this means that a complete closure of activities will be optimized to fulfill the contract's deliverables. This will have an immediate effect on all employees not engaged in these contracts.

The wind down decision stems directly from the continued industry challenges and the studio's inability to secure new Work-for-Hire (WFH) contracts at a necessary pace. The wind down of Toadman is expected to result in a non-recurring restructuring reserve of approximately SEK 16.5 million. The effect of this decision will be fully seen in the second half of 2025, where an annual operating cost reduction of approximately SEK 46.5 million will be recognized. This decision will affect 69 employees and subcontractors of which approximately 42 will stay engaged in the protected projects mentioned above over a transition period to fulfil the contract's deliverables. This is also expected to have a positive effect on both pre-tax profits and operating cash flows meanwhile having a limited impact on the Group's balance sheet.

Management and the Board of EG7 remains optimistic and committed to continue to build a stronger, more sustainable business and appreciates the contributions of Toadman's employees during their time with the Group.

FOR MORE INFORMATION, PLEASE CONTACT:

Fredrik Rüdén, Group Deputy CEO and CFO

Phone: +46 733 117 262

fredrik.ruden@enadglobal7.com

Ludvig Andersson, Head of Investor Relations & Sustainability

Phone: +46 730 587 608

ludvig.andersson@enadglobal7.com

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.

Enad Global 7 is listed on Nasdaq Stockholm with Ticker Symbol: EG7

Attachments

[Enad Global 7 initiates a wind down of the operations in Toadman](#)