



ENVAR NEWSLETTER FROM THE CEO

Dear Shareholders,

Since my last CEO letter in April, it has been an eventful period for Envar, during which we have taken several important steps in our continued development. Among other achievements, we have launched our first internally developed game, Witchspire, established a new business area within game publishing, and demonstrated strong financial performance. Together, these represent important milestones for the Group and reflect the long-term efforts we have made to broaden our operations.

On June 10, Envar Games launched Witchspire in Early Access on Steam, marking a significant milestone for us as a game developer. Just one week after launch, we were able to announce that the game had surpassed 100,000 copies sold. This is a very encouraging start for our first internally developed title and an important testament to the team's hard work and the expertise we have built within Envar Games.

The launch also marks the beginning of the next phase of the game's development, as we continue working towards the full 1.0 release of Witchspire. During this period, we will further develop the gameplay experience through regular updates, new content and improvements, with the aim of creating an even more complete and engaging experience ahead of the full release.

We have also taken the next step in our ambition to broaden our operations through the establishment of Envar Publishing. This new business area focuses on collaborating with external game developers and helping more game titles reach the market. It is therefore particularly encouraging that, within just the first few months, we have already been able to announce our first two agreements within Envar Publishing. These partnerships mark an important start for the business area and demonstrate the opportunities we see within game publishing. By combining our experience in game development with the expertise and relationships we have built throughout the gaming industry, we are creating additional opportunities to expand our operations and develop new business.

Our financial performance has also been strong. In July, we issued a reverse profit warning following a significant improvement in operating profit during the second quarter. It is encouraging to see that our business continues to perform strongly and that the work we have undertaken to build a stable organization provides us with a solid foundation for the Group's continued development.



Looking Ahead

We are now entering an exciting period in which several of our initiatives are continuing to take shape.

One of my long-term ambitions is for Envar to establish a consistent release schedule of four high-quality game titles per year, through a combination of our internal game development within Envar Games and our external partnerships within Envar Publishing. I believe that a broader game portfolio with regular releases will be an important part of our continued development.

Over the next two years, we plan to launch five new game titles, one in 2027 and four in 2028. In addition, we are targeting the full 1.0 release of Witchspire during 2027.

At the same time, we continue to develop our established outsourcing and consulting business, where we continue to see favorable conditions for growth.

With a growing game portfolio, more planned releases and a strong foundation in our existing operations, I believe Envar is entering a new and significant phase in the company's development. The coming years have the potential to be among the most exciting in our history.

Within Envar Games, our primary focus remains on the continued development of Witchspire, with the ambition of reaching the full 1.0 release during 2027. We currently have two development teams:

Envar Red, whose primary focus is the continued development of Witchspire, but which has also begun working in parallel on a new title, targeting a release in 2028.

Envar Blue, which was established this year, continues its work on developing smaller game titles that complement larger productions. The team is currently working on its first game, codenamed Osiris, with a planned release in the fourth quarter of 2027. This initiative is an important part of our ambition to broaden our game portfolio with more titles and more frequent releases, while leveraging the expertise available across the Group.

For Envar Publishing, our focus going forward is on further developing our partnerships with external game developers and preparing for upcoming releases. Our first two game projects, codenamed Poseidon and Hera, are planned for release in 2028. With these agreements in place, we have laid the foundation for a new business area that, over time, can contribute to a broader game portfolio and additional revenue opportunities for the Group. We are also actively seeking to sign additional titles.



Within our existing operations, we continue to develop our services and strengthen our relationships with customers. We see continued opportunities within interactive services and other related areas where our expertise can create additional value.

To support our continued development, we are also planning to bring our operations together in new premises during the fourth quarter. As before, we continue to invest in our IT infrastructure and security, which is an important part of building a stable and sustainable organization for the long term.

An important part of our long-term strategy is to continue developing our different business areas in parallel. With a well-established outsourcing and consulting business as our foundation, alongside growing investments in internal game development and game publishing, we are creating favorable conditions for Envar's continued development. Our ambition is to build a strong and sustainable gaming group with several complementary business areas.

We have taken several significant steps since my last letter, and I would like to extend my sincere thanks to all our employees for their dedication and hard work. I would also like to thank you, our shareholders, for your continued confidence and for being part of this journey with us.

Best regards

Atey Ghailan

Certified Adviser

Envar has appointed Amudova as the Company's Certified Adviser on Nasdaq First North Growth Market.

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About Envar Holding

Envar is an outsourcing, development, and publishing studio focusing on game graphic design, 3D graphics, animations, and illustrations, primarily for world-leading game development companies and other businesses within the entertainment industry. The company has established itself as a provider of high quality graphics and development services to some of the largest players in the gaming industry, including companies such as

Riot Games, Netflix, EA Games, Nickelodeon, NetEase, Blizzard, 2K, Hasbro, Sony, Tencent and EPIC Games.



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