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Annual Report

January – December 2023

This is a translation of the Swedish original annual report.

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2023 IN BRIEF

2023 marked another record year for EG7 with a Net Revenue of SEK 2,045.0 million and Adjusted EBITDA of SEK 474.5 million. The growth for the year was 9.6 percent, and in local currencies the organic growth amounted to 5.5 percent.

The year started strongly

2023 started strongly with the first quarter result being the best quarterly performance since EG7s founding. The record start of 2023 is resulting from the strong performance of Big Blue Bubble. Where the then 10-year-old game, My Singing Monsters (MSM) reached the top 10 spot in over 100 countries in its category on App Store, and the number one spot in more than 15 countries in December 2022. The viral uptick continued into 2023, together with a revenue recognition effect from in-game purchases in 4Q 2022, boosted the result in 1Q 2023. Throughout the year, the games revenue gradually converged towards a new, elevated baseline, surpassing the pre-peak level.

Based on the robust performance and strong cash generation by the groups live-game portfolio, notably including MSM, EG7's Board of Directors authorized the full repayment of the remaining utilized Revolving Credit Facility of SEK 100 million in Q1, effectively making the group debt-free at holding level. Supported by continued strong cash generation through the year, the group ended the year with a cash position of SEK 480.9 million.

AntiMatter Games closed down

After exploring various strategic options for the non-profitable gaming studio AntiMatter Games (AMG). EG7 decided to close down the UK based gaming studio. The closure will result in an annual cost reduction of approximately SEK 50 million.

New earnings targets and growth initiatives

The company hosted a capital markets day (CMD) on September 20th. Where a new long-term strategic plan together with new financial targets of SEK 3 billion in Net Revenue with Adjusted EBITDA of SEK 1 billion by 2026 was presented. This will be achieved by elevating our stable and cash generative business by adding new growth vectors with agreeable risk levels.

We limit the risk and increase the predictable outcome in our investments by targeting opportunities with a minimum expected IRR of 25 percent, a payback period within 12 months from game release and 42 months from initial funding. The target investment range between SEK 100-300 million per title. The game development will if feasible be based on reusing as much of the old game structure and content as possible. The potential game targets will primarily be based on proven and well-known franchises with an existing passionate and core audience. Sequels with similar features and functionalities where EG7 holds necessary competences and capabilities will be prioritized. The investment plan is prepared and updated annually with approval by the board.

Note: *Innova was divested on September 23, 2022, and is reported as discontinued operations in the income statement for 2022.*

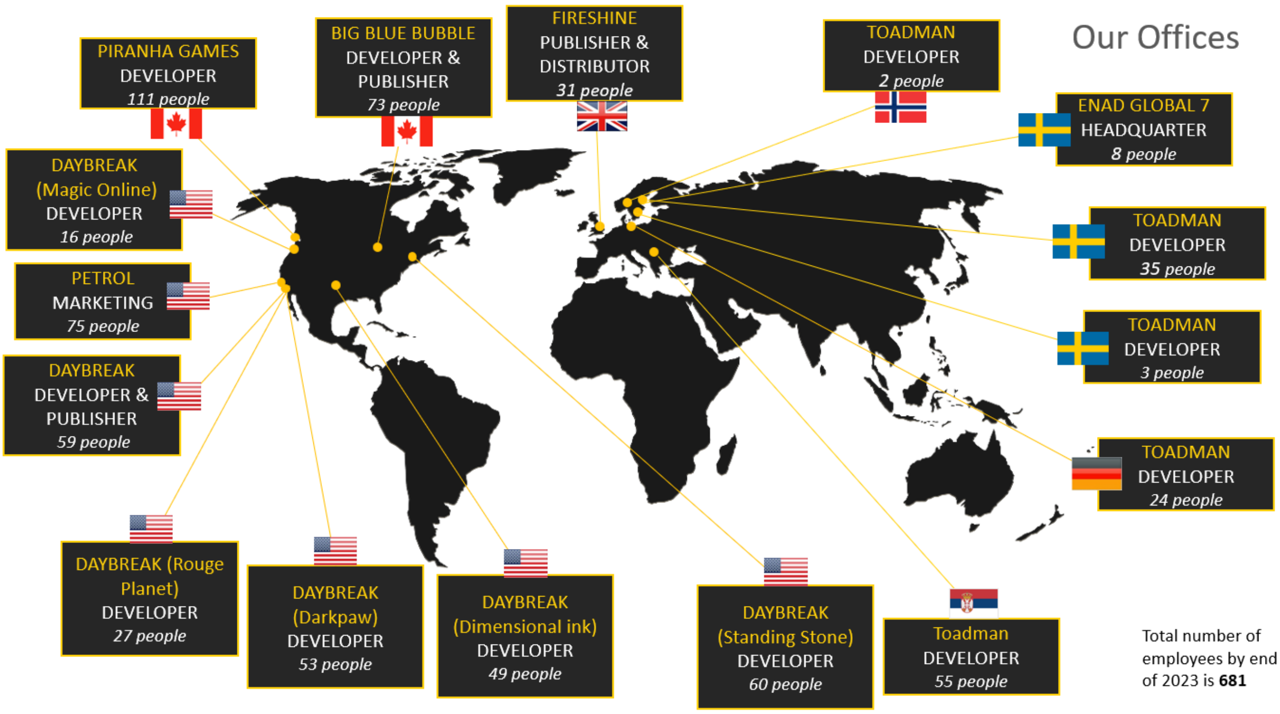
EG7 IN SHORT

EG7 is active in the gaming industry, specializing in developing, and publishing games for PC, console, and mobile on the global gaming market. Distinguished by its proven franchise-driven strategy, the company boasts a portfolio featuring internationally acclaimed first- and third-party game titles. Its overarching vision is to solidify its position as a top-tier player in the middle market segment of the video game industry.

The group is operated decentralised, where the parent company is engaged in acquiring and administrating companies in the gaming sector, including but not limited to group strategy, financing, resource allocation and group management. The parent company serves as an active owner and works closely with business units in a supportive and strategic role. EG7 secures the group's financial structure with external financing and makes strategic decisions about allocation of liquid funds to different internal and external development projects. Despite being a decentralised organization, business units can leverage the Group's affiliation, depth of experience, industry expertise and capital allocation for strengthened long-term growth.

The group presently manages a portfolio of 10 live games, encompassing both renowned first-party intellectual properties (IPs) and globally recognized third-party IPs. Leveraging the expertise of its game development studios, Piranha and Toadman, the group possesses established co-development capabilities. New growth initiatives targeting midmarket publishing of established franchise titles are expected to drive growth over the coming years.

The Groups marketing business, Petrol has played a pivotal role in the release of over 2,000 titles, including numerous globally renowned brands like Call of Duty, Doom, Diablo, and Elden Ring. Meanwhile, Fireshine specializes in both physical and digital publishing with a strong track record of successful releases in its portfolio.



OUR SEGMENTS

Headquarter	London, Canada
Employees	73
CEO	Claudette Critchley
Founded in	2004
Net Revenue 2023	572 MSEK

Big Blue Bubble is a pioneering developer and publisher of mobile and PC games, celebrating its 20th year with over 150 titles developed, home to the global sensation My Singing Monsters. Big Blue Bubble's games have been enjoyed by hundreds of millions of players worldwide. With a team of talented developers and artists who are passionate about creating fun and engaging games enjoyed by players of all ages.

Notable titles include:

My Singing Monsters is a free-to-play game franchise by Big Blue Bubble where players collect and breed Monsters that sing and contribute to a growing library of songs. As players collect and buy Monsters, decorations, and costumes, they unlock new islands, each with their own Monster collections and unique songs to discover. Celebrating over 10 years, My Singing Monsters is a global viral success. Bolstered by continuing growth and popularity across social media, My Singing Monsters remains a chart topper across iOS and Google Play games categories, with its updates and releases consistently featured across all major platforms.

My Singing Monsters Thumpies is a premium mobile title, released in early 2024 from Big Blue Bubble. This off-beat rhythm game is a full remake of the original Thumpies title developed by Big Blue Bubble in 2010. A highly anticipated fan-favorite of the My Singing Monsters community, Thumpies serves as a precursor to the core My Singing Monsters experience, filled with references both visual and musical. Released to much acclaim among the community, MSM Thumpies supports the ongoing growth of the My Singing Monsters franchise.

Developed by Big Blue Bubble and published by Fireshine Games, Little Friends Puppy Island sees players start an unforgettable island adventure, building and expanding a puppy-filled holiday resort. Players befriend, take care of, dress up and play with a variety of puppies, while discovering a beautifully designed and interactive island setting. Launched to critical acclaim in the summer of 2023, Little Friends Puppy Island secured retail carriage for the Nintendo Switch release across a number of major chains, as well as a PC release on Steam.

DAYBREAK™
GAME COMPANY

Headquarter	San Diego, USA
Employees	264
CEO	Ji Ham
Founded in	1997
Net Revenue 2023	753 MSEK

Daybreak Games is a global publisher and developer of massively multiplayer online (MMO) games. Best known for its renowned EverQuest and H1Z1 franchises, Daybreak also develops and publishes games based on popular third-party IPs such as DC Universe Online, Dungeons and Dragons Online, The Lord of the Rings Online and Magic: The Gathering Online. Daybreak has a proven track record of delivering some of the best and most immersive multiplayer online gaming experiences in the world.

Notable titles include:

EverQuest is a high-fantasy, free-to-play game that pioneered the massively multiplayer online role-playing game (MMORPG) genre when it launched in 1999. As the first commercially successful MMORPG to use a 3D game engine, EverQuest is widely regarded in the gaming industry as an icon and considered one of the best video games of all time. EverQuest II was released in 2004, delivering one of the deepest, most enchanting and persistent online worlds available.

DC Universe Online is a free-to-play massively multiplayer online (MMO) game set in the iconic DC Universe. Featuring action combat gameplay, players can create their own original characters and interact with famous heroes and villains from DC Comics.

PlanetSide 2 is a free-to-play, massively multiplayer online first-person shooter (MMOFPS) game. The game features intense battles with up to 2,000 players on a single map and includes a variety of infantry classes and vehicles for players to use. Hundreds of soldiers battle as one in strategic, targeted missions against enemy empires in a one-of-a-kind, revolutionary gameplay experience.

The Lord of the Rings Online is a free-to-play, massively multiplayer role-playing game (MMORPG) that immerses the world's greatest fellowship of players in the faithful online recreation of J.R.R. Tolkien's legendary Middle earth, set in renowned The Lord of the Rings locations including the Shire, the Mines of Moria, Lothlorien, Rohan, Gondor, and more. Players can create their own hero from thousands of character customizations, dive into instant adventure, partake in exciting, scalable battles, design and customize legendary weapons and more.

Magic: The Gathering Online is a free-to-download, digital adaptation of the popular collectible physical card game, Magic: The Gathering, originally launched in 1993. It uses a virtual economy to maintain the collectability of the physical cards and allows players to join or create casual games for free in the Constructed Open Play area. The game was developed by Wizards of the Coast in 2002 and later transferred to Daybreak Games in 2022.

Dungeons & Dragons Online is based on the popular physical game introduced in 1974. The game offers the authentic D&D gameplay experience in the form of a free-to-play, action filled massively multiplayer online role-playing game (MMORPG). Players enter a world of danger and adventure where they can build powerful customized heroes to take on trap and puzzle filled dungeon crawls and where every choice makes the difference between death or glory.

H1Z1, officially released in 2018, is a free-to-play game, and the first standalone battle royale game that popularized the genre. Up to 100 players compete against each other in a last-man-standing deathmatch. Players can play solo, in a duo, or in groups of five, with the goal of being the last person or team standing. H1Z1 has inspired many other games, including Fortnite, and has over 40 million life-to-date registrations.

Headquarter	Vancouver, Canada
Employees	111
CEO	Russ Bullock
Founded in	2000
Net Revenue 2023	133 MSEK

Piranha Games is a game developer with a focus on creating high-quality games. The team is made up of talented developers, artists, and industry professionals who are passionate about creating immersive and engaging gaming experiences for players around the world. Piranha Games is the home of the popular title: MechWarrior and offers a world class Work for Hire (WFH) services to clients looking to bring their own game ideas to life.

Notable titles include:

MechWarrior Online is a free-to-play online game developed by Piranha Games, set in the BattleTech universe. Player's control giant bipedal combat vehicles called battlemechs and battle against other players in various gameplay modes, such as Domination, Conquest, and Assault. Winning battles earns players experience and in-game currency called "c-bills," which can be used to customize their battlemechs. The game was launched in 2013 and continues to see new content and updates.

MechWarrior 5: Mercenaries is a single player Mech game set in the BattleTech universe, developed by Piranha Games and released in 2019. It was originally an Epic Games Store exclusive but has since become available on other platforms. The game has received six successful downloadable content (DLC) expansions, with the latest, " Solaris Showdown," released in March 2024.

MechWarrior 5: Clans, while retaining the MechWarrior 5 designation is a new standalone single player Mech game fully developed by Piranha Games and set for released in 2024. Representing a transformative step forward in the MechWarrior franchise. MechWarrior 5: Clans linear campaign will be an evolution of gameplay and storytelling in the MechWarrior series.

Headquarter	Stockholm, Sverige
Employees	119
CEO	Ola Nilsson
Founded in	2013
Net Revenue 2023	49 MSEK

Toadman Interactive is a global game developer, known for its high-quality games and long history of Work for Hire (WFH) services. Founded in 2013, Toadman quickly got a reputation of having talented developers, and the studio has since then been working closely with its partners on a number of games such as: Helldivers 2, Stardoll Stylista, Dead Island 2, Vermintide 1 & 2, Battlestar Galactica, and Killing Floor Calamity, to name a few.

Notable titles include:

EvilVEvil, is Toadman's upcoming game, a fast paced 3 player co-op PvE game. Toadman's long history through their WFH background of working on shooters, co-op games and PvE are baked into EvilVEvil. The game will be released summer 2024 on PC, Xbox & Playstation Gen 9.

Warhammer: Vermintide 2: Chaos Wastes DLC, a first-person action video game released in 2021. Toadman was contracted and collaborated with Fatshark from initial idea to release with ongoing post-release support. Chaos Wastes did set new records for the IP and reached the highest number of online players since the original release and currently has an 84 percent approval rating on Steam.

Immortal: Unchained is an action-RPG game that combines fast-paced tactical combat with brutal melee and gunplay. Toadman was contracted for the full development and release of the game. Immortal: Unchained was released in 2018 and currently has 66 percent approval rating on Steam.

Headquarter	London, Storbritannien
Employees	31
CEO	James Cato
Founded in	2009
Net Revenue 2023	352 MSEK

Fireshine Games is a reputable publisher, having sold over 11 million boxed games from its long-standing partnership with acclaimed studios such as Team17, Frontier Developments and Rebellion. Fireshine Games has successfully developed its own digital publishing arm working in partnership with talented indie developers to bring their digital games to market.

Notable titles include:

The multi-million selling Sniper Elite franchise is a tactical shooter video game series developed by the acclaimed UK studio Rebellion where Fireshine Games manage the physical publishing and distribution of their games.

Fireshine Games publishes and distributes the physical versions of the Jurassic World Evolution franchise, developed by Frontier Developments. The portfolio managed by Fireshine Games also includes the F1 Manager and Planet Coaster franchises.

The multi-award-winning Core Keeper, sold over one million units its first three months on sale, having launched in March 2022. Core Keeper was the first breakout title from Fireshine Games' digital portfolio and reached over 90 percent positive reviews on Steam. Core Keeper is a mining sandbox adventure for 1-8 players, where you mine, build fight, craft and farm to unravel the mystery of the ancient core.

Shadows of Doubt is an open-world, immersive detective stealth game set in a fully simulated sci-fi noir city of crime and corruption. The game was released in April 2023 and was the second digitally released game from Fireshine reaching over 90 percent positive reviews on steam reaching all up to the exceptional user review score of 92 percent.

Headquarter	Los Angeles, USA
Employees	75
CEO	Alan Hunter
Founded in	2003
Net Revenue 2023	186 MSEK

Petrol Advertising is a full-service advertising agency that has established itself as the industry's leading go-to marketing agency and has contributed to the release of 2,000+ titles, of which many are world famous brands such as Call of Duty, Doom, Diablo and Elden Ring. Petrol's Marketing Campaigns have driven over 50 billion dollars in global sales for their clients. Petrol's team of experienced professionals provides a wide range of services including strategy, creative development, media planning and buying, and digital marketing. The company prides itself in its proven ability to connect brands with consumers through innovative and effective marketing solutions.

Notable titles include:

Lies of P is a soulslike action role-playing video game inspired by the story of Pinocchio, developed by Neowiz Games and Round8 Studio and published by Neowiz. Petrol worked closely with the studio, publisher, One PR, and EG7 partner Fireshine to ensure a unified rollout of Petrol's 360 Go-To-Market strategy. The campaign encompassed key visuals, AV trailers, social media, a brand guide, and additional support as a GTM consultant. Petrol's work played a pivotal role in the game's commercial and critical success, with over 1.3 million copies sold.

Armored Core VI, this new instalment aimed to appeal to a vastly broader audience while retaining its core fans. Working closely with From Software and Bandai Namco, Petrol created a full Media GTM strategy that included Media buying and planning, an agency-concepted Live Action trailer starring Rainn Wilson (The Office) that used humor to make mechs more accessible, a dynamic set of Out of Home ads that included AV, 3D AV, and statics, and a robust social campaign. These efforts helped Armored Core VI sell nearly 3 million copies and counting, making it far and away the series' best-selling game of all time.

As the Global Brand Agency of record for the acclaimed first-person shooter Call of Duty, Petrol's award-winning work continued in 2023 with Modern Warfare III. Petrol was responsible for the primary visual ID and packaging, secondary visual ID (which introduced an original concept based on the in-game lore), the global announcement, and the Gamescom reveal. Modern Warfare III went on to be the best-selling game on Steam during its launch week, and continued the franchise's dominance in the sales charts, becoming the best-selling game in the US in November 2023, and one of the top selling games overall of 2023.

Marvel Snap is a free-to-play digital collectible card game (CCG) developed by Second Dinner and published by Nuverse. The game targets a broad, mass-market audience beyond the traditional CCG core gamers. To get beyond this historically difficult marketing challenge, Petrol crafted a Go-To-Market strategy that included a striking brand identity, and robust Media plan that included static and interactive Out-Of-Home, AV, and tested and deployed UA assets. On day one of its launch, the game was #1 in the App Store, garnered USD 2 million in revenue in the first week, 12 million downloads in the first 30 days, and became a critical hit as Mobile Game of The Year at The Game Awards.

WORD FROM THE CEO

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

Another record year

We are very pleased with the strong result that EG7 delivered in 2023. With a Net Revenue of SEK 2,045.0 (1,865.9) million, representing 9.6 percent growth over the prior year, and an Adjusted EBITDA for the year of SEK 542.0 (482.8) million, which correspond to a 26.5 percent margin, and organic growth in local currencies of 5.5 percent. In a year where the industry is estimated to have grown by marginal 0.6 percent, according to Newzoo. We are very proud to deliver our strongest year this far with improved profitability, especially with the headwinds that faced the industry.

MSM emerged as the primary catalyst behind the group's exceptional performance throughout 2023. Following its viral peak in December 2022, MSM sustained its remarkable momentum throughout 1Q 2023 before gradually tapering off over the remainder of the year. Based on observed trends, we anticipate the game to stabilize around a new normalized level by the first half of 2024. Additionally, Piranha experienced a robust year, achieving a notable 48.6 percent growth in Net Revenue, primarily fuelled by the success of continued DLC releases for MechWarrior 5.

This year marked a notable shift, as Big Blue Bubble temporarily surpassed Daybreak as the leading profit contributor. Facing challenging comparisons to MSM and its exceptional performance, as some of Daybreak's titles performed below expectations, largely due to delayed content releases. Consequently, Daybreak's results for the year fell 9.3 percent year-over-year.

2023 posed significant challenges and setbacks for the entire industry. Inevitable leading to negative impacts on EG7s more service focused business units. The Work-For-Hire (WFH) ramp up, especially in Toadman, was delayed as a direct effect. Where we saw much longer lead times before new projects discussions were initiated compared with prior years. Together with a larger risk and uncertainty around cancellation of projects. The industry turmoil has continued into 2024. Where the previously announced WFH contract for Piranha with estimated value of SEK 100 million was cancelled 1Q 2024, with approximately 40 percent of the contract value being realized in 2023.

The results for Fireshine and Petrol, both of which provide services to third party publishers, faced hurdles stemming from industry-wide challenges. Fireshine experienced a 10.6 percent decrease in Net Revenues compared to 2022, primarily due to a decline in third-party physical publishing volume. However, this was somewhat offset by sustained growth in indie digital releases. On the other hand, Petrol encountered greater difficulties in stabilizing its performance, with Net Revenues declining by 18.9 percent for the year.

Despite these adversities, we are immensely proud to announce another record year of growth when considering our collective performance. Surpassing many of our peers, this achievement underscores the value of our diversified portfolio and the efficacy of our prudent management strategies.

Long term strategy

We were glad to share our updated long-term strategy and vision at EG7s Capital Markets Day in September 2023. With target Net Revenue and Adjusted EBITDA of SEK 3 billion and SEK 1 billion, respectively by 2026. This will be achieved by adding new growth vectors to our foundation of stable and predictable revenues. As we see an exciting opportunity to add franchise-focused middle market publishing to our current base. These new growth initiatives are expected to start adding to our Net Revenue from second half 2024 when MechWarrior 5: Clans is release.

Driving growth and shareholder value

Over recent years, we've dedicated substantial resources to enhancing the stability and predictability of our revenue streams. Through the integration of new growth initiatives, we've positioned our business for sustained long-term success and substantial value creation for all long-term shareholders.

SUSTAINABILITY REPORT - 2023

A sustainable business-model

EG7 is a prominent entity in the gaming industry, specializing in the development, and publishing of PC, console, and mobile games to the worldwide gaming market. Distinguished by its proven franchise-driven strategy, the company boasts a portfolio featuring internationally acclaimed first- and third-party game titles. Its overarching vision is to solidify its position as a top-tier player in the middle market segment of the video game industry. The group presently manages a portfolio of 10 live games, encompassing both renowned first-party intellectual properties (IPs) and globally recognized third-party IPs. Leveraging the expertise of its game development studios, Piranha and Toadman, the group possesses established co-development capabilities. The Groups marketing business, Petrol has played a pivotal role in the release of over 2,000 titles, including numerous globally renowned brands like Call of Duty, Doom, Diablo, and Elden Ring. Meanwhile, Fireshine specializes in both physical and digital publishing and boasts an extensive track record of successful releases in its portfolio. EG7 is headquartered in Stockholm with approximately 681 employees in 16 offices throughout Europe and North America.

Games have always filled a vital part of human needs when it comes to competition, socialization and development. As the world has become more digital in the last decades so has gaming, and it is in this segment of digital gaming and entertainment that EG7 and our group companies operate.

As a global group of businesses within the growing gaming industry spread across Europe and North America, the parent company's role is to provide an attractive environment to facilitate and support the operative units in their long-term growth. A model built on empowerment by active ownership and decentralization. EG7s long term-growth is driven by organic growth together with selective M&A activities. All strategic decisions and potential M&A activities that EG7 engages in must improve the long-term risk-reward profile and contribute to shareholder value creation. To fulfill these fundamental needs, all strategic decisions must be sustainable.

At EG7, the sustainability work is based on our analysis of important sustainability issues where we as a group can have a material impact. During 2023 we have continued to build on our combined sustainability work. During the year the groups sustainability efforts has been focused on the Corporate Sustainability Reporting Directive (CSRD) with the goal of becoming compatible by year 2024. We completed the Dubble Materiality Assessment (DMA) towards the end of the year, and a Gap-analysis was completed just after the year end. As a decentralized group, each operating unit adapts to the sustainability framework, defines relevant KPIs and targets in accordance with their context and core business.

At EG7 we advocate Agenda 2030 and the methodology to sustainable work that the UN Sustainable Development Goals (SDG) provides. We have identified 7 of the SDGs where we find that we have opportunity to contribute and therefore a responsibility to do so. These are:

- *SDG 3 Good health and well-being*
- *SDG 4 Quality education*
- *SDG 5 Gender equality*
- *SDG 8 Decent work and economic growth*
- *SDG 10 Promote social inclusion of all*
- *SDG 12 Responsible consumption and production*
- *SDG 16 Peace, Justice, and Strong Institutions*

**Key sustainability figures can be found on page 21 of this report.*

EG7 Sustainability Workflow

Sustainability Governance

The Board of Directors oversee, set, and approve the sustainability strategy. To ensure that the sustainability work gets the right amount of attention at Board level, the sustainability committee has been merged with the audit committee and forms the Audit & Sustainability Committee, which main role in regards to sustainability is to oversee the Sustainability Team. The merger of the two committees is to ease the process and to ensure that the Sustainability Team reports progress regarding the group's sustainability work effectively to the Audit & Sustainability committee at least once a quarter for continued governance and feedback. The Audit & Sustainability committee consisted of Marie-Louise Gefwert and Ben Braun, where much of the focus for the year has been on the continued progress on the groups work around CSRD.

Sustainability Team

The Sustainability Team consists of members from group finance and is led by the Head of Sustainability. This is to ensure that the sustainability strategy is traced accurately and continues to develop across the group. The Sustainability Team decides on individual targets for our sustainability priorities and assesses target achievements. The Sustainability Team is also responsible for composing the Sustainability Report, while the Audit & Sustainability Committee reviews and approves it. The Sustainability Team works in close collaboration with the operative units. The operative units contribute to the sustainability work and strategy in their daily operations, and report sustainability data to the parent company. The execution of the strategy is adjusted to the specific conditions of each operative unit, according to EG7's decentralized business model. The Sustainability Team proposes strategies to achieve these targets, to promote efficient execution of the strategies and to enable rapid achievement of the targets.

Stakeholder mapping

The dialogue and exchange of ideas with stakeholders is a vital cornerstone in EG7's sustainability work. EG7 is in continuous and close contact with our stakeholders, and we value the two-way communication we have, to learn and share new knowledge and ideas. An active stakeholder dialogue is integrated into our daily operations throughout the organization and altered depending on what stakeholders we are engaged with. To create value, it is important for us as a business to be responsive to the feedback we get from our employees, game communities, shareholders, the media, clients, NGOs, local communities, and authorities together with other stakeholders.

EG7 Sustainability Framework

Sustainability pillars

EG7's sustainability framework is built up on the three pillars: Environmental, Social and Corporate Governance. This is to give a clear framework that is easy to interpret and follow, for internal and external stakeholders alike.

Environmental work	Social work	Corporate Governance work

Environmental

Environmental and climate protection are key corporate objectives for EG7. Operational practices that reduce any environmental burden associated with our activities are promoted. Innovative developments in products and services that offer environmental and social benefits are supported. As an established global company, EG7 bears the responsibility to see and understand our environmental impact. We contribute to and support precautionary approaches to environmental challenges. We care for the environment in our way of doing business, and it is our policy to review our business partners and make necessary controls to ensure that they work in a sustainable way, that complies with our sustainability view.

As a company within the digital entertainment industry EG7 has relatively low Scope 1 and 2 emissions. However, in our work to reduce our footprint we look at what activities in our operations that has the largest impact and see how we can change our operations to reduce our greenhouse gas (GHG) emissions. It is evident that most of EG7's emissions are derived from scope 3 throughout our value chain. In the Gaming industry it starts upstream with the production of PCs, smart phones, consoles, and TVs and ends downstream with the energy consumed when playing our games on the same hardware together with the data servers that host our games, business travel, employee commuting and the use of sold products. This makes it challenging to track and reduce some emissions in our Scope 3 and makes EG7 dependent on more climate-friendly technology.

Scope 1 – All Direct Emissions from the activities of or under control by EG7. Including fuel combustion on site such as gas boilers, fleet vehicles and air-conditioning leaks.

- As EG7 leases all office space, nor own any fleet vehicles, we have very limited Scope 1 emissions.

Scope 2 – All indirect emissions from the generation of purchased energy from utility providers, emissions released in the atmosphere, from the consumption of purchased electricity, steam, heat and cooling by EG7.

- Our long-term goal is to have 100% of feasible data centers with sustainable external partners. As of December 2023, 92% (92%) of all data centers were with external partners. The move to external data centers lowers EG7's Scope 2 emission but increases our Scope 3 emission.
- The move to external data centers is a process that we take step-by-step and must be evaluated against cost and risk of potential disruption. EG7's goal to only use external data centers is based on the knowledge that with the right partner, the data storage becomes more GHG efficient. The groups largest partner is Switch, which data center is 100 percent renewably powered, has received ESG Credit indicator report card by S&P Global and the only provider to receive a E-1 rating.

Scope 3 – All Other Indirect Emissions from activities of EG7, occurring from sources that we do not own or control. This is the greatest share of the carbon footprint, covering emissions associated with business travel, procurement, waste, water and gamers when playing our games. The GHG emissions from gamers playing our games is estimated to be the largest part of EG7's Scope 3 emissions.

- At HQ, we use reused IT equipment to lower our upstream footprint. This has a small actual value in reducing the GHG footprint but is important from a symbolic point.
- Our offices are largely located near local transportation hubs to facilitate and enable employees to use public transport to and from work.
- Minimizes business travel and try to have as many digital meetings as rationally possible.
- As a gaming company we rely on data centers to operate. According to British Open University, data centers account for around 50% of all energy consumed by digital ecosystems. Personal devices use another 34%, and the industries responsible for their manufacture use 16%. Our operation is highly dependent on data centers to run our live games, and personal devices for players to be able play our games. Further it's been estimated by a Yale University research paper that the datacenters worldwide more than 2% of the world's electricity, generating same volume of emissions as the global airline industry every year.
- To analyze the effectiveness of our external data centers we measure Power Usage Effectiveness (PUE). It is a measure of how efficiently data centers uses energy. It is calculated by dividing the total amount of energy used by a data center by the energy used by its IT infrastructure. A PUE of 1.0 would indicate that all of the energy used by the data center is being used by its IT infrastructure, while a PUE of 2.0 would indicate that

half of the energy used by the data center is being wasted on things like cooling, lighting, and other non-IT related tasks.

- In 2023, the weighted average PUE for our external Data centers that reported PUE was 1.19 (1.19). PUE figures were collected from 78 (77) percent of our external data centers.
- As a step in our continued efforts to reduce the groups footprint we increased our collaboration with I3d.net towards the end of the year. the move will affect approximately 14 percent of our total server capacity and further help us to collect data on PUE figures and energy usage. The impact from the move will be seen from 2024 and onwards.
- Another important element in the work to lower our GHG emission and carbon footprint is the power source used for our offices and data centers. In 2023, approximately 73 (73) percent of our external data centers were powered by renewable energy. Amounting to 67 (67) percent of the group's total data capacity.
- We further apply a flexible office culture where each business unit decide by themselves how many days per week each employee needs to be at the office vs. working from home, this further eliminating the usage of both private and public and private transportation and reduce carbon footprint.

Social

EG7 is a fast-growing company with 681 employees across Europe and north America. Our social responsibility spans to all our stakeholders. However, EG7s main priority is toward our employees, game communities, gamers, corporate clients/partners, and shareholders.

Equality & Inclusion

As for all organizations within the gaming industry our employees are our most important asset. As the competition for talented personnel is fierce, it is important for EG7 to support our business units in their work to attract and retain talent. We offer a creative and inclusive environment with good work-life balance, the business-units have their own local variance of our group culture. These local differences are supported at group level as we believe that local management knows their business best and have the insights on how to standout in their local job markets as an attractive employer. We are committed to creating a diverse and inclusive workplace that appreciates and respects all employees, regardless of their background or identity. This includes promoting equal opportunities for men, women or other identification within the company.

Some of our business units actively engage with local universities to support programs in our industry through scholarships and internships for both underprivileged and talented individuals. Many of these interns have moved on to become successful full-time employees within our organization over the years.

We strive to create a safe and welcoming work environment for all employees, regardless of their gender, ethnicity, background, sexual orientation, parental status, religion, political opinion, nationality, disability, age, union membership and any other characteristic. We have a strict zero tolerance policy for harassment and discrimination, and we offer resources and support if employees would experience these issues.

All hiring, promotional and remuneration decisions within the group are merely based on employee assessment, and there is no room for favoritism or discrimination. As EG7 operates in a highly competitive industry, there is only room for the best individual at each function to continue our competitive operation. We also appreciate the importance of diversity and inclusivity in the games we create, publish, operate and market. We strive to create diverse and representative storytelling in our games, and we are committed to continually improving in this area.

Overall, our commitment to diversity and inclusivity is a core part of our sustainability efforts, as we believe that it is essential for the growth and success of the group and the industry as a whole. By promoting equality and inclusion for all employees, including female employees, we believe that we can create a stronger and more vibrant gaming community for everyone.

Work Environment

We offer all our employees a safe and inclusive environment. We are proud of our diversified environment throughout the group. We strongly believe that the more diverse our teams are, the more competitive we are in meeting our key stakeholders' needs. As a successful group within the gaming industry our talented employees are our most valuable resource, and we work hard to make sure that they feel safe and secure while being a part of EG7.

2023 was a transitioning year for EG7 as we finalized our two-year long consolidation of the group. As a step in this process we decided to close the unprofitable Cornwall, UK based gaming studio AntiMatter Games. Throughout the closedown of the game studio a smooth transition for the 38 employees at AntiMatter was a big priority and a key success factor. We are glad that we were able to rehome 90 percent of the employees at another gaming studio, where they were able to get employment without moving or tear up their everyday life.

Health and Safety

EG7 promotes a safe and healthy work environment for all employees and complies with all applicable health and safety regulations. Each individual business unit is responsible and takes appropriate action to prevent workplace accidents or illnesses. In 2023, there were no workplace accidents.

Employee Turnover

As hiring is expensive and the loss of key employees can disrupt performance, we believe that a constant work and development of our in-house culture is a vital part of the retention work. EG7 offers a creative and inclusive environment with a good work-life balance. To create a strong and inclusive culture, we believe that employees should work from the offices, when possible, as it is important for us as an employer to easier identify potential signs of depression or dissatisfaction. To enhance a good work-life balance throughout the group, we use flexible working hours, remote working possibility, and the opportunity to work from a different studio within the group, as needed. However, to create a strong and inclusive culture, we encourage work from the offices when possible and have set dates during the week when employees should work from the offices to enhance and develop a strong local team spirit throughout the group. We receive feedback from employees during their exit interviews prior to their departure with the company. This helps us understand and collect feedback on areas where we can improve as an employer.

Training & Development

EG7 provides and encourages learning opportunities for the employees. EG7 supports opportunities for growth and multiple educational opportunities in a range of related fields. By helping employees in their personal growth and to develop their skills, we believe it will help EG7 in our future growth. Throughout the group, we have Hack Fridays at all our gaming studios. Hack Friday is when employees get the opportunity to try new domains of their choice within their field of work. Hack Fridays take different forms at different studios, from a week per year to a Friday per month, depending on what works best at the individual studio.

Responsible Marketing

With one of the industry's best known marketing agencies - Petrol - as one of our business units, EG7 is able leverage our marketing influence throughout the industry. PC and Console shooter games are a large part of our client base, and we work with our clients to inspire and evoke emotion around the game rather than simply showing guns and violence. By our close collaboration with many of our client we have been able to influence games early in the process to assure they are ahead of the curve in featuring a more diversified set of characters, with different ethnicities and genders. With our mobile marketing projects, we follow GDPR and local privacy laws to ensure the safety of consumers data and privacy both in marketing campaigns as well as user acquisition (UA).

Support of Local Economies

EG7 contributes to the growth of local economies by directly and indirectly creating jobs, as well as paying taxes and fulfilling duties where our business is conducted. This is done by running a sound and profitable operation. We support and use local suppliers to the extent that it is economically sound. Our zero-tolerance policy regarding receiving and paying bribes further helps to support a sound economic ecosystem where we operate.

Code of Business Conduct

EG7 has a common Code of Business Conduct for the entire group. The Code of Business Conduct has been distributed among all employees throughout the group and has been made available on our website for all to access. The basic principles for each employee's conduct towards colleagues and companies, as well as EG7's responsibility and conduct, are included as part of each employment contract.

Whistleblowing Policy

To ensure EG7 operates with sound business ethics, EG7 encourages employees to speak out should they notice behavior that is not in line with the Code of Business Conduct. Last year EG7 reinforced these processes with channels to circumvent management layers depending on the nature of the complaint the employee has.

EG7's whistleblower policy encourages employees to report illegal, unethical, or inappropriate behavior or practices. The policy applies to irregularities committed by employees in key leading positions within EG7 or its portfolio companies. To ensure a credible whistleblower process, we are working with Nordic Whistle to guarantee that employees are anonymous when reporting events that are not in line with EG7's Code of Business Conduct. The whistleblowing policy and framework has been presented to all employees throughout the group with a reminder being distributed annually. The whistleblowing policy and framework is available on our website for all to access. During 2023, zero unethical matters were reported.

Game Communities and Gamers

As home to some of the most iconic live games in the world, EG7 has a responsibility to the communities that we serve. We have both in-game forums and Discord, which are open to all without a paywall. Each game has in-game and forum rules as well as Terms of Service posted and easy to find that outlines inappropriate behavior. In Discord, we use bots to block a list of words from use in our channels. We also have rules posted which users must agree to before being able to post in our channels. There is a report feature in each post that users may report violations or bad behavior to a moderator for review. We use the timeout, kick, or ban Discord features to handle those players who circumvent the rules, insult, bully, or are overtly disruptive in our channels. Checks are run often to remove people who cheat or circumvent posted rules by using disallowed programs. Customer Service are actively watching for and removing or sanctioning people who use cheat programs or are disruptive or bullying others either via in-game or through our ticketing system. We maintain a presence in the forums and Discord channels to provide a more personal touch to our player base. The community managers, developers and designers respond to questions and concerns as soon as possible. This provides players with a higher level of comfort and patience, knowing we are human and not a computer. We respond with a personal touch on our social media platforms as well, when possible, to let players see that we have a presence. Popping into player streams and chatting with the players show our human side and encourages camaraderie between staff and players. We support and engage with non-toxic players. In some of our live games we host feel-good events, livestreams, or live Q&As.

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

Governance

Data Privacy

We have an extensive privacy policy and follow both GDPR and local privacy laws such as CCPA in California and the USA. Very little personal information is available to members of the community teams and is mostly managed by Customer Service whose team members do not have any public-facing access or personifications. This synergy leads to a very robust privacy environment.

By analyzing user data, it enables us to identify behavior patterns and other insights, which allow us to develop better games and game experience. The interactions between our studios and gamers/game communities are a key intelligence when developing and improving games and new functions. However, in this form of communication, limited personal information is available to members of the development teams. Data privacy and data protection are an ongoing project that demands continuous improvement. It is vital that users feel that their privacy and data are protected, at all times. We constantly work to protect our players from card fraud when playing our games and comply with all applicable regulations. We intend for 100 percent of confirmed incidents to be acted on. In 2023, there were zero confirmed material data breaches reported. EG7 is diligent in following the rules regarding data privacy, GDPR specifically, but all local rules and procedures are important. Maintaining and monitoring data privacy is integrated in our daily work throughout the group and our games. At EG7, we have our own social network built into many of our games. Basic general personal data is collected to give users the ability to play games on multiple devices and store their progress. One key service in some of our games is to be able to help players in recovering their games if they get issues with their devices. The use of data varies between EG7's business units, as some data is used for cross-selling, and others are occasionally used for interaction with the game communities.

Preventing Bribery & Corruption

At EG7, there is zero tolerance to be in any way involved or implicated in the payment of bribes or corrupt practices, whether directly or indirectly. Facilitation payments to expedite a non-discretionary action or service (such as obtaining a permit or license or passage through customs), are also prohibited. We follow requirements of conduct set in applicable anti-bribery and anti-corruption law and regulations in all the geographies where we have operations.

Modest gifts and corporate hospitality can be part of building and maintaining good business relationships and are often a normal courtesy. However, gifts and benefits also can be offered as a subtle form of influence to gain preferential treatment. Care should be taken to ensure that any gifts or hospitality (whether given or received) are appropriate and could not be perceived as influencing any individual or entity in an improper manner.

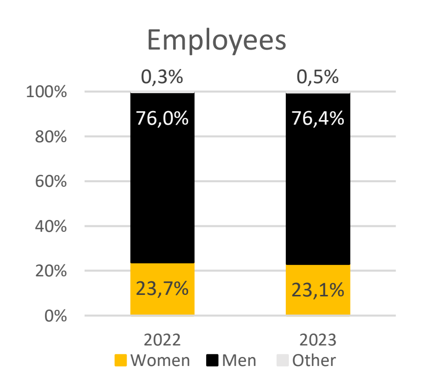
Particular care should be taken when EG7 deals, directly or indirectly, with public officials. These include government employees, candidates for political office, political party members, and any person acting in an official capacity on behalf of a government entity. Giving anything of value to a public official is generally forbidden. Employees must consult with the EG7 Legal Department and obtain specific approval before making any payment or giving anything of value to a public official.

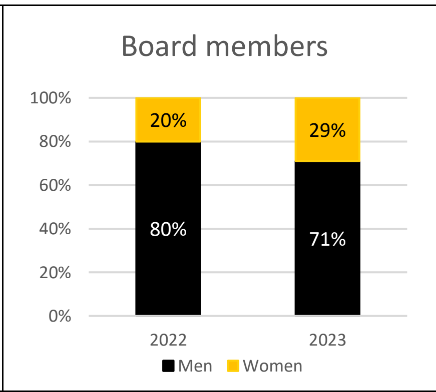
Anti-Money Laundering

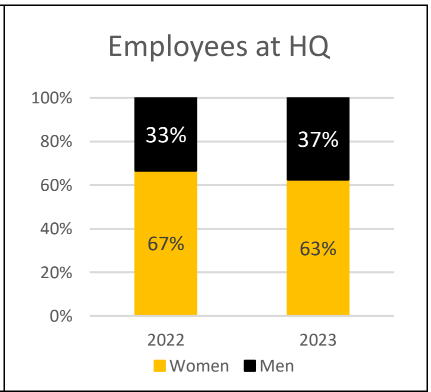
Anti-money laundering laws impose significant penalties for possessing, acquiring, dealing with, or hiding the proceeds of crime, as well as concealing the identity of illegally obtained money so it appears to have come from a lawful source.

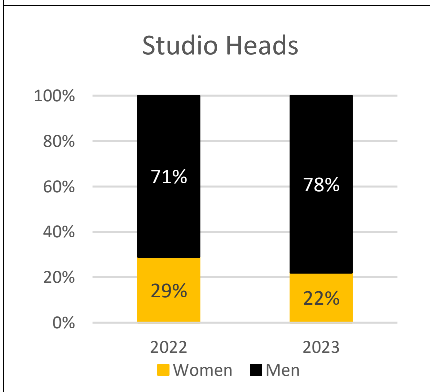
Conducting appropriate third-party due diligence to verify the identity of our partners is central to mitigating the risk of money laundering and ensure that there are no legal barriers to engage in business with them. We exercise particular caution when EG7 is requested to receive or make payments to an entity that is not a party to the transaction, where money is routed through unrelated countries, or where payments are made or received in anonymous forms (such as cash or prepaid cards).

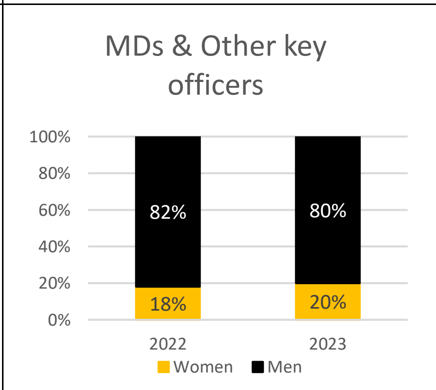
Ratios

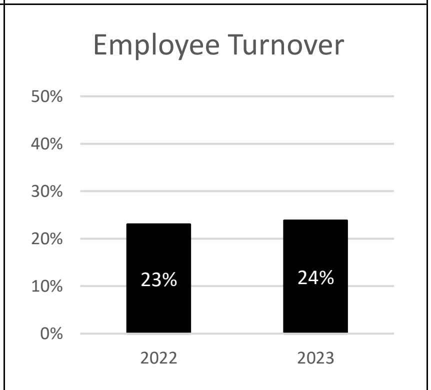


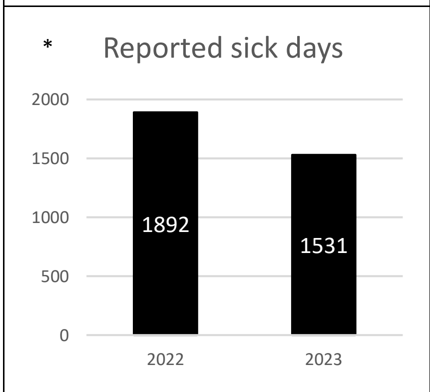


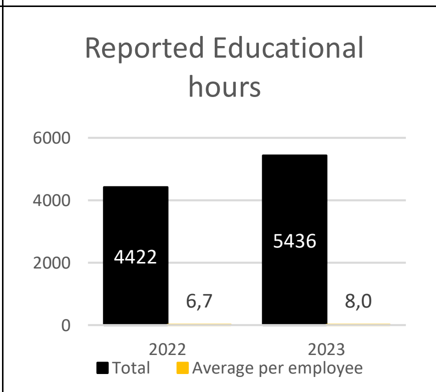


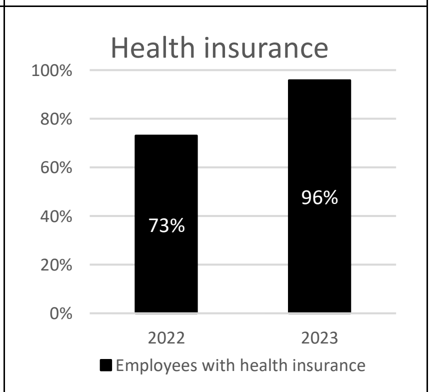


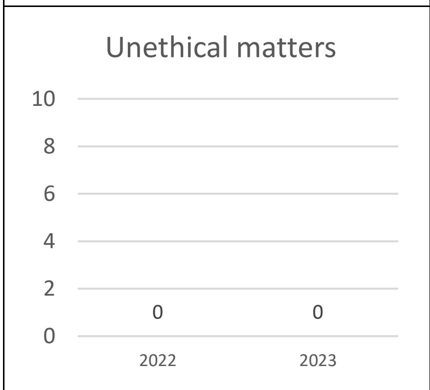


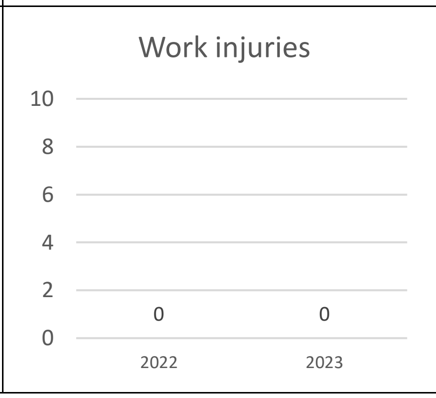


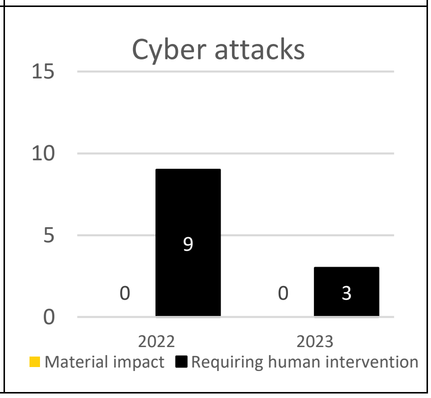












*Employees at Daybreak are excluded due to local legislation.

Our community engagements

CORPORATE GOVERNANCE

Background
Enad Global 7 AB (publ) is a public limited liability company, with corporate registration number 556923-2837 and with its registered office in Stockholm. Shares in Enad Global 7 AB (publ) are traded on Nasdaq First North under the ticker symbol EG7.

Corporate Governance
The Board of Directors is appointed by the nomination committee and elected at the company's annual general meeting. The Chairman of the Board leads the work of the Board and initiates the company's annual general meeting. Enad Global 7 AB (publ) is a public company governed by Swedish law. The company is listed on Nasdaq First North stock exchange which is a non-regulated marketplace and therefore does not need to apply the Swedish Code of Corporate Governance. The company has therefore chosen not to follow this.

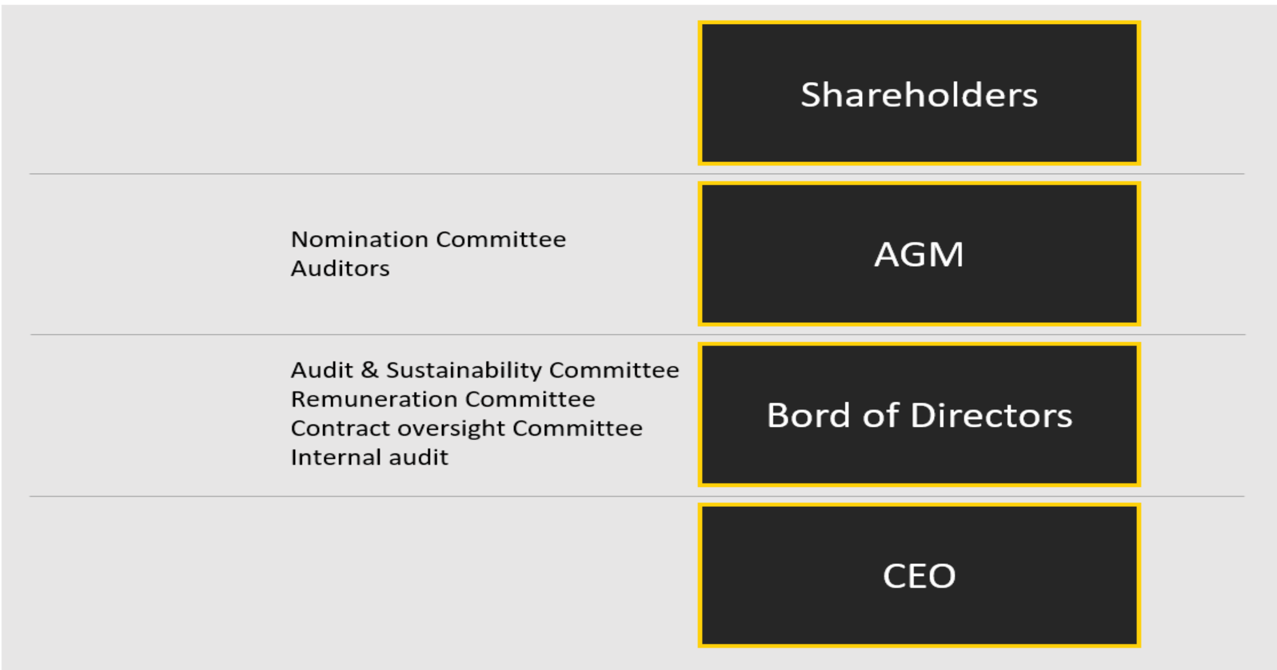
General shareholder meeting
Pursuant to the Swedish Companies Act, the general meeting is the Company's highest decision-making body. At the general meeting, the shareholders exercise their voting rights on key issues, such as the adoption of income statements and balance sheets, appropriation of the company's profit, discharge from liability of board members and the CEO, election of board members and auditors and remuneration of the board and auditors.

In addition to the annual general meeting (AGM), extraordinary general shareholder meetings (EGM) may be convened. In accordance Enad Global 7 AB articles of association, convening notices for the annual general meeting and extraordinary general shareholder meetings are made by announcement in the Swedish Official Gazette and by making the convening notice available on the Enad Global 7 AB website. An announcement that notice has been given is published in Dagens Industri.

Right to attend general shareholder meetings
All shareholders who are directly registered in the share register maintained by Euroclear Sweden AB five weekdays before the general meeting and have notified the company of their intention to participate (with any advisors) in the general meeting no later than the date stated in the notice convening the general meeting have the right to attend the general meeting and vote for the number of shares they hold. Shareholders may attend the general shareholder meeting in person or by proxy and may also be accompanied by a maximum of two advisors. Shareholders can normally register for the general shareholder meeting in several different ways stated in the convening notice for the meeting.

Shareholder initiatives
Shareholders who wish to have a matter addressed at the general shareholder meeting must submit a written request to the Board of Directors.

Governance model



Articles of Association Enad Global 7 AB (publ)

1 Company Name: The name of the company is Enad Global 7 AB (publ).
2 Registered Office: The Board of Directors shall have its registered office in the municipality of Stockholm, county of Sweden.
3 Object of the Company: The company shall mainly carry out manufacturing, marketing and sales, within and outside of Sweden, of digital and analogue games and to conduct activities related to the aforementioned. The company shall also carry out trading in real estate and chattels and to conduct activities related to the aforementioned.
4 Share Capital: The share capital shall be no less than SEK 3,470,000 and no more than SEK 13,880,000.
5 Number of Shares: The number of shares shall be no less than 86,700,000 and no more than 346,800,000.
6 Board of Directors: The Board of Directors shall consist of a minimum of three and a maximum of nine directors and a minimum of zero and a maximum of three deputy directors.
7 Auditors: For the review of the company's annual report as well as and the management pursued by the Board of Directors and the managing director, one or two auditors, or one registered audit firm, shall be appointed at the annual general meeting for a period ending at the end of the next annual general meeting.
8 Convening of a General Meeting: Notice of general meetings shall be made by announcement in the Official Swedish Gazette and by posting the notice on the company's website. At the time of the notice, an announcement with information that the notice has been issued shall be published in Dagens Industri. General meetings are held where the company has its registered office.
9 Proxy collection and postal voting: The Board of Directors may collect proxies at the company´s expense in compliance with the procedure set out in chapter 7 section 4 paragraph 2 of the Swedish Companies Act (2005:551).
The Board of Directors may receive, ahead of a general meeting of the shareholders, that the shareholders shall be entitled to exercise their voting rights by post prior to the meeting.
10 Notification for General Meetings: A shareholder that wishes to participate in a general meeting must be recorded in a printout or other transcript of the share register on the date as specified on the Swedish Companies Act, and notify the company of his/her, and any advisors (no more than two), intention to attend the meeting no later than on the date stated in the notice of the meeting. Such a date may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday prior to the general meeting.
11 Opening of General Meetings: The chairman of the Board or anyone appointed by the Board of Directors opens the meeting and lead the meeting until the chairman of the meeting has been appointed.
12 Matters of the Annual General Meeting: The annual general meeting is held within six months after the last financial year. At the annual general meeting, the following matters shall be considered:
1. Election of chairman of the meeting.
2. Preparation and approval of the voting list.
3. Approval of the agenda.
4. Election of one or more persons to certify the minutes.
5. Examination of whether the meeting has been properly convened.
6. Presentation of the annual report and the auditors' report and the group annual report and the group auditor´s report.
7. Resolutions regarding:
a) adoption of income statement and balance sheet and the income statement and the group balance sheet.
b) decision regarding the profit or loss of the company in accordance with the adopted balance sheet,
c) discharge from liability of the Board of Directors and the managing director.
8. Determination of the number of directors and auditors.
9. Determination of fees to the Board of Directors and to the auditors.
10. Election of the Board of Directors and auditors.
11. Any other matter to be dealt with by the meeting according to the Swedish Companies Act (SFS 2005:551) or the articles of association.

At the Annual General Meeting, each person entitled to vote may vote for the entire number of shares owned and authorized by proxy, without limitation on the number of votes.
13 Fiscal Year: The fiscal year of the company shall be 1 January – 31 December.
14 Record Day Provision: A shareholder or nominee that is registered in the share register and a CSD register on the record date, in accordance with Ch. 4 the Central Securities Depositories and Financial Instruments Accounts Act (SFS 1998:1479), or registered in a CSD account pursuant to Ch. 4 Sec. 18 first § item 6-8 of the aforementioned act, is deemed to have the right to exercise the rights stipulated in Ch. 4 Sec. 39 the Swedish Companies Act (SFS 2005:551).

Risk and Risk Management

Risk Management

Changes in the operating environment as well as the Group's own activities can affect the Group's result, financial position and cashflow. Risk management aims to clarify and analyse the risks that EG7 faces, and to a certain extent, prevent and limit any negative effects. The Board of Directors has the overall responsibility for the Group's risk management, where the Audit committee is responsible for the performance of an annual evaluation. EG7's risk management process includes identifying, evaluating, prioritizing and preventing risks within the business, at both group level and per operational unit. Risk management is integrated to all business processes and is managed through implemented internal control. Identified risks assessed to have the greatest effect on the Group's financial position in terms of possible impact, probability and consequence are prioritized.

Risks

Some of the Group's risks are presented below. The risks are not arranged by order of importance or potential financial impact. The risks below do not represent all risks and are not exhaustive as other risks not currently known to the company may also affect the Group's future profit, financial position and operations.

Risks related to the group's business and industry

Development in the game industry is largely driven by demands and requirements from end customers, game developers, and publishers. The Group must constantly offer new products and services in order to be competitive. There is a risk that investments may generate less revenue than expected, if the Group fails to develop new games or update existing games according to customer preferences. If EG7 is not successful in the current and future offer, there is also a risk that the Group's reputation amongst customers is damaged, which may lead to difficulties with retention of existing customers as well as attracting new customers.

The Group acts on a highly competitive market and there is a risk that competitors are faster and more successful in the development of new games, services and technology. The Group may fail to select products to develop or technologies to use, which may lead to a deteriorating market position.

Financial risk

The Group is exposed to various financial risks such as credit risk, market risk and liquidity risk. For the Group, credit risk is mainly in accounts receivable and contractual assets and EG7's goal is to have a continuous follow-up of this credit risk. The historical credit losses amount to an insignificant amount in relation to the Group's sales. The market risks that affect the Group mainly consist of currency risks, as currently EG7 is in a position of no external loans and therefor limited interest rate risks. Liquidity risk is the risk that a company will have difficulty fulfilling obligations that are related to financial liabilities that are settled with cash or other financial assets. The risk is mitigated by the Group's liquidity reserves, which are immediately available. For a more detailed description of the Group's financial risks, see Note 21.

Risk related to employees

EG7 is dependent on employee's knowledge and expertise, as well as the ability to recruit and retain key personnel in the future. Should a key employee resign, there is a risk that the Group may not be able to recruit or replace the employee with the desired competence or within a reasonable time. There is a continued high demand of competence within the occupational categories that EG7 is dependent of, and difficulties to recruit new and retain current employees may lead to delays in projects and increased cost for development.

Risk related to IT & new technology

EG7 relies on efficient and uninterrupted operations of different IT systems to run the various operational activities. A significant collapse or other disturbance in the IT systems would affect the ability to conduct operations with regards to product development, carry our efficient sales or invoicing and delivery of product and services to customers. The Group is also exposed to risks related to hacking, viruses, sabotage and other cybercrime. Further, the Group could be held liable of damage and thus result in increased cost and damaged reputation.

The industry in which the Group operates in is characterized by a widespread of new technology, new hardware and new types of game consoles. EG7 acts on highly competitive market and difficulties with developing and adapting to new technology may lead to a deteriorated market position.

Compliance and regulatory risk

EG7 is operating in several different jurisdictions across the world, many of which have their own individual laws and regulations relating specifically to the gaming businesses. The Company's non-compliance or deemed non-compliance with any of these local laws and regulations could result in such games needing to be withdrawn from such jurisdictions, which could have a material adverse effect on the Company's revenue, as well as its reputation and financial condition.

There is a risk that the EG7's interpretation of tax legislation and tax practices in each country where they operate (including rules and requirements relating to VAT and transfer pricing) are incorrect, or that such rules or practices change, and the consequences may adversely affect the company's results.

As the Company handles personal data for customers, incorrect handling or a data breach could lead to high administrative penalties such as civil and/or criminal law measures imposed by Data protection authorities. Further, there is a risk that the Company may be adversely affected by changes to the GDPR or interpretation of the GDPR which may as well affect the Company's reputation in relation to publishers, partners, and customers within the game industry.

Geopolitical risk

EG7 acts on a global market and is affected by general economic development, industry trends and customer preferences. There is a risk that the market that EG7 acts upon is affected by geopolitical events outside of the Groups' control, such as changes to monetary policy, shifts in regulatory regime and other political decisions. Geopolitical events may have a significant effect on the Group's result, revenues and operational activities.

Risk related to goodwill and intangible assets

Goodwill represents the largest share of the asset on the Group's balance sheet, as of 31st December 2023 Goodwill amounts to SEK 3,181.7 million. Goodwill is recognized as an intangible asset and is subject to impairment review, at least annually or upon the occurrence of events that indicates an impairment of the assets in question. EG7 continuously evaluates the value of other intangible assets, such as capitalized work for games and licenses, which requires several estimates and assessments. Indications of an incorrect valuation, changes in estimates or other factors that would affect the current value may lead to significant impairments of the Groups' intangible assets.

Board of Directors

Position	Name	Age	Gender	Elected	Committee	Meetings
Chairman	Jason Epstein	50	Male	2021	Remuneration	15/15
Director	Ben Braun	54	Male	2023	Audit & Sustainability	21/21
Director	Ebba Ljungerud	51	Female	2024		0/0
Director	Gunnar Lind	66	Male	2019	Remuneration	27/28
Director	Ji Ham	48	Male	2023		8/8
Director	Marie-Louise Hellström Gefwert	71	Female	2017	Audit & Sustainability	28/28
Director	Ron Moravek	59	Male	2023		15/19

Chairman of the Board, Jason Epstein
Born in 1973, is Chairman and a director of the Board of the Company since 2021 and holds 8,582,320 shares of the Company equivalent to 9.69 percent of all shares and votes.
Experience: Seasoned private equity investor and entrepreneur for the last 25 years.
Current assignments: Harmonix Music Systems LLC, Cold Iron Studios LLC, Chloe's Soft Serve Group Company LLC, Remarkable LLC.
Previous assignments: CIFC, 300 Entertainment LLC, MapAnything, Rhapsody International, GenePeeks, Odyssey Online.
Position of dependency: Independent in relation to major shareholders, dependent in relation to the company and management.

Board member, Ben Braun
Born in 1970, is a Director of the Board of the Company since 2023 and holds 0 shares in the Company.
Experience: Extensive background within finance and has held positions such as Managing Partner at LionTree, Managing Director and Head of Media and Telecom M&A at Bank of America Merrill Lynch, and Associate at European Bank for Reconstruction and Development (EBRD)
Current assignments: No other current board assignments.
Position of dependency: Independent in relation to major shareholders, independent in relation to the company and management.

Board member, Ebba Ljungerud
Born in 1972, is a Director of the Board of the Company since 2023 and holds 1,000 shares in the Company.
Experience: Several positions within Paradox Interactive, including CEO. Several positions within Kindred Group, including Chief Commercial Officer and Chief Program Officer.
Current assignments: Chairman of the board of directors of Nelly Group AB (publ), Chairman of the board of Canucci AB, member of the board Rugvista AB (publ), Starstable Entertainment AB and Goals AB.
Position of dependency: Independent in relation to major shareholders, independent in relation to the company and management.

Board member, Gunnar Lind

Born in 1958, is a Director of the Board of the Company since 2019 and holds 200,000 shares of the Company equivalent to 0.23 percent of all shares and votes.
Experience: Decades of experience from the gaming industry, most notably as group CEO of Cherry.
Current assignments: Chairman of the board of Explore Lofsdalen AB, Chairman of the board of Lofsdalsspår economic association.
Previous assignments: CEO and member of the board of Cherry AB (publ), Chairman of the board of Unlimited Travel Group UTG AB (publ), Chairman of the board of Soundhailer AB, Chairman of the board of Necomlabs Ltd, Chairman of the board of Sleepo AB (publ), Chairman of the board of Game Lounge Sweden AB, chairman of the board of Cherry Spelglädje AB, director of the board of Yggdrasil Gaming Sweden AB.
Position of dependency: Independent in relation to major shareholders, independent in relation to the company and management.

Board member, Ji Ham

Born in 1976, is a Director of the Board of the Company since 2023 and holds 2,018,472 shares of the Company equivalent to 2.28 percent of all shares and votes.
Experience: Seasoned private equity investor and entrepreneur for the last 25 years.
Current assignments: Cold Iron Studios LLC.
Previous assignments: Daybreak Game Company LLC, CN Partners, Hudson Capital Advisors, CIBC Oppenheimer.
Position of dependency: Independent in relation to major shareholders, dependent in relation to the company and management.

Board member, Marie-Louise Gefwert

Born in 1952, is a Director of the Board of the Company since 2017 and holds 22,428 shares of the company equivalent to 0.03 percent of all shares and votes.
Experience: Decades of experience in leading positions at Ericsson and Vattenfall Data, experience from VC and start-ups as CEO of Auxema AB, decades of experience from consulting activities as well as member and chairman of boards.
Current assignments: CEO and Director of the Board of Gefwert Development AB, Director of the board of Zignsec AB.
Previous assignments: Director of the Board of Tyréns AB, Chairman of the Board of Free2Move AB, Chairman of the Board of Arkub AB, Chairman of the Board of ITSMF-Sweden, Director of the board SU Holding AB, Director of the board of Samsari AB.
Position of dependency: Independent in relation to major shareholders, independent in relation to the company and management.

Board member, Ron Moravek

Born in 1965, is a Director of the Board of the Company since 2023 and holds 0 shares in the Company.
Experience: Extensive background within the gaming industry as Vice President and COO of Electric Arts Vancouver Studio, COO and Co-Founder of Relic Entertainment, Executive Vice President Production and General Manager at THQ and Senior advisor to New Games and Emerging Markets at Nexon.
Current assignments: Senior Advisor and Vice President for the Business and Corporate Development on Heavy Iron Studios, Inc, Co-Founder and Investor on SportNinja Inc.
Position of dependency: Independent in relation to major shareholders, independent in relation to the company and management.

Committees

Board Committees

The Board has appointed an audit & Sustainability committee, a remuneration committee and a Contract oversight committee. The committee members are selected among the board members for a one-year term. The Board has established the Sustainability Committee within the Audit Committee to ensure that the Sustainability work received full attention.

Audit & Sustainability Committee

The Audit & Sustainability Committee consists of two members, Marie-Louise Gefwert and Ben Braun.
The main Audit responsibilities are:
• Preparations for the Board's work on assuring the quality of the Company's and the group's accounting, financial reporting and internal control as well as financial risk and risk management.
• Monitoring and addressing issues concerning the efficiency of the Company's internal controls, regulatory compliance and risk management, in general as well as, in particular, in respect of the financial reporting.
• Monitoring and evaluating the work of the auditor and monitoring the impartiality and independence of the auditor.
• Informing the Board of the outcome of the auditors audit and explaining how the audit contributed to the integrity of financial reporting and what the role of the committee was in that process.
• Assisting in conjunction with preparation of, and recommending the nomination committee, proposals to the AGM's resolution regarding election of an auditor, including administering the selection procedure.
• Monitoring accounting developments in areas that may affect EG7.

The main Sustainability responsibilities are:
• Ensure an aligned and well prepared and supervised sustainability model of the Company, with an emphasis on supervision of strategy, implementation of strategy and monitoring and evaluation of EG7´s work within the sustainability area. The sustainability committee has the following main responsibilities:
• Prepare the Board's decisions on issues concerning sustainability.
• Monitor and evaluate the Company's goals within the sustainability area.
• Monitor and evaluate the application of the guidelines issued by the Board within the sustainability area.
• For each financial year review the Company's sustainability report, which is to be included in the Company's annual report or approved by the Board as a separate report in connection with the approval of the annual report of the Company.

Remuneration Committee

The Remuneration Committee consists of two members, Jason Epstein and Gunnar Lind. The Remuneration Committee has the following main responsibilities:
• Preparing the Board's decisions on issues concerning principles for remuneration, remuneration amounts and other terms of employment for executive management.
• Monitoring and evaluating programs for variable remuneration to the executive management, both ongoing programs as well as such that have ended during the year.
• Monitoring and evaluating the application of the guidelines for remuneration to the executive management that the general meeting is legally obliged to establish, as well as the current remuneration structures and remuneration levels within the Company.

Contract oversight Committee

The Contract Oversight Committee consists of all the independent board members, Ben Braun, Gunnar Lind, Marie-Louise Gefwert, Ron Moravek and Ebba Ljungerud. The committee is advised by a number of independent third-party experts and advisors, with the obligation to, at arm's-length evaluate projects of related part nature and their commercial viability.

Nomination Committee

In accordance with the decision of the Annual General Meeting (AGM), the three largest shareholders in the company shall have the right to each appoint a member to the Nomination Committee. The fourth member of the Nomination Committee shall be the company's Chairman of the Board.

Shareholders who wish to submit proposals to the Nomination Committee can do so by mail to Enad Global 7 AB (publ), Att: Nomination Committee, Sveavägen 17, 5th floor, 111 57 Stockholm or by e-mail to ir@enadglobal7.com no later than March 1, 2024.

Group Management

The group's executive management team consists of four members: CEO Ji Ham, Deputy CEO & CFO Fredrik Rüdén, Vice President of Group Operations Huyen Huynh and Vice President and General Counsel David Youssefi. The executive management team holds meetings on a regular basis at which the main topics discussed are the Group's financial progress, projects in process and other strategic issues. All members of the group's executive management team have attended Nasdaq's stock market training course for boards and management.

Ji Ham, Acting Chief Executive Officer
Holds 2,018,472 shares and 2.28 percent of all shares and votes of the Company.

Experience: Ji has an extensive background in both gaming and finance has been CEO of Daybreak for the past few years. During his tenure at Daybreak, Ji has overseen extensive growth and profitability of the company. Before starting at Daybreak, Ji worked in investment banking at various positions.

Fredrik Rüdén, Deputy Chief Executive Officer and Chief Financial Officer
Holds 224,300 shares and 0.25 percent of all shares and votes of the Company.

Experience: Fredrik has an extensive background from mainly high-tech companies in listed and PE environments and industries like Telecom, Gambling, Gaming, Ehealth, Marine Harvest and financial advisory. In addition to having worked for almost a decade as CFO at Betsson, Fredrik also has professional experience from companies such as Kinnevik, LeoVegas, Ernst & Young and more.

Huyen Huynh, Vice President of Group Operations
Holds 0 shares in the Company.

Experience: Huyen is a senior professional with 25 years of experience managing software development for various industries, of which the last 14 years was spent in the mobile and live games businesses. Since joining Daybreak in 2017, EG7s largest business unit, she's been an important asset in shaping the company.

David Youssefi, Vice President and General Counsel
Holds 0 shares in the Company.

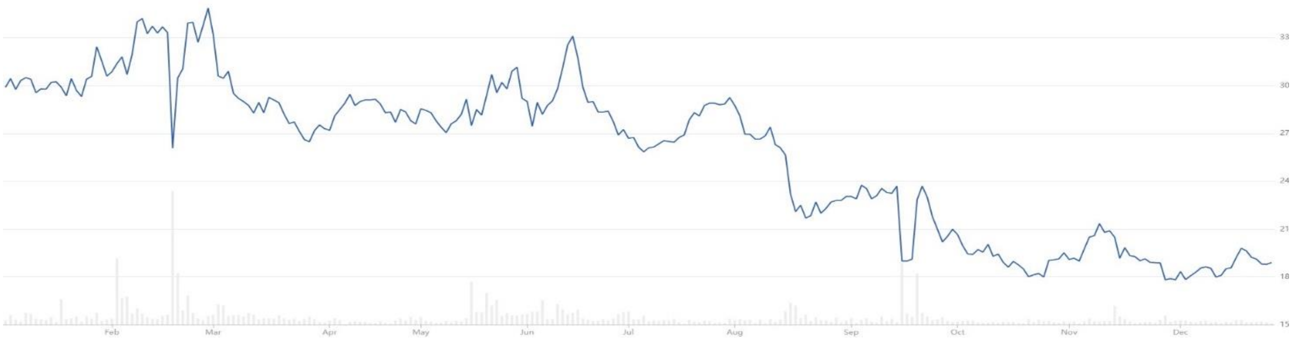
Experience: David is a senior legal professional with 25 years of legal experience both in-house and in various roles at major law firms. Joined Daybreak in 2011, EG7s largest business unit, where he's been playing a vital role in shaping Daybreak over the years.

The Share

• A total of 21.62 percent of the outstanding shares in EG7 were traded during the year. The average daily turnover was 0.80 percent.
• At year-end 2023, EG7 had a market capitalization of SEK 1,674.60 million.
• Earnings per share totalled SEK 1.76 (-14.04).
• At year-end 2023, EG7 had a total of 88,603,526 shares.
• The closing price at year-end 2023 was SEK 18.90 (28.00).
• The highest price was SEK 35.60, which was quoted on March 1, 2023.
• The lowest price was SEK 17.30, which was quoted on December 1, 2023.
• EG7's share price decreased 32.50 percent in 2023.
• The Stockholm All Share Index increased 15.48 percent in 2023.
• At year-end 2023, insider held a total of 14,628,681 shares, amounting to 16.51 percent of the outstanding shares.
• In 2023 insiders acquired a total of 1.7 million shares, amounting to 2 percent of the outstanding shares.
• EG7 will pay a total dividend of SEK 0.45 per share in 2024.

2023 Stock Chart

Source: Modular Finance AB



Shareholders

#	Owners (2023-12-31)	Number of shares	Capital	Votes
1	Jason Epstein	8 582 320	9,69%	9,69%
2	Avanza Pension	7 490 755	8,45%	8,45%
3	Settecento LTD	6 981 119	7,88%	7,88%
4	Alta Fox Capital	5 347 681	6,04%	6,04%
5	Aguja Capital GmbH	3 002 104	3,39%	3,39%
6	Forthmoore Limited	2 919 526	3,30%	3,30%
7	Rasmus Davidsson	2 872 743	3,24%	3,24%
8	Alexander Albedj	2 692 105	3,04%	3,04%
9	Chelverton Asset Management	2 150 000	2,43%	2,43%
10	Ji Ham	2 018 472	2,28%	2,28%
11	Alan Hunter	1 635 680	1,85%	1,85%
12	Handelsbanken Liv Försäkring AB	1 550 809	1,75%	1,75%
13	James Cato	1 507 162	1,70%	1,70%
14	Garry Williams	1 507 162	1,70%	1,70%
15	Nordnet Pensionsförsäkring	1 437 232	1,62%	1,62%
Top 15		51 694 870	58,34%	58,34%
Other		36 908 656	41,66%	41,66%
Total		**88 603 526**	**100%**	**100%**

MANAGEMENT REPORT

The Board and CEO for Enad Global 7 AB (publ) (556923-2837) hereby submit the annual report with consolidated group statements for the financial year 2023-01-01 – 2023-12-31. All values in SEK millions unless otherwise stated. A sustainability report has been prepared in accordance with the Swedish Annual Accounts Act and has been submitted by the Board. It can be found on pages 12-22 of this annual report.

Information about the operations

Enad Global 7 AB corporate identity number 556923-2837, based in Stockholm, is investing in and administrating companies who develop, operate and market video games in a growing global gaming market. The group develop, publish, and deliver games for PC, Consoles, and mobile features. The group includes companies engaged in marketing and visual art campaigns, physical and digital distribution and operates games via its own and external platforms.

Enad Global 7 AB has six business units/segments:
- Daybreak is the largest business unit within the group. Daybreak is a prolific online-multiplayer game developer that has published, developed, and operated 13 live service games in its 25-year history, including EverQuest, the first MMORPG game entirely in 3D. Daybreak generated SEK 753.4 million in Net Revenue and SEK 162.9 million in Adjusted EBITDA for 2023.
- Big Blue Bubble is an established mobile and video game developer with over two decades of experience creating fun, innovative, and accessible titles. Best known for being the home of the My Singing Monsters IP. Big Blue bubble had a strong year-over-year growth of 84.4 percent generating a Net Revenue of SEK 571.9 million and Adjusted EBITDA of SEK 356.1 million for 2023.
- Piranha Games founded in 2000 known for making FPS and for being the home of the MechWarrior franchise which saw several successful DLCs throughout the year. Piranha generated a net revenue and Adjusted EBITDA of SEK 133.0 million and SEK 49.0 million respectively for 2023.
- Toadman, a Stockholm based game development company founded in 2013, and with additional offices in Oslo, Berlin and Novi Sad. Synonymous with RPG expertise and driven by a desire to create unique experiences.

Toadman was not able to achieve the targeted breakeven status by the year end. Generating a Net Revenue and Adjusted EBITDA of SEK 49.1 million and SEK -29.2 million for the year.
- Fireshine, a UK based publisher and distributor of both digital and physical games generated SEK 352.1 million in Net Revenue and SEK 35.4 million in Adjusted EBITDA for 2023.
- Petrol the industry's most recognized visual art, strategies and marketing agency experienced a tougher year on the back of the overall industry slowdown and generated a Net Revenue of 185.6 million and SEK 1.9 million of Adjusted EBITDA for 2023.

EG7 is an independent game development group with a diversified set of assets. 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 long-life cycle live games portfolio is a key differentiator for the group and provides a solid foundation of predictable revenues and cash flows.

Most of the development and game improvements that derives from EG7's live-game portfolio are expensed, and only material improvements are capitalized, in 2023 SEK 10,1 million of the groups capitalizations refers to the live-game portfolio. While all development of new games when they have reached the production stage are capitalized. When a new game is in a pre-production (early stage of the development) all costs associated with the game are expensed. Of the SEK 85,6 million in capitalized development costs in 2023, SEK 42,6 million refers to the development of MechWarrior: 5 Clans in Piranha.

Ownership

EG7's share is listed on Nasdaq First North with the short name 'EG7'. The total number of outstanding shares amounts to 88,603,526 as of December 31, 2023. The share price was SEK 18.90 as of December 31, 2023.

Significant events during the year

Despite challenging comparable numbers for the full year 2023, EG7 delivered SEK 2,045.0 (1,865.9) million in Net Revenue corresponding to a 9.6 percent growth year-over-year and a 5.5 percent organic growth in local currencies. Adjusted EBITDA came in at SEK 542.0 (482.8) million, representing a margin of 26.5 percent and a growth of 12.3 percent year-over-year. The operating cash flows for the year grew 16.9 percent year-over-year to SEK 437.9 (374.6) million.

My Singing Monsters was the leading contributor to the group's overall outperformance throughout 2023. After its viral peak in December 2022 that took the game to the top of its category in the App store, MSM continued its highly elevated performance through Q1 2023 before slowly trending down throughout the rest of the year, with flattening to increasing activity levels during the game's larger campaigns around April and September. Based on the observed trends to date, we expect the game to stabilize at a new normalized level first half of 2024.

2023 was a difficult year of adjustment for the entire industry. As a result, some of our business units were naturally impacted negatively. The results for Fireshine, Petrol and Toadman, who provide services to third party publishers and developers, were impacted by the overall industry challenges. Fireshine's Net Revenues for the year was 10.6 percent below 2022, reflecting the decline in third-party physical publishing volume but partially offset by its continuing growth in indie digital releases. Petrol had a more challenging time stabilizing its performance with its Net Revenues down 18.9 percent for the year. Toadman continued its efforts to ramp up its WFH business. However, with the industry slowdown Toadman was not able to achieve the targeted breakeven status by the year end.

Financial development during the year

Net sales for the full year 2023 amounted to SEK 2,045.0 (1,865.9) million, which corresponds to a growth of 9.6 percent. Our diversified and long-lived live game portfolio from Daybreak, Big Blue Bubble and Piranha continued to provide a sustainable and predictable base for revenue and cash flows, Net Revenue from these assets amounted to SEK 1,318.7 (1,121.5) million, corresponding to 64.5 (60) percent of Net Revenue in 2023.

In Q1 2023, EG7 repaid the remaining utilized SEK 100 million of the outstanding loan balances on its Revolving Credit Facility, making EG7 debt free at group level.

In Q2 2023, the Board decided to discontinue the operations in the UK based game studio AntiMatter Games. The studio closure is expected to reduce the Group's annual operating expenses by approximately SEK 50 million going forward, resulting in increased pre-tax profits by the same amount and also improving the operating cash flows. The closure resulted in a one-time cost of SEK 15.8 million.

Future developments

In Q3 2023, the company hosted a capital markets day (CMD), where a new long-term strategic plan together with new financial targets of SEK 3 billion in Net Revenue with Adjusted EBITDA of SEK 1 billion by 2026 was presented. This will be achieved by elevating our stable and cash generative business by adding new growth vectors with agreeable risk levels, by investing approximately SEK 360 million over 2023-24. We also communicated our ambition of a shareholder capital return program for 2023, which could reach SEK 100 million. We aim to limit the risk and to increase the predictable outcome in our investments by targeting opportunities with a minimum expected IRR of 25 percent, a payback period within 12 months from game release and 42 months from initial funding, and a target investment range of SEK 100-300 million per title. The potential games we are targeting will be primarily based on known franchises with an existing core audience. Sequels with similar features and functionalities where EG7 holds necessary competences and capabilities will be prioritized. The investment plan will be prepared and updated annually with annual budgets and approved by the board.

Risks and Risk Management

All business operations involve risks and uncertainties. A complex environment increases the need to manage identified risks, to be able to mitigate potential negative impacts on result, operations and in the long run for stakeholders. The Board of Directors are responsible for risk management within the group, and EG7 continuously work on identification, evaluation and management of the Groups' risks.

The most significant of the Group's risks are presented below. The risks are not arranged by order of importance or potential financial impact. The risks below do not represent all risks and are not exhaustive as other risks not currently known to the company may also affect the Group's future profit, financial position and operations.

Risks related to the group's business and industry

Development in the game industry is largely driven by demands and requirements from end customers, game developers, and publishers. The Group must constantly offer new products and services in order to be competitive. There is a risk that investments may generate less revenue than expected, if the Group fails to develop new games or update existing games according to customer preferences.

The Group acts on a highly competitive market and there is a risk that competitors are faster and more successful in the development of new games, services and technology. The Group may fail to select products to develop or technologies to use, which may lead to a deteriorating market position.

Financial risk

The Group is exposed to various financial risks such as credit risk, market risk and liquidity risk. As an actor on an international market, EG7s main financial risk is currency risks, primarily in the form of translation exposure and transaction exposure. For a more detailed description of the Group's financial risks, see Note 21.

Risk related to goodwill and intangible assets
Goodwill represents the largest share of the asset on the Group's balance sheet. Goodwill is recognized as an intangible asset and is subject to impairment review, at least annually or upon the occurrence of events that indicates an impairment of the assets in question.

Risk related to employees
There is a continued high demand of competence within the occupational categories that EG7 is dependent of, and difficulties to recruit new and retain current employees may lead to delays in projects and increased cost for development.

Risk related to IT systems
EG7 relies on efficient and uninterrupted operations of different IT systems to run the various operational activities. A significant collapse or other disturbance in the IT systems would affect the ability to conduct operations with regards to product development, carry our efficient sales or invoicing and delivery of product and services to customers. The Group is also exposed to risks related to hacking, viruses sabotage and other cybercrime.

Risks and risk management within the group are described further in section Risk and Risk Management on page 25-26, and in note 21 Financial risks.

Sustainability information
In 2023, EG7 continued the work around the group's new sustainability framework. A framework that is designed to outline EG7's commitments and goals in relation to its sustainability work. A framework that helps EG7 to conducted a thorough assessment of its current practices and identified areas for improvements. This involves continues collaboration with external parties as well as engaging employees and other key stakeholders in the process. To ensure that the sustainability framework is effective, EG7 has systems and processes in place for monitoring and reporting on its progress. Overall, the development of EG7's sustainability framework continues to be a rewarding process. Through hard work and dedication, the company has been able to create a comprehensive and effective plan for operating in a more sustainable manner. During the year focus has been at making the group compatible with CSRD, where the DMA and Gap-analysis now are completed.

The Group's sustainability work is described in more detail in the Sustainability Report on pages 12-22.

FINANCIAL OVERVIEW

Enad Global 7 AB is the group's parent company.

Yearly comparison, group	2023 *12 months*	2022 *12 months*	2021 *12 months*	2020 *12 months*	2019** *12 months*
Net revenue	2,045.0	1,865.9	1,467.9	569.8	151.6
Profit after financial items	216.0	-296.2	53.6	-95.4	-28.1
EBIT-margin	12.3%	-14.8%	10.7%	-1.4%	-13.7%
Total assets	4,872.8	4,952.3	6,008.8	4,596.3	711.0
Equity ratio	80.0%	78.8%	76.5%	67.6%	35.2%
Return on equity	5.5%	-6.9%	1.4%	-3.1%	-11.2%
EBITDA*	495.9	474.5	642.5	12.5	5.1
Average number of shares	88,603,527	88,270,408	85,370,134	39,670,424	31,209,159
Earnings per share	1.76	-13.98	1.11	-2.5	-0.9
Average FTE	669	665	669	179	93

* *For definitions, see section "Definitions of alternative performance measures"*

***not recalculated according to IFRS*

Yearly comparison, parent company	2023 *12 months*	2022 *12 months*	2021 *12 months*	2020 *12 months*	2019 *12 months*
Net revenue	2.1	5.6	7.5	11.1	67.9
Profit after financial items	207.0	-897.6	-79.1	-125.9	-8.7
EBIT-margin	-3,432.5%	-2,624.3%	-1,271.8%	-242.3%	-2.9%
Total assets	3,792.7	3,770.6	4,837.3	3,886.7	656.7
Equity ratio	97.4%	93.8%	89.8%	84.0%	41.8%
Return on equity	5.6%	-1.9%	-1.9%	-3.1%	-3.2%
EBITDA*	-72.1	-147.8	-94.8	-26.8	-1.9
Average number of shares	88,603,527	88,270,408	85,370,134	39,670,424	31,209,159
Earnings per share	2.26	-9.86	-1.09	-1.3	-0.2
Average FTE	8	8	12	13	33

* *For definitions, see section "Definitions of alternative performance measures"*

Proposed allocation of the company's profit

At the Annual General Meeting's disposal stands:	
Accumulated profit/loss	-1,116,783,702
Share premium reserve	4,608,989,740
Profit/loss of the year	199,537,396
	3,691,743,434
The Board proposes that the following is carried forward	3,691,743,434
	3,691,743,434

CONSOLIDATED INCOME STATEMENT

Values in SEKm	Note	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Revenue			
Net revenue	3,4	2,045.0	1,865.9
Other revenue	5	42.5	12.8
		2,087.5	**1,878.7**
Own work capitalized	12	85.6	157.3
Operating expenses			
Cost of goods and services sold		-618.7	-626.3
Other external expenses	6	-262.0	-209.0
Personnel expenses	7	-762.6	-742.4
Other expenses		-34.1	16.2
Operating profit before depreciation and amortization (EBITDA)		**495.9**	**474.5**
Depreciation and amortization	12,13,14	-243.8	-750.4
Operating profit (EBIT)		**252.1**	**-275.9**
Financial items			
Financial income	8	11.9	13.5
Financial expenses	9,14	-48.0	-33.8
Financial net		**-36.1**	**-20.3**
Profit before tax		**216.0**	**-296.2**
Tax expense for the period	10	-59.9	28.1
Net profit/loss from continued operations		**156.1**	**-268.1**
Profit from discontinued operations, net of tax	26	0.0	-970.9
Net profit/loss for the year		**156.1**	**-1,238.9**
The net profit/loss for the period is attributable in its entirety to the parent company’s shareholders.			
Earnings per average share	11		
Earnings per share before dilution (SEK) continued operation		1.76	-3.04
Earnings per share after dilution (SEK) continued operation		1.76	-3.04
Earnings per share before dilution total (SEK)		1.76	-14.04
Earnings per share after dilution total (SEK)		1.76	-14.04

Note: Innova was divested in September 2022 and is excluded from all comparable figures unless otherwise stated.

CONSOLIDATED COMPREHENSIVE INCOME

Values in SEKm	Note	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Net profit/loss for the period		156.1	-1,238.9
Other comprehensive income			
Items that will be reclassified to profit or loss			
Translation difference	20	-118.2	527.6
Deferred tax	10	0.2	-45.8
Other comprehensive income for the period, after tax		**-118.0**	**481.8**
Comprehensive income for the period, after tax		**38.1**	**-757.1**

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

Average number of shares outstanding	88,603,526	88,270,408

CONSOLIDATED BALANCE SHEET

Values in SEKm	Note	2023-12-31	2022-12-31
ASSETS			
Non-current assets			
Goodwill	12	3,181.7	3,284.9
Other intangible assets	12	667.8	622.5
Tangible non-current assets	13	30.3	29.1
Right-of-use assets	14	74.7	39.9
Deferred tax assets	10	149.7	95.2
Other non-current receivables	15,21	7.1	17.8
Total non-current assets		**4,111.3**	**4,089.4**
Current assets			
Inventory	16	14.0	17.3
Accounts receivable	15,21	155.6	263.3
Current tax claim		44.3	46.3
Other receivables	15	7.6	48.4
Contractual assets	4	22.5	15.8
Prepayments and accrued income	17	39.1	66.8
Cash and cash equivalents	15,18,21	478.3	405.2
Total current assets		**761.5**	**862.9**
TOTAL ASSETS		**4,872.8**	**4,952.3**

EQUITY AND LIABILITIES

Values in SEKm	Note	2023-12-31	2022-12-31
Equity	20		
Share capital		3.5	3.5
Other contributed capital		4,607.4	4,609.0
Reserves		523.3	641.3
Retained earnings including profit for the period		-1,233.7	-1,349.9
Total equity attributable to the parent company's shareholders		**3,900.5**	**3,902.3**
Total equity		**3,900.5**	**3,902.3**
Non-current liabilities			
Liabilities to credit institutions	15,21	2.8	0.0
Leasing liabilities	14,21	52.5	17.5
Deferred tax liability	10	122.9	105.5
Contingent considerations	15,21	228.7	202.5
Contractual liabilities	4	1.9	4.0
Other liabilities	15,21	1.7	3.6
Total non-current liabilities		**410.6**	**333.1**
Current liabilities			
Liabilities to credit institutions	15,21	0.6	104.0
Leasing liabilities	14,21	25.0	23.6
Accounts payable	15,21	33.9	84.8
Current tax liability		67.9	50.4
Contingent considerations	15,21	42.3	50.7
Other liabilities	15,21	53.5	27.6
Contractual liabilities	4	114.5	153.0
Accrued expenses	22	223.9	222.8
Total current liabilities		**561.6**	**716.9**
TOTAL EQUITY AND LIABILITIES		**4,872.8**	**4,952.3**

CONSOLIDATED REPORT ON CHANGES IN EQUITY

	Equity attributable to the parent company's shareholders					
SEKm	Share Capital	Other Shareholder Contributions	Translation reserve	Accumulated Profit incl. Net profit/loss	**Total equity attributable to the parent company's shareholders**	**Total equity**
Opening balance 2022-01-01	**3.5**	**4,545.8**	**159.4**	**-110.9**	**4,597.8**	**4,597.8**
The net profit/loss of the period				-1,238.9	**-1,238.9**	**-1,238.9**
Other comprehensive income for the period			481.8		**481.8**	**481.8**
Comprehensive income for the period			**481.8**	**-1,238.9**	**-757.1**	**-757.1**
Transactions with shareholders:						
Rights issue	0.1	61.6			**61.7**	**61.7**
Rights issues transaction costs		0.0				
Tax effects transaction costs of rights issues		0.0				
Total	**0.1**	**61.6**			**61.7**	**61.7**
Closing balance 2022-12-31	**3.5**	**4,607.4**	**641.2**	**-1,349.9**	**3,902.3**	**3,902.3**
Opening balance 2023-01-01	**3.5**	**4,607.4**	**641.2**	**-1,349.9**	**3,902.3**	**3,902.3**
The net profit/loss of the period				156.1	**156.1**	**156.1**
Other comprehensive income for the period			-118.0		**-118.0**	**-118.0**
Comprehensive income for the period			**-118.0**	**156.1**	**38.1**	**38.1**
Transactions with shareholders:						
Dividend				-39.9	**-39.9**	**-39.9**
Total				**-39.9**	**-39.9**	**-39.9**
Closing balance 2023-12-31	**3.5**	**4,607.4**	**523.3**	**-1,233.7**	**3,900.5**	**3,900.5**

CONSOLIDATED CASH FLOW STATEMENT

Values in SEKm	Note	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Operating activities			
Operating profit (EBIT)		252.1	-275.9
Adjustment for non-cash flow items	23	271.4	770.3
Paid interest		-16.8	-20.3
Paid taxes		-65.0	-34.6
Cash flow from operating activities before changes in working capital		**441.6**	**439.5**
Cash flow from changes in working capital			
Decrease / increase of inventories / work in progress		3.6	-4.0
Decrease / increase of receivables		122.6	-60.3
Decrease / increase of current liabilities		-130.0	-0.6
Cash flow from operating activities		**437.8**	**374.6**
Investment activities			
Business acquisitions		-17.3	-45.4
Business divestment	26	32.9	187.5
Acquisition of intangible assets	12	-232.8	-187.9
Acquisition of tangible non-current assets	13	-14.3	-12.2
Divestment of tangible non-current assets	13	0.0	0.0
Cash flow from investment activities		**-231.6**	**-58.0**
Financing activities			
Rights issue of the year		0.0	0.0
Transactions costs of rights issues		0.0	0.0
Loans raised	15,23	0.0	0.0
Repaid loans	15,23	-100.0	-302.2
Repaid leasing debt	14,15,21,23	-26.0	-29.6
Cash flow from financing activities		**-126.0**	**-331.8**
Cash flow for the period		**80.3**	**-15.2**
Cash and cash equivalents at start of period		405.2	386.8
Exchange rate differences		-7.1	33.5
Cash and cash equivalents at end of period	**18**	**478.3**	**405.2**
From balance sheet		478.3	405.2
Blocked cash reported as other non-current receivables		2.6	2.6

NOTES

NOTE 1 Accounting Principles

This annual report with group accounting 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 Sveavägen 17, 5th floor, 111 57 Stockholm.
On 24 April 2024, the Board of Directors and the CEO approved this annual report and consolidated accounts, which will be submitted for adoption at the Annual General Meeting on 19 June 2024.

Basis for group accounting

The group accounting has been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) and interpretations issued by the IFRS Interpretations Committee (IFRS IC) as adopted by the European Union (EU). Furthermore, the group applies the Annual Accounts Act (1995: 1554) and RFR 1 "Supplementary Accounting Rules for Groups" issued by the Swedish Financial Reporting Board.

The consolidated financial statements have been prepared on the basis of the assumption of going concern. Assets and liabilities are valued on the basis of acquisition value with the exception of certain financial instruments that are valued at fair value. The consolidated financial statements have been prepared in accordance with the acquisition method and all subsidiaries in which controlling influence is held are consolidated as of the date this influence was acquired.

Preparing reports in accordance with IFRS requires that several estimates be made by management for accounting purposes. The areas that include a high degree of assessment, which are complex or such areas where assumptions and estimates are of significant importance for the consolidated accounts, are stated in Note 2 Significant estimates and assessments. These assessments and assumptions are based on historical experience as well as other factors that are deemed reasonable in the prevailing circumstances. Actual outcome may differ from assessments made if assessments are changed or other conditions exist.
The parent company applies the same accounting principles as the group, except in the cases specified in the section "Parent company's accounting principles". The parent company applies the Annual Accounts Act (1995: 1554) and RFR 2 Accounting for legal entities. The deviations that occur are caused by restrictions on the possibilities of applying IFRS in the parent company as a result of the Annual Accounts Act and current tax rules.

The accounting principles set out below have, unless otherwise stated, been applied consistently to all periods presented in the group's financial reports.

Consolidation

Subsidiaries

Subsidiaries are all companies over which EG7 has a controlling influence. The Group controls a company when it is exposed to or entitled to variable returns from its holdings in the company and has the opportunity to influence the returns through its influence in the company. Subsidiaries are included in the consolidated financial statements from the date on which the controlling influence is transferred to the group and are excluded from the consolidated financial statements from the date on which the controlling influence ceases.

Subsidiaries are reported according to the acquisition method. The method means that the acquisition of a subsidiary is regarded as a transaction whereby the Group indirectly acquires the subsidiary's assets and takes over its liabilities. The acquisition analysis determines the fair value on the acquisition date of acquired identifiable assets and assumed liabilities as well as any non-controlling interests. Transaction expenses, with the exception of transaction expenses that are attributable to the issue of equity instruments or debt instruments, that arise are reported directly in the profit for the year. In business acquisitions where transferred remuneration exceeds the fair value of acquired assets and assumed liabilities that are reported separately, the difference is reported as goodwill. When the difference is negative, so-called acquisitions at a low price, this is reported directly in the profit for the year.

Currency

Functional currency and reporting currency

The functional currency for the parent company is Swedish kronor (SEK), which is the reporting currency for the parent company and the group. All amounts are stated in millions of kronor unless otherwise stated.

Transactions in foreign currency
Transactions in foreign currency are translated into the functional currency at the exchange rate prevailing on the transaction date. Monetary assets and liabilities in foreign currency are translated into the functional currency at the exchange rate prevailing on the balance date. Non-monetary items, which are valued at historical acquisition value in a foreign currency, are not translated. Exchange rate differences that arise in the conversions are reported in the profit for the year. Exchange rate gains and losses on operating receivables and operating liabilities are reported in operating profit, while exchange rate gains and losses on financial receivables and liabilities are reported as financial items.

Translation of foreign subsidiaries
Assets and liabilities in foreign operations are translated from the functional currency of the foreign operations to the group's reporting currency at the exchange rate prevailing on the balance date. Income and expenses in a foreign operation are translated into SEK at an average exchange rate that is an approximation of the exchange rates that existed at the time of each transaction. Translation differences that arise from currency translation of foreign operations are reported in other comprehensive income and accumulated in the translation reserve in equity. When the controlling influence ceases for a foreign operation, the associated translation differences from the translation reserve in equity are reclassified to profit or loss.

Segment reporting
Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker is the function responsible for allocating resources and assessing the operating segments' results. In the group, this function has been identified as the company management. An operating segment is a part of the group that conducts operations from which it can generate revenue and incur costs and for which independent financial information is available. The group's division into segments is based on the internal structure of the group's business operations, which means that the group's operations have been divided into six reportable segments; Daybreak, Big Blue Bubble, Piranha, Toadman, Petrol and Fireshine.
The same accounting principles are used in the segments as for the group.

Revenue from customer contracts
The group reports revenue when the group fulfils a performance obligation, which is when a promised product or service is delivered to the customer and the customer takes over control of the product or service. Control of a performance obligation can be transferred over time or at a time. Revenue consists of the amount that the company expects to receive as compensation for transferred goods or services. In order for the group to be able to report revenues from agreements with customers, each customer agreement is analyzed in accordance with the five-step model found in the standard:

Step 1: Identify an agreement between at least two parties where there is a right and a commitment.
Step 2: Identify the various promises (performance obligations) contained in the agreement.
Step 3: Determine the transaction price, i.e. the amount of compensation that the company is expected to receive in exchange for the promising goods or services. The transaction price must be adjusted for variable parts, for example any discounts.
Step 4: Distribute the transaction price on the various performance obligations.
Step 5: Report revenue when the performance obligations are met, i.e. control is passed to the customer. This is done at one time or over time if any of the criteria set out in the standard are met.

The Group's significant income derives from the development, marketing and publication of PC, console and mobile games.
Work-for-hire
The Group performs development assignments for other publishers. The customers consist of corporate customers. An agreement arises when the development assignment is signed between EG7 and the publisher. EG7 considers that the obligation to develop games for a customer is a single performance obligation. The transaction price is mainly fixed, but some agreements include variable remuneration in the form of performance bonuses. EG7 estimates the variable amount of compensation using the expected value and includes variable compensation only to the extent that it is highly probable that a material reversal of accumulated income will not occur when the uncertainty associated with the variable compensation subsequently ceases.

The Group reports revenue as the performance obligation is met, which is when the customer gains control of the asset. EG7 assesses that control is transferred over time, as the Group's performance creates or improves an intangible asset that the customer controls when the asset is created.

Free-to play games
EG7 offers so-called free-to-play games, where revenue arises when a player makes purchases in the game to gain access to virtual goods or expansion packs, i.e. to various types of additional content via subscriptions, features or benefits in the game. These virtual goods can be used either immediately or indefinitely during the playing time and revenue from the goods is reported based on their nature. Revenue from consumables is reported at a point in time, while revenue from goods that can be used indefinitely

during the playing time is accrued and reported during the player's estimated life. Players can also purchase virtual currency to obtain virtual goods within the games. Revenue from virtual currency is recognized over the estimated life of the paying player.

Revenue from subscriptions, which generally offers access to a selection of full games and in-game content which is playable through EG7's servers, is recognized ratably over the subscription term as the service is provided.

Marketing

EG7 offers marketing services to other gaming companies. The Group's customers consist of corporate customers and EG7 has both framework agreements and agreements for specific assignments with these customers. For framework agreements, there is an agreement in accordance with IFRS 15 only when a specific call-off, usually in the form of an assignment description ("SOW"), exists. The contract period is generally relatively short, usually less than 12 months.

The Group assesses that an agreement with a customer generally contains a number of performance obligations as the various promises in the agreement constitute distinct services. The transaction price is mainly fixed. The Group allocates the transaction price to each performance obligation based on the independent sales prices, which are based on an observable price for the service when the Group sells the service separately under similar circumstances and to similar customers.
Revenues from marketing are reported when control has been transferred to the customer and the performance obligation is thus fulfilled which is when the specified deliverable has been delivered to the customer.

Advertising agreements

EG7 enables ad service provider to place third party advertisements within apps. EG7 considers the contracts to contain a series of distinct services that are substantially the same, wherefore each contract contain a single performance obligation satisfied over time.

The transaction price for enabling ad service provider to place third party ads within apps is dependent on the number of valid clicks or impressions that a specific ad will generate whilst it is being displayed within the app, i.e. the transaction price only comprise of variable consideration. Since variable consideration shall be included in estimates of the transaction price to the extent that it is highly probable that a significant revenue reversal will not occur, EG7 determines how much of the variable consideration that should be constrained at contract inception.

EG7 allocates the variable consideration earned from enabling the ad service provider to place ads within the apps to each respective day since the variable consideration relate to the services provided each day rather than the entire performance obligation.

Publishing

The Group is also active in physical and digital publishing and distribution of games. In these agreements with customers, other parties are often involved in the provision of the game to the end customer, which means that different shares of the gross income from the end customer are obtained. For each performance obligation in the customer agreements, the Group determines whether it is the principal in the sale to the end user. When EG7 publishes games that are sold to distributors or digital storefronts, the distributor or the storefronts are identified as the Group's customer. Revenue is therefore recognized based on the transaction price net of fees retained by the storefront or distributor.

The transaction price related to physical publishing is mainly fixed, but there may be certain variable parts, which may include discounts. EG7 estimates the variable amount of compensation but includes variable compensation only to the extent that it is highly probable that a material reversal of accumulated income will not occur when the uncertainty associated with the variable compensation ceases thereafter.

Revenue is recognized at a point in time when control is transferred to the customer. When selling digital publishing and distribution of games, control is transferred to the customer when the game is made available for the customer. For physical sales, control is transferred when the product has been delivered to the customer. Revenue from digital publishing that is related to sales-based royalty is recognized when the subsequent sale occurs (to the end user).

Cost of goods and services sold

The item consists of costs directly linked to the games and game development. The majority of the Group's direct costs consist of royalties and licenses for the issued games. Other direct costs such as photography / film, technical service and software linked to product development are also presented here. Direct marketing is also presented here.

Remuneration to employees

Defined contribution pension plans

EG7's pension commitments are only covered by defined contribution plans.
A defined contribution pension plan is a pension plan according to which the Group pays fixed contributions to a separate legal entity. The Group has no legal or informal obligations to pay additional fees if this legal entity does not have sufficient assets to pay

all employee benefits related to the employees' service during the current or previous periods. The Group thus has no additional risk. The Group's obligations regarding fees for defined contribution plans are reported as an expense in the income statement at the rate they are earned by the employees performing services for the Group during the period.

Compensation in the event of termination
A cost for compensation in connection with redundancies is only reported if the company is demonstrably obliged, without a realistic possibility of withdrawal, by a formal detailed plan to terminate an employment before the normal time.

Financial income and expenses

Financial income
Financial income consists of interest income and any capital gains on financial assets. Interest income is reported in accordance with the effective interest method. The effective interest rate is the interest rate that discounts the estimated future inflows and outflows during a financial instrument's expected maturity to the reported net asset or liability's net value. The calculation includes all fees paid or received by the parties to the agreement that are part of the effective interest rate, transaction costs and all other premiums and discounts. Financial income is reported in the period to which it relates.

Financial expenses
Financial expenses mainly consist of interest expenses on liabilities which are calculated using the effective interest method and of interest expenses on leasing liabilities. Financial expenses are reported in the period to which they relate.
Exchange rate gains and exchange rate losses are reported net.

Earnings per share

Earnings per share before dilution are calculated by dividing the net profit attributable to the parent company's shareholders by the weighted average number of shares outstanding during the year.

Earnings per share after dilution are calculated by dividing the net result attributable to the parent company's shareholders, adjusted where applicable, by the sum of the weighted average number of ordinary shares and potential ordinary shares that may give rise to a dilution effect. The dilution effect of potential ordinary shares is only reported if a conversion to ordinary shares would lead to a reduction in earnings per share after dilution.

Intangible assets

An intangible asset is reported if it is probable that the future economic benefits that can be attributed to the asset will accrue to the company and that the acquisition value can be calculated in a reliable manner. An intangible asset is valued at acquisition value when it is recognized for the first time in the financial report. Intangible assets with a limited useful life are reported at acquisition value less depreciation and any impairment. Intangible assets with an indefinite useful life are tested annually for impairment and in cases where there are indications that an impairment loss may be required. Even for the intangible assets with an indefinite useful life, the useful life is reassessed at each balance sheet date.

Goodwill
Goodwill represents the difference between the acquisition value of a business combination and the fair value of acquired net assets. Goodwill is valued at acquisition value less any accumulated write-downs. Goodwill is allocated to cash-generating units that are expected to benefit from the synergy effects of the business combination. The factors that constitute reported goodwill are mainly synergies, personnel, know-how and customer contacts of strategic importance as well as access to new markets. Goodwill is considered to have an indefinite useful life and is thus tested at least annually for impairment.

Internally generated intangible assets
Costs that arise during the development phase are capitalized as intangible assets when, in the management's assessment, it is probable that they will result in future financial benefits for the Group, the criteria for capitalization are met and the costs can be measured reliably.

For EG7, internally generated intangible assets mainly pertain to game development for PC, console and mobile. The expenses that are capitalized include expenses for direct salary, consulting costs and other expenses directly attributable to the project. All other costs that do not meet the criteria for capitalization affect the net profit when they arise. Internally generated assets under development are tested at least annually for impairment.

IP rights
IP rights have arisen in connection with business acquisitions and refer to rights attributable to the Group's gaming products, such as a gaming software or title. IP rights are valued at fair value on the acquisition date. Thereafter, IP rights are reported at acquisition value less accumulated amortization and any accumulated impairment.

Market and client-related assets
Market and customer-related assets are attributable to the relationship with paying players that have been taken over by the Group in connection with a business acquisition. The assets are valued at fair value on the acquisition date and are then reported at acquisition value less accumulated depreciation and any accumulated impairment.

Depreciation and amortization
Intangible fixed assets are amortized systematically over the asset's estimated useful life. The useful life is reconsidered at each balance date and adjusted if necessary. When the amortizable amount of the assets is determined, the residual value of the asset is taken into account where applicable. Intangible assets with a definable useful life are amortized from the date they are available for use. Estimated useful lives for significant intangible fixed assets are as follows:

- Internally generated intangible assets 1-5 years
- IP rights 3-10 years
- Market and client-related assets 3-10 years
- Goodwill Undefinable

Tangible non-current assets
Tangible non-current assets are reported in the Group at acquisition value after deductions for accumulated depreciation and any write-downs.

The reported value of an asset is removed from the balance sheet upon disposal or divestment or when no future economic benefits are expected from the use or disposal / divestment of the asset. Gains or losses arising from the sale or disposal of an asset consist of the difference between the selling price and the asset's reported value less direct selling expenses. Profit and loss are reported as other operating income / expenses.

Depreciation and amortization
Depreciation takes place on a straight-line basis over the asset's estimated useful life. The estimated useful lives are:
- Equipment, tools and installations 3-5 years

Applied depreciation methods, residual values and useful lives are reassessed at the end of each year.

Leasing agreements
At the conclusion of an agreement, the Group determines whether the agreement is, or contains, a leasing agreement based on the substance of the agreement. An agreement is, or contains, a leasing agreement if the agreement leaves the right to decide for a certain period on the use of an identified asset in exchange for compensation.

Leasing liabilities
On the commencement date of a leasing agreement, the Group reports a leasing liability corresponding to the present value of the leasing payments to be paid during the leasing period. The leasing period is determined as the non-cancellable period together with periods to extend or terminate the agreement if the Group is reasonably certain of exercising those options. Leasing payments include fixed payments (after deduction of any benefits in connection with the signing of the leasing agreement to be received), variable leasing fees that depend on an index or a price (e.g. a reference interest rate) and amounts that are expected to be paid according to residual value guarantees. Variable leasing fees that are not due to an index or a price are reported as an expense in the period to which they are attributable.

For the calculation of the present value of the leasing payments, the Group uses the implicit interest rate in the agreement if it can be easily determined and in other cases the marginal borrowing rate as of the commencement date of the leasing agreement is used. After the commencement date of a lease agreement, the lease liability increases to reflect the interest on the lease liability and decreases with the lease payments paid. In addition, the value of the lease liability is revalued as a result of modifications, changes in the lease term, changes in lease payments or changes in an assessment to purchase the underlying asset.

Right-of-use assets
The Group recognizes right-of-use assets in the statement of financial position at the start date of the leasing agreement (i.e. the date when the underlying asset becomes available for use). Right-of-use assets are valued at acquisition value after deductions for accumulated depreciation and any write-downs and adjusted for revaluations of the lease liability. Nyttjanderättstillgångar skrivs av linjärt över det kortare av tillgångens nyttjandeperiod och leasingavtalets längd.

Application of practical exceptions
EG7 applies the practical exceptions regarding short-term leases and leases where the underlying asset is of low value. Short-term leasing agreements are defined as leasing agreements with an initial leasing period of a maximum of 12 months after consideration of any options to extend the leasing agreement. Leasing agreements where the underlying asset is of low value in the Group consist of e.g. of office equipment. Leasing payments for short-term leasing agreements and leasing agreements where the underlying asset is of low value are expensed on a straight-line basis over the leasing period. The Group also applies the exemption not to

separate non-leasing components from leasing components in leasing agreements. Thus, leasing components and associated non-leasing components are reported as a single leasing component.

Financial instruments

Financial instruments are any form of agreement that gives rise to a financial asset in one company and a financial liability or an equity instrument in another company. Financial instruments reported in the balance sheet include on the asset side; accounts receivable and cash and cash equivalents. Liabilities include; liabilities to credit institutions, accounts payable, additional purchase payments and other liabilities. The report depends on how the financial instruments have been classified.

Classification and valuation

Financial assets

Financial assets classified at amortized cost are held in accordance with the business model to collect contractual cash flows that are only payments of principal and interest on the outstanding principal. Financial assets that are classified at amortized cost are initially valued at fair value with the addition of transaction costs. After the first reporting opportunity, the assets are valued according to the effective interest method. The assets are covered by a loss provision for expected credit losses. The Group's financial assets, which are debt instruments classified at amortized cost, are shown in Note 15 Financial instruments.
The Group does not hold any financial assets classified at fair value through other comprehensive income. The Group also does not hold any financial assets that constitute debt instruments classified at fair value through profit or loss.

Financial liabilities

Financial liabilities, with the exception of contingent considerations, are classified at amortized cost. Financial liabilities reported at amortized cost are initially valued at fair value including transaction costs. After the first reporting occasion, they are valued at amortized cost according to the effective interest method. The Group's contingent considerations are classified and reported as a financial liability valued at fair value through profit or loss.

Borrowing is classified as current liabilities unless the Group has an unconditional right to defer payment of the debt for at least 12 months after the balance sheet date. Borrowing costs are reported in the income statement in the period to which they relate. Accrued interest is reported as part of current liabilities to credit institutions, in which case the interest is expected to be settled within 12 months from the balance date.

Fair value is determined as described in Note 15 Financial instruments.

Write-downs of financial assets

Financial assets measured at amortised cost are subject to impairment for expected credit losses. Write-down losses on credit losses in accordance with IFRS 9 are forward-looking and a loss provision is made when there is an exposure to credit risk, usually at the first reporting date for an asset or receivable. Expected credit losses reflect the present value of all cash flow deficits attributable to default either for the next 12 months or for the expected remaining maturity of the financial instrument, depending on the asset class and on credit deterioration since the first reporting date.

For a more detailed description of methods applied for calculating expected credit losses, see Note 21 Financial risks.

Inventory

Inventories are valued at the lower of cost and net realizable value. Acquisition value is calculated according to the so-called first-in-first-out principle and includes expenses incurred in acquiring the inventory assets and transporting them to their current location and condition. Net sales value is defined as sales price reduced for sales costs.

Cash and cash equivalents

Cash and cash equivalents consist of cash and immediately available balances with banks and corresponding institutions. Cash and cash equivalents are covered by the requirements for loss provision for expected credit losses.

Equity

All the company's shares are ordinary shares. The share capital is reported at the quota value of the ordinary shares and the excess part is reported as other contributed capital. Transaction costs that can be directly attributed to the issue of new shares are reported, net after tax, in equity as a deduction from the issue proceeds.

Cash flow

The cash flow statement is prepared according to the indirect method. This means that the result is adjusted with transactions that did not result in inflows or outflows and for income and expenses attributable to the investment and / or financing activities.

NOTE 2 Significant estimates and assessments

When preparing the financial statements, the company management and the Board must make certain estimates and assessments that affect the carrying amount of asset and liability items and income and expense items, respectively, as well as other information provided. The assessments are based on experiences and assumptions that the management and the Board deem to be reasonable in the prevailing circumstances. Actual outcome may then differ from these assessments if other conditions arise. The estimates and assumptions are evaluated on an ongoing basis and are not considered to entail any significant risk of significant adjustments in the reported values of assets and liabilities during the next financial year. Changes in estimates are reported in the period in which the change is made if the change has only affected this period, or in the period in which the change is made and future periods if the change affects both the current period and future periods. The assessments that are most important in the preparation of the company's financial reports are described below.

Impairment testing of goodwill

To determine whether the value of goodwill has decreased, the cash-generating units to which goodwill has been attributed are valued, which is done by discounting the cash-generating unit's cash flows. In applying this method, EG7 relies on a number of input factors, including results achieved, business plans, financial forecasts and market data. Changes in the conditions for these assumptions and estimates could have a significant effect on the value of goodwill.

Acquisition analyses

In the case of acquisitions of subsidiaries, an acquisition analysis is performed, in which the fair value on the acquisition date of acquired identifiable assets as well as assumed liabilities and contingent liabilities is reported. Acquisition analyses are based on significant estimates and assessments of future events. Actual values may consequently differ from those imposed in the acquisition analysis.

Contingent considerations

In connection with the acquisition of subsidiaries, EG7 has entered into agreements on conditional purchase prices. These additional purchase prices are valued at fair value through profit or loss and the fair value is determined by discounting future cash flows. Since the additional purchase price is dependent on future results, the actual outcome may vary from the assessments that have been made, even if the assessments used are the company management's best estimate of the outcome. Changes in the significant unobservable input factors, such as forecast sales and a risk-adjusted discount rate, can lead to a change in the reported values.

NOTE 3 Operational segments

The Group has, for accounting and follow-up, divided its operations into six segments; Daybreak, Big Blue Bubble, Piranha, Toadman, Fireshine and Petrol.
Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Chief Operating Decision Maker is the function responsible for allocating resources and assessing the operating segments' results. In the Group, this function has been identified as the company management. An operating segment is a part of the Group that conducts operations from which it can generate revenue and incur costs and for which independent financial information is available. The Group's division into segments is based on the internal structure of the Group's business operations.

In the third quarter of 2023, EG7 implemented a change to the internal organization, including internal reporting and decision-making processes. The segments correspond to the respective operating units, which follows the internal organization, and it is at this level that the company's highest executive decision-maker follows up on operating results as a basis for decisions on the allocation of resources. As a result, segment reporting from the third quarter of 2023 is updated to include the segments Daybreak, Big Blue Bubble, Piranha, Toadman, Fireshine and Petrol as this best reflects how EG7 primarily manages and monitors its business operations. A description of the respective companies that now form segments can be found on pages 5-10.

2023-01-01 – 2023-12-31	Daybreak	Big Blue Bubble	Piranha	Toadman	Fireshine	Petrol	Total segments	Group	Group total
Revenue from external customers	753.4	571.9	133.0	49.1	352.1	185.6	2,045.0	0.0	2,045.0
Other revenue	10.9	12.8	14.1	4.7	0.0	0.0	42.5	0.0	42.5
	764.3	**584.8**	**147.1**	**53.7**	**352.1**	**185.6**	**2,087.5**	**0.0**	**2,087.5**
Adjusted operating profit before depreciation and amortization (EBITDA)*	**162.9**	**356.1**	**49.0**	**-29.2**	**35.4**	**1.9**	**576.0**	**-34.0**	**542.0**
Adjustments contingent consideration									-20.9
Adjustments restructuring costs									-12.3
Adjustment M&A costs									-7.0
Other non-recurring costs									-6.0
Depreciation and amortization									-243.8
Operating profit (EBIT)									**252.1**
Financial income									3.9
Financial expenses									-40.0
Profit before tax									**216.0**

2022-01-01 – 2022-12-31	Daybreak	Big Blue Bubble	Piranha	Toadman	Fireshine	Petrol	Total segments	Group	Group total
Revenue from external customers	830.7	310.1	89.5	13.2	393.7	228.8	1,865.9	0.0	1,865.9
Other revenue	0.0	12.7	0.0	0.2	0.0	0.0	12.8	0.0	12.8
	830.7	**322.8**	**89.5**	**13.3**	**393.7**	**228.8**	**1,878.7**	**0.0**	**1,878.7**
Adjusted operating profit before depreciation and amortization (EBITDA)*	**233.0**	**182.1**	**31.2**	**-20.6**	**68.6**	**21.8**	**516.1**	**-33.3**	**483.0**
Adjustments contingent consideration									0.9
Adjustment M&A costs									-9.2
Depreciation and amortization									-750.4
Operating profit (EBIT)									**-275.9**
Financial income									13.5
Financial expenses									-33.8
Profit before tax									**-296.2**

* For definitions, see section ”Definitions of alternative performance measures”

Fixed assets per country

2023-01-01 – 2023-12-31	Daybreak	Big Blue Bubble	Piranha	Toadman	Fireshine	Petrol	Holding	Group total
GEOGRAPHICAL REGION								
Sweden				24.8			4.1	28.9
UK					249.8			249.8
Other Europe				11.3				11.3
Canada		219.5	407.0					626.5
US	2,999.4					38.7		3,038.0
Total fixed assets	**2,999.4**	**219.5**	**407.0**	**36.0**	**249.8**	**38.7**	**4.1**	**3,954.5**

2022-01-01 – 2022-12-31	Daybreak	Big Blue Bubble	Piranha	Toadman	Fireshine	Petrol	Holding	Group total
GEOGRAPHICAL REGION								
Sweden				2.5			4.0	6.5
UK				6.5	188.2			194.7
Other Europe				2.0				2.0
Canada		253.2	377.6					630.8
US	3,101.9					40.6		3,142.4
Total fixed assets	**3,101.9**	**253.2**	**377.6**	**11.0**	**188.2**	**40.6**	**4.0**	**3,976.4**

NOTE 4 Revenue from customer contracts

2023-01-01 – 2023-12-31	Daybreak	Big Blue Bubble	Piranha	Toadman	Fireshine	Petrol	Group total
GEOGRAPHICAL REGION							
Sweden	5.5	2.3	0.5	5.0	18.0	0.0	**31.3**
Rest of Europe	159.2	88.8	16.6	7.6	149.5	18.1	**439.7**
North America	551.6	429.3	103.0	36.4	144.0	137.0	**1,401.3**
South America	5.3	10.4	0.6	0.0	0.9	0.0	**17.2**
Asia	14.2	24.4	9.5	0.0	27.8	30.5	**106.4**
Africa	0.7	0.8	0.1	0.0	0.2	0.0	**1.8**
Oceania	16.9	15.9	2.8	0.0	11.8	0.0	**47.4**
Revenue from customer contracts	**753.4**	**571.9**	**133.0**	**49.1**	**352.1**	**185.6**	**2,045.0**

2022-01-01 – 2022-12-31	Daybreak	Big Blue Bubble	Piranha	Toadman	Fireshine	Petrol	Group total
GEOGRAPHICAL REGION							
Sweden	5.0	1.4	0.0	8.7	16.1	0.0	**31.2**
Rest of Europe	118.1	72.4	78.4	2.4	178.2	30.0	**479.6**
North America	671.9	210.5	11.1	1.9	162.4	176.6	**1,234.3**
South America	4.6	3.3	0.0	0.0	0.0	0.0	**7.9**
Asia	14.9	11.8	0.0	0.0	27.1	21.4	**75.2**
Africa	0.7	0.3	0.0	0.0	0.0	0.0	**1.0**
Oceania	15.4	10.5	0.0	0.0	9.9	0.9	**36.7**
Revenue from customer contracts	**830.7**	**310.1**	**89.5**	**11.1**	**393.7**	**228.8**	**1,865.9**

CONTRACTUAL ASSETS	2023-12-31	2022-12-31
Opening balance	15.8	35.6
Significant changes in contractual assets:		
Changes attributable to ordinary operations	6.8	-19.8
Closing balance	**22.5**	**15.8**

CONTRACTUAL LIABILITIES	2023-12-31	2022-12-31
Opening balance	157.0	154.3
Significant changes in contractual liabilities:		
due to business acquisitions		0.0
Changes attributable to ordinary operations	-40.6	2.7
Closing balance	**116.4**	**157.0**

REPORTED INCOME DURING THE YEAR	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Which was found in the contractual liabilities as of 1 January	153.0	144.1
From performance commitments that were fulfilled / have been partially fulfilled during previous periods	4.0	10.2

Revenues allocated to unfulfilled, or partially fulfilled performance commitments are expected to be reported as revenue	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Within one year	114.5	153.0
After one year	1.9	4.0

Contractual assets consist of accrued income, to which the company's right is conditional on continued performance in accordance with the agreement. When the company's right to compensation becomes unconditional, the asset is reported as a trade receivable. Contractual debt refers to advance payments from customers for whom performance commitments have not been fulfilled. Contractual liabilities are reported as income when performance commitments in the contract are fulfilled (or have been fulfilled).

NOTE 5 Other revenue

	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Release of contingent liabilities	10.9	0.9
Government grant game development	31.4	11.7
Other	0.2	0.2
Total	**42.5**	**12.8**

NOTE 6 Remuneration to auditors

PRICEWATERHOUSECOOPERS AB	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
The audit assignment	3.8	5.2
Other auditing activities	0.0	0.0
Tax advice	0.2	1.2
Other services	5.9	0.0
Total	**9.9**	**6.4**

OTHER AUDITORS		
The audit assignment	0.5	0.5
Other auditing activities	0.0	0.0
Tax advice	0.0	0.0
Other services	0.0	0.0
Total	**0.5**	**0.5**

Audit assignments refer to the auditor's work for the statutory audit and by auditing activities to different types of quality assurance services. Other services are those that are not included in audit assignments or tax advice.

Note 7 Personnel and personnel expenses

Average number of employees	2023-01-01 – 2023-12-31 Average number of employees	Of which women, %	Of which men, %	Of which other, %	2022-01-01 – 2022-12-31 Average number of employees	Of which women, %	Of which men, %
Parent company	9	65%	35%		8	71%	29%
Subsidiaries in:							
Sweden	34	29%	71%		31	20%	80%
Canada	174	20%	80%		138	39%	59%
Norway	3	0%	100%		2	0%	100%
Russia	0				59	12%	88%
Serbia	55	22%	78%				
UK	30	27%	73%		81	16%	84%
Germany	21	11%	89%		21	10%	90%
USA	344	24%	75%	1%	324	21%	79%
Group total	**669**	**23%**	**76%**	**1%**	**665**	**24%**	**76%**

Gender distribution in the Board and company management	2023-01-01 – 2023-12-31 Average number of employees	Of which women, %	Of which men, %	2022-01-01 – 2022-12-31 Average number of employees	Of which women, %	Of which men, %
Board of Directors	5	20%	80%	5	20%	80%
CEO and other management	2	0%	100%	2	0%	100%
Group total	**7**	**14%**	**86%**	**7**	**14%**	**86%**

Personnel expenses	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Parent company		
Board of Directors and the management:		
Salaries and benefits	9.2	6.5
Social expenses	1.4	1.5
Pension costs	0.8	1.0
Other personnel expenses	0.2	0.0
Total	**11.6**	**9.0**
Other personnel		
Salaries and benefits	6.3	3.9
Social expenses	1.6	1.8
Pension costs	0.6	0.7
Other personnel expenses	0.1	-0.1
Total	**8.6**	**6.3**
Subsidiaries		
Board of Directors and the management:		
Salaries and benefits	37.5	56.1
Social expenses	4.0	3.9
Pension costs	1.9	1.6
Other personnel expenses	0.4	0.3
Total	**43.8**	**61.9**

Other personnel		
Salaries and benefits	536.7	509.7
Social expenses	77.9	76.7
Pension costs	14.1	14.4
Other personnel expenses	10.7	7.3
Total	**639.4**	**608.1**
Group total	**703.4**	**685.5**

2023-01-01 – 2023-12-31	Base salary, Board compensation	Variable compensation	Pension costs	Other compensation	Total
Chairman of the Board					
Jason Epstein	0.6	0.0	0.0	0.0	0.6
Member of the Board					
Alexander Albedj	0.2	0.0	0.0	0.0	0.2
Marie-Louise Hellström Gefwert	0.3	0.0	0.0	0.0	0.3
Shumsher Singh	0.1	0.0	0.0	0.0	0.1
Gunnar Lind	0.3	0.0	0.0	0.0	0.3
Ron Moravek	0.1	0.0	0.0	0.0	0.1
Ben Braun	0.1	0.0	0.0	0.0	0.1
Chief executive officer					
Ji Ham	8.0	0.0	0.1	0.0	8.1
Other management (8 staff)	29.0	8.0	2.6	0.6	40.1
Total	**38.8**	**8.0**	**2.7**	**0.6**	**50.0**

2022-01-01 – 2022-12-31	Base salary, Board compensation	Variable compensation	Pension costs	Other compensation	Total
Chairman of the Board					
Jason Epstein	0.4	0.0	0.0	0.0	0.4
Member of the Board					
Alexander Albedj	0.4	0.0	0.0	0.0	0.4
Marie-Louise Hellström Gefwert	0.3	0.0	0.0	0.0	0.3
Shumsher Singh	0.1	0.0	0.0	0.0	0.1
Gunnar Lind	0.3	0.0	0.0	0.0	0.3
Erik Nielsen	0.1	0.0	0.0	0.0	0.1
Chief executive officer					
Ji Ham	7.6	15.2*	0.1	0.0	22.9
Other management (8 staff)	31.7	4.4	1.5	0.3	37.9
Total	**40.9**	**19.6**	**1.6**	**0.3**	**62.4**

*Bonus in connection with the Magic Online deal.

Remuneration and conditions for management

Remuneration to the CEO and other management consists of basic salary, variable compensation and in some cases pension benefits as well as other benefits such as a company car. Other management refers to the persons responsible for each subsidiary and Group management.

Since the end of August 2021, the company has had an acting CEO – Ji Ham – who has a fixed-term employment with the wholly owned subsidiary Daybreak Game Company LLC in California, USA. The current contract – as CEO of Daybreak as well as acting CEO of EG7 runs until 31 December 2024 with automatic extension one year at a time or through renegotiation. The company's acting CEO has a notice of termination period of six (6) months, regardless of whether the dismissal is on the company's or CEO's initiative. The acting CEO does not enjoy any pension benefit.

The deputy CEO has a notice of termination period of six (6) months, regardless of whether the termination is on the initiative of the company or the deputy CEO. In addition, the company has the opportunity to quarantine the deputy CEO for three (3) months after the end of the employment against a remuneration corresponding to three (3) monthly salaries. The pension benefit for the deputy CEO corresponds to 31.6% of pensionable salary.

Severance pay

The acting CEO is entitled to severance pay if he has 'good reasons' to resign or if the company terminates his employment without 'good reasons'. The severance pay can be valued at basic salary for the remaining months during the term of the contract or up to USD 750,000. According to the agreement, the acting director shall be 'quarantined' for three (3) months if the employment is terminated on his own initiative for any reason or on the company's initiative without 'good reasons'.

NOTE 8 Financial income

	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Assets valued at accrued acquisition value:		
Interest income other financial assets	8.1	0.2
Total interest income according to the effective interest method	**8.1**	**0.2**
Other financial income	2.4	0.6
Loan forgiveness (Covid related in US)	0.0	12.7
Exchange rate differences – financial items	1.4	0.0
Total	**3.8**	**13.2**
Total financial income	**11.9**	**13.5**

NOTE 9 Financial expenses

	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Assets and liabilities valued at fair value through profit or loss:		
Discount rate contingent consideration	-27.7	-14.8
Total reported through profit and loss	**-27.7**	**-14.8**
Liabilities valued at accrued acquisition value:		
Interest expenses liabilities to credit institutions	-1.0	-13.8
Total interest expenses according to the effective interest method	**-1.0**	**-13.8**
Other financial expenses:		
Borrowing costs	0.0	-1.1
Exchange rate differences – financial items	-12.5	-1.1
Interest expenses leasing liabilities	-1.6	-2.5
Other financial expenses	-5.2	-0.5
Total	**-19.3**	**-5.1**
Total financial expenses	**-48.0**	**-33.8**

NOTE 10 Tax

Current tax	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Current tax on net profit	-93.3	-50.8
Adjustments regarding previous years	0.0	0.0
Total current tax	-93.3	-50.8
Deferred tax		
Deferred tax on temporary differences	0.4	-1.3
Deferred tax on loss carryforwards	32.9	80.1
Total deferred tax	33.4	78.8
Reported tax on income statement	-59.9	28.0

Reconciliation of effective tax rate	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Profit before tax	**216.0**	**-296.2**
Tax according to the current tax rate for the parent company (20.6%)	-44.5	61.0
Tax effect from:		
Non-deductible expenses	-12.4	-38.1
Non-taxable income	1.2	6.4
Non-taxable income earn-out	0.0	0.3
Non-deductible interest	0.0	0.0
Previous years' taxes	0.0	7.7
Effect of changes in tax rate	-0.4	0.0
Adjustment def tax receivable	-23.6	0.0
Non-reported deferred tax on temporary differences	0.0	0.1
Adjustment tax rate other countries	21.3	-9.3
Goodwill impairment	0.0	0.0
Other	-1.5	0.0
Reported tax	**-59.9**	**28.0**
Effective tax rate	-28%	-9%

Amounts reported directly through OCI	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Deferred tax: currency effect net investment in subsidiaries	0.2	45.8
Total	**0.2**	**45.8**

Information on deferred tax assets and liabilities
The unused tax carryforwards have no maturity. From the acquisition of Daybreak, there is a local tax advantage regarding depreciation of the surplus value that is not recognized under IFRS. The total tax advantage amounts to SEK 420 million This tax advantage is shared with the sellers from Daybreak and the part that belongs to the former seller of Daybreak is reported as contingent consideration.
The following tables specify the tax effect of the temporary differences:

Deferred tax assets	Other	Intangible assets	Right-of-use assets	Unused tax carryforwards	Total
Opening balance 2023-01-01	**0.0**	**0.0**	**0.6**	**94.7**	**95.2**
Reported:					
Divestment					
In profit			0.4	54.1	54.5
Translation effect			0.0		
Closing balance 2023-12-31	**0.0**	**0.0**	**1.0**	**148.7**	**149.7**

Deferred tax assets	Other	Intangible assets	Right-of-use assets	Unused tax carryforwards	Total
Opening balance 2022-01-01	**12.2**	**0.7**	**-0.1**	**51.2**	**64.0**
Reported:					
Divestment	-12.2	-0.7	0.7	-42.4	-54.6
In profit				79.1	79.1
In comprehensive income				6.7	6.7
Closing balance 2022-12-31	**0.0**	**0.0**	**0.6**	**94.7**	**95.2**

Deferred tax liabilities	Other	Net investment subsidiaries	Intangible assets	Total
Opening balance 2023-01-01	**0.0**	**0.0**	**105.5**	**105.5**
Reported:				

Divestment				
In profit		-0.2	22.4	22.2
In comprehensive income		0.2		
Translation effect			-5.0	-5.0
Closing balance 2023-12-31	**0.0**	**0.0**	**122.9**	**122.9**

Deferred tax liabilities	**Other**	**Net investment subsidiaries**	**Intangible assets**	**Total**
Opening balance 2022-01-01	**10.8**	**0.0**	**57.4**	**68.2**
Reported:				
Divestment	-10.8			-10.8
In profit		-45.8	46.2	0.4
In comprehensive income		45.8	0.0	45.8
Translation effect		0.0	1.9	1.9
Closing balance 2022-12-31	**0.0**	**0.0**	**105.5**	**105.5**

NOTE 11 Earnings per average share

Earnings per share before dilution	**2023-01-01 –2023-12-31**	**2022-01-01 –2022-12-31**
Profit for the year attributable to the parent company’s shareholders	156.1	-1,238.9
Average number of ordinary shares outstanding	88,603,526	88,270,408
Earnings per share before dilution	**1.76**	**-14.04**

Earnings per share after dilution	**2023-01-01 - 2023-12-31**	**2022-01-01 - 2022-12-31**
Profit for the year attributable to the parent company’s shareholders	156.1	-1,238.9
Average number of shares after dilution	88,603,526	88,270,408
Earnings per share after dilution	**1.76**	**-14.04**

NOTE 12 Intangible assets

ACQUISITION VALUE	Goodwill	Self-generated intangible assets	Gaming rights	IP rights	Market and customer-related assets	Other intangible assets	Total intangible assets excluding goodwill
Per 1 January 2022	**4,105.3**	**369.1**		**652.1**	**402.9**	**123.9**	**1,547.9**
Separate acquisition						30.5	30.5
Internally processed		157.3					157.3
Reclassifications		120.4				-121.8	-1.4
Divestment	-1,037.9	-204.3		-211.5	-25.6	-12.2	-453.6
Translation effect	454.2	17.4		-56.3	51.0	14.3	26.5
Per 31 December 2022	**3,521.5**	**460.0**		**384.2**	**428.3**	**34.8**	**1,307.3**
Separate acquisition			179.3				179.3
Internally processed		85.6					85.6
Reclassifications							
Divestment		-9.8					-9.8
Translation effect	-109.6	-5.1	-8.4	-14.2	-15.8	-1.2	-44.7
Per 31 December 2023	**3,411.9**	**530.8**	**170.9**	**370.0**	**412.5**	**33.6**	**1,517.7**
Depreciation and amortization							
Per 1 January 2022		**-38.6**		**-128.7**	**-63.9**	**-8.5**	**-239.6**
This year's depreciation and amortization		-40.8		-61.3	-63.3	-0.4	-165.9
Reclassifications		0.2				0.3	0.5
Divestments				56.4	4.1	7.0	67.4
Translation effect		-2.7		4.3	-9.2	-0.4	-8.0
Per 31 December 2022		**-81.9**		**-129.3**	**-132.3**	**-2.1**	**-345.6**
This year's depreciation and amortization		-31.1	-14.4	-64.0	-65.4	-0.6	-175.4
Reclassifications							
Divestments						0.2	0.2
Translation effect		2.6	0.5	8.2	8.1		19.4
Per 31 December 2023		**-110.5**	**-13.9**	**-185.1**	**-189.6**	**-2.5**	**-501.6**
Impairment							
Per 1 January 2022	**-213.3**	**-1.7**		**-151.0**	**-25.6**	**-5.2**	**-183.6**
This year's impairment		-510.1				-30.4	-540.5
Reclassifications		0.4				5.2	5.6
Divestments		203.7		146.4	24.8		374.9
Translation effect	-23.3	0.0		4.6	-0.8	-0.9	2.9
Per 31 December 2022	**-236.6**	**-307.7**		**0.0**	**0.0**	**-31.3**	**-339.1**
This year's impairment		-10.5					-10.5
Reclassifications							
Divestments							
Translation effect	6.5					1.2	1.2
Per 31 December 2023	**-230.2**	**-318.3**		**0.0**	**0.0**	**-30.1**	**348.4**
Closing balance per 31 December 2022	**3,284.9**	**70.3**		**255.0**	**296.0**	**1.3**	**622.5**
Closing balance per 31 December 2023	**3,181.7**	**102.0**	**156.9**	**185.0**	**222.9**	**1.0**	**667.8**

Impairment test

The Group tests impairment of intangible fixed assets with an indefinite useful life at least annually, i.e. goodwill and self-generated intangible assets that have not yet been taken into use.

2023-12-31	Fireshine	Petrol	Daybreak	Big Blue Bubble	Piranha	Total
Goodwill	189.3	27.4	2,436.1	192.7	336.3	3,181.7

2022-12-31	Fireshine	Petrol	Daybreak	Big Blue Bubble	Piranha	Total
Goodwill	186.5	28.4	2,532.0	195.9	342.0	3,284.9

The impairment test for the Group's goodwill consists of assessing whether the unit's recoverable amount is higher than its carrying amount for each cash-generating unit to which the goodwill belongs. The recoverable amount has been calculated on the basis of the unit's value in use, which is the present value of the unit's expected future cash flows without regard to restructuring. The calculation of the recoverable amount for the Group requires that certain assumptions must be made. The recoverable amount of the cash-generated units has been calculated at an average growth rate of a five- to seven-year forecast, which has been based partly on historical results and management's assessment of the market's development going forward. The cash flow model includes forecasting of future cash flows from operations, including estimates of revenue volumes and costs. A forecast period of seven years is applied when we look at Daybreak and Piranha due to the communicated long-term plan that covers seven years and takes into account all planned investments. Cash flows after the forecast period are extrapolated with a growth of 2%. The calculation of value in use has been based on a discount factor of 12.6-13.9% pre tax and reflects specific risks in the relevant segments and in the countries in which they operate.

The discounted cash flow model includes forecasting of future cash flows from operations, including estimates of revenue volumes and costs. In connection with the impairment test in 2023 no impairment was identified. In sensitivity tests of reported value in relation to value in use, assumptions about growth have changed by + – 5 percentage points and the discount factor by + – 1 percentage points. A reduction in growth of 5% or a change in the discount factor of 1% does not create an additional need for impairment for Daybreak and Piranha.

No major write downs in 2023. In the fourth quarter 2022 SEK 308.6 million capitalized cost was written down related to games in Toadman and Antimatter Games due to the shift towards WFH. In the second quarter 2022 there was a decision to stop developing Marvel and the capitalized development costs of -201,5 was written down. Marvel assets has after the write down been completely scraped.

NOTE 13 Tangible assets

ACQUISITION VALUE	Inventory, tools and installations	Total tangible fixed assets
Per 1 January 2022	**220.9**	**220.9**
This year's acquisitions	12.2	12.2
Acquired via business acquisitions		
Sales / scraps	-56.7	-56.7
Translation effect	27.1	27.1
Per 31 December 2022	**203.5**	**203.5**
This year's acquisitions	10.8	10.8
Acquired via business acquisitions	7.4	7.4
Sales / scraps	-4.9	-4.9
Translation effect	-8.3	-8.3
Per 31 December 2023	**208.4**	**208.4**
Accumulated depreciation		
Per 1 January 2022	**-187.6**	**-187.6**
This year's depreciations	-14.2	-14.2
Acquired		
Sales / scraps	51.4	51.4
Translation effect	-23.8	-23.8
Per 31 December 2022	**-174.3**	**-174.3**
This year's depreciations	-14.2	-14.2
Acquired		
Sales / scraps	3.9	3.9
Translation effect	6.6	6.6
Per 31 December 2023	**-178.1**	**-178.1**
Closing balance per 31 December 2022	**29.1**	**29.1**
Closing balance per 31 December 2023	**30.3**	**30.3**

NOTE 14 Leasing agreements

EG7's significant leasing agreements mainly consist of agreements regarding rental premises. EG7 presents leasing agreements in the class premises. The table below presents the Group's closing balances regarding right-of-use assets and leasing liabilities as well as the operations during the year:

	Right-of use assets		
	Premises	**Total**	**Leasing liability**
Opening balance 1 January 2022	**54.2**	**54.2**	**52.3**
Additional agreements	10.8	10.8	10.8
Depreciation	-30.5	-30.5	
Divestments	-10.4	-10.4	-8.3
Recalculation	11.4	11.4	11.4
Translation effects	4.4	4.4	4.5
Interest expenses			1.6
Leasing fees			-31.2
Closing balance 31 December 2022	**39.9**	**39.9**	**41.1**
Additional agreements	37.8	37.8	69.0
Depreciation	-29.4	-29.4	
Divestments			
Recalculation	26.2	26.2	-4.5
Translation effects	0.2	0.2	-2.1
Interest expenses			1.6
Leasing fees			-27.6
Closing balance 31 December 2023	**74.7**	**74.7**	**77.5**

The amounts reported in the Group's report on earnings during the year attributable to leasing operations are presented below:

	2023-01-01 –2023-12-31	**2022-01-01 –2022-12-31**
Depreciation of right-of-use assets	-29.4	-30.5
Interest expenses on leasing liabilities	-1.6	-1.6
Expense regarding short-term leasing agreements	-0.3	-0.7
Expense of agreements where the underlying asset is of low value	-0.4	-0.5
Expenses for variable leasing fees	-10.3	-10.3
Profit effect terminated agreements	0.0	0.0
Total	**-42.0**	**-43.5**

For a maturity analysis of the Group's leasing liabilities, see Note 21 Financial risks.

NOTE 15 Financial instruments

Valuation of financial assets and liabilities as of 2023-12-31

Financial assets	Financial assets/liabilities valued at fair value through profit or loss	Financial assets/liabilities valued at amortized cost
Accounts receivable		155.6
Blocked bank balance		2.6
Cash and cash equivalents		478.3
Total		**636.5**
Financial liabilities		
Contingent consideration	271.0	
Liabilities to credit institutions		3.6
Accounts payable		33.9
Deferred income		116.4
Other financial liabilities		125.7
Total	**271.0**	**279.6**

Valuation of financial assets and liabilities as of 2022-12-31

Financial assets	Financial assets/liabilities valued at fair value through profit or loss	Financial assets/liabilities valued at amortized cost
Accounts receivable		263.3
Blocked bank balance		2.6
Cash and cash equivalents		405.2
Total		**671.1**
Financial liabilities		
Contingent consideration	253.1	
Liabilities to credit institutions		104.0
Accounts payable		84.8
Deferred income		157.0
Other financial liabilities		145.8
Total	**253.1**	**491.7**

Interest-bearing receivables and liabilities

Liabilities to credit institutions bear variable interest rates. For the Group's borrowings, the carrying amount of the borrowings corresponds to its fair value because the interest rate on these borrowings is on par with current market interest rates or because the borrowing is short-term.

Current receivables and liabilities

For current receivables and liabilities, such as accounts receivable and accounts payable, the carrying amount is considered to be a good approximation of the fair value as the discount effect is not considered to be material.
The Group has no financial assets or liabilities that have been set off in the accounts or that are covered by a legally binding netting agreement. The assets' maximum credit risk consists of the net amounts of the reported values in the tables above. The Group has not received any collateral for the net financial assets.

Valuation at fair value

Fair value is the price that at the time of valuation would be obtained on the sale of an asset or paid on the transfer of a liability through an orderly transaction between market participants. The table below shows financial instruments valued at fair value, based on how the classification in the fair value hierarchy is made. The different levels 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).
All of the Group's contingent considerations are valued according to level 3.

Contingent consideration

The contingent consideration is reported as a separate item in the balance sheet and is valued at fair value by discounting expected cash flows with a risk-adjusted discount rate of 13.9%. Valuation thus takes place according to level 3 in the valuation hierarchy. The additional purchase price is dependent on the earnings trend in the acquisitions up to and including 2025. Significant unobservable input data consists of forecast earnings and a risk-adjusted discount rate.

Additional purchase prices	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Opening balance	**253.1**	**298.0**
Payments	-21.2	-68.2
Change in value reported in the result	20.9	-0.9
Discount effect	27.7	14.2
Currency effect	-9.5	10.0
Closing balance	**271.0**	**253.1**

During the period, unrealized gains or losses for contingent considerations held as of the balance sheet date amounted to SEK 31.8 million in other expenses and SEK 10.9 (0,9) million in other revenue in the Group's income statement.
Given the contingent considerations available as of the balance sheet date, a change in the discount factor of 5 percentage points will have an impact on the fair value of the contingent additional purchase consideration of SEK 1.2 million.

NOTE 16 Inventory

	2023-12-31	2022-12-31
Prepared goods and goods for sale	14.0	17.3
Reported value	**14.0**	**17.3**

NOTE 17 Prepayments and accrued income

	2023-12-31	2022-12-31
Insurance premiums	4.7	3.6
Game related costs	8.4	51.2
Software licences	11.5	3.1
Other prepaid expenses	14.1	8.4
Reported value	**38.8**	**66.3**

NOTE 18 Cash and cash equivalents

	2023-12-31	2022-12-31
Bank balances	480.9	407.8
Reported value	**480.9**	**407.8**

Of the Group's bank balances, SEK 2.6 million (SEK 2.6 million) consists of blocked bank balances that are classified as other long-term receivables.

NOTE 19 Group companies

The parent company's, Enad Global 7 AB (publ), holdings in direct and indirect subsidiaries that are covered by the consolidated financial statements are shown in the table below:

Company	Corporate identity number	Location	Amount/Share % 2023-12-31	Amount/Share % 2022-12-31
Enad Global 7 AB (publ)	556923-2837	Stockholm, Sweden	Parent company	Parent company
Toadman Interactive AB	559230-6483	Stockholm, Sweden	100%	100%
Artplant AS	NO983807747	Oslo, Norway	100%	100%
Toadman Interactive SAS	953 801 743	Montpellier, France	100%	
Sympa Games DOO	21801593	Novi Sad, Serbia	100%	
Anti-matter Games Ltd	8543466	Cornwall, UK	100%	100%
Petrol Advertising Inc	EIN: 84-2171339	North Varney, USA	100%	100%
Toadman Interactive GmbH	DE314775478	Berlin, Germany	100%	100%
Sold-out Marketing & Distribution Ltd	Reg nr. 06989121	London, UK	100%	100%
Dream Acquisition Co.	85-4392549	San Diego, US	100%	100%
Daybreak Game Company LLC	20-4347762	San Diego, US	100%	100%
Standing Stone Games LLC	81-43419251	San Diego, US	100%	100%
Online Game Service		San Diego, US	100%	100%
Big Blue Bubble Inc.	OCN 5037200	London, Canada	100%	100%
Piranha Games Inc.	865634174RC0002	Vancouver, Canada	100%	100%

NOTE 20 Equity

Share capital

The registered share capital of SEK 3,544,140 (SEK 3,544,140) consists of 88,603,526 shares (88,603,526 shares). Enad Global 7 AB (publ) has only one class of shares where all shares have equal voting rights. The par value of the shares is SEK 0.04.
Holders of ordinary shares are entitled to dividends that are determined gradually and the shareholding entitles the holder to vote at the Annual General Meeting with one vote per share. All shares have the same right to EG7's remaining net assets. All shares are fully paid and no shares are reserved for transfer. No shares are held by the company itself or its subsidiaries.

	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Number of shares outstanding at the beginning of the year	**88,603,526**	**87,118,089**
Issue for non-cash consideration		1,485,437
Number of outstanding shares at the end of the year	**88,603,526**	**88,603,526**

Other contributed capital

Refers to equity contributed by the owners. This includes premiums paid in connection with issues and the attributable tax effect.

Reserves

The Group's reserve fully refers to a translation reserve, which includes all exchange rate differences that arise when translating financial reports from foreign operations that have prepared their financial reports in a functional currency other than the currency in which the Group's financial reports are presented. Accumulated translation difference is reported in the result on disposal of the foreign operation. The company also reports the currency effect on intra-group receivables with associated deferred tax on equity as a result of net investment in foreign operations.

NOTE 21 Financial risks

The Group's earnings, financial position and cash flow are affected both by changes in the rest of the world and by the Group's own actions. The risk management work aims to clarify and analyze the risks that the company encounters and, as far as possible, to prevent and limit any negative effects.

Through its operations, the Group is exposed to various types of financial risks; credit risk, market risks (interest rate risk, currency risk and other price risk) as well as liquidity risk and refinancing risk. The Board has the overall responsibility for the Group's risk work, including financial risks. The risk work includes identifying, assessing and evaluating the risks that the Group faces. Priority is given to the risks that, in an overall assessment regarding possible impact, probability and consequence, are judged to have the most negative effect on the Group. The Group's overall objective for financial risks is to manage and monitor these in order to minimize the risks as far as possible.

Credit risk

Credit risk is the risk that the Group's counterparty in a financial instrument will not be able to fulfill its obligation and thereby cause the Group a financial loss. The Group's credit risk arises primarily through receivables from customers and when investing cash and cash equivalents. At each reporting occasion, the Group evaluates the credit risk of existing exposures, taking into account forward-looking factors.

Below are the financial assets the Group has reserved expected credit losses for. In addition to the assets below, the Group also monitors provisions for other financial instruments. In cases where the amounts are not deemed to be insignificant, a provision is made for expected credit losses also for these financial instruments.

Credit risk in accounts receivable (simplified method for credit risk reserve)

For the Group, credit risk is mainly in accounts receivable and contractual assets and EG7's goal is to have a continuous follow-up of this credit risk. The Group's customers consist of both companies and consumers. The Group has established guidelines to ensure that products are sold to customers with a suitable credit background. The payment terms normally amount to between 0-60 days depending on the counterparty. The historical credit losses amount to a small amount in relation to the Group's sales: 0.04%.

For accounts receivable and contractual assets, the simplified method for reporting expected credit losses is applied. This means that expected credit losses are reserved for the remaining term, which is expected to be less than one year for all receivables. The company applies a rating-based method for calculating expected credit losses based on the probability of default, expected loss and exposure in the event of default. The company has defined default as when payment of the claim is 90 days delayed or more, or if other factors indicate that there is a suspension of payment. In cases where an external credit rating is not available to the counterparty, the company makes an internal assessment of the counterparty's credit rating based on the company's previous experience of the customer and other available information. For credit-impaired assets and receivables as well as for receivables amounting to significant amounts, an individual assessment is made where historical, current and forward-looking information is taken into account. For non-credit impaired receivables and receivables that do not amount to significant amounts, a collective assessment is made. The company impairs a receivable when there is no longer any expectation of receiving payment and when active measures to receive payment have been completed.

Maturity analysis accounts receivable

	2023-12-31			2022-12-31		
	Gross	**Impaired**	**Loss share**	**Gross**	**Impaired**	**Loss share**
Non-overdue accounts receivable	72.2			154.4		
Overdue accounts receivable:						
0-30 days	28.3			53.3		
31-60 days	9.4			2.3		
61-90 days	14.0			12.4		
>91	39.2	-7.5	-2%	41.1	-0.2	-2%
Total	**163.1**	**-7.5**	**-2%**	**263.5**	**-0.2**	**-2%**

The credit quality of receivables that are not overdue for more than 90 days is deemed to be good, based on historically low customer losses and consideration of forward-looking factors. The value of impaired receivables that are still under recovery measures amounts to SEK 7.5 million.

Expected loss on accounts receivable (according to simplified method)	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Opening balance	**-0.2**	**-0.2**
Impairments	-7.3	0.0
Established credit losses	0.0	0.0
Closing balance	**-7.5**	**-0.2**

Cash and cash equivalents
The Group's credit risk also arises from the investment of cash and cash equivalents and excess liquidity. EG7's goal is to have a continuous follow-up of credit risk attributable to investments. For investments in bank accounts, the goal is for the counterparty to have a high credit rating of at least investment grade rating BBB (S&P). One way of counteracting credit risk is for the Group to have bank accounts in more than one bank.

Provision for expected credit losses
The company applies a rating-based method for assessing expected credit losses based on the probability of default, expected loss and exposure in the event of default. Assessment is made per counterparty. The company has defined default as when payment of the claim is 90 days late or more, or if other factors indicate that there is a suspension of payment. As of the balance sheet date, no significant increase in credit risk has been deemed to exist for any receivable. Such an assessment is based on whether payment is 30 days late or more, or if there is a significant deterioration in the rating, resulting in a rating below the investment grade. For credit-impaired assets and receivables, an individual assessment is made where historical, current and forward-looking information is taken into account. The valuation of expected credit losses takes into account any collateral and other credit enhancements in the form of guarantees.

The financial assets are reported in the balance sheet at accrued acquisition value, ie net of gross value and loss reserve. Changes in the loss reserve are reported in the income statement.

Credit risk exposure and credit risk concentration
The Group's credit risk exposure consists of accounts receivable and cash and cash equivalents. Cash and cash equivalents of SEK 478.3 million are invested in various countries with financial institutions with a high credit rating. The majority of cash and cash equivalents are placed in banks with a rating of A.

Market risk
Market risk is the risk that the fair value of or future cash flows from a financial instrument varies due to changes in market prices. According to IFRS, market risks are divided into three types; currency risk, interest rate risk and other price risks. The market risks that affect the Group mainly consist of interest rate risks and currency risks.

Interest rate risk
Interest rate risk is the risk that fair value or future cash flows from a financial instrument will vary due to changes in market interest rates. The goal is not to be exposed to future fluctuations in interest rate changes that affect the Group's cash flow and earnings to a greater extent than EG7 can handle. A significant factor that affects interest rate risk is the fixed interest period. The Group is primarily exposed to interest rate risk regarding the Group's loans to credit institutions. The Group's borrowing normally takes place at a variable interest rate. The interest rate risk is low as the Group's interest costs are low in relation to total profit.

The table below specifies the terms and repayment dates for each interest-bearing debt:

				Reported value	
	Currency	**Maturity**	**Interest**	**2023-12-31**	**2022-12-31**
Liabilities to credit institutions, Facility B	SEK	2023-11-01	Variable	0	100
Total				**0**	**100**

Currency risk
Currency risk is the risk that fair value or future cash flows from a financial instrument will fluctuate due to changes in foreign exchange rates. Currency risks are found primarily in the translation of foreign operations' assets and liabilities into the parent company's functional currency, so-called translation exposure. Some of the Group's sales and purchases also take place in foreign currencies, so-called transaction exposure. The greatest impact for the Group is the USD rate. An increase in the SEK/USD with 10% would have impacted the Group with -/+ 50 MSEK in EBITDA.

Liquidity risk and refinancing risk

Liquidity risk is the risk that a company will have difficulty fulfilling obligations that are related to financial liabilities that are settled with cash or other financial assets. The Group manages liquidity risk through continuous follow-up of operations, where the Group continuously forecasts future cash flows based on various scenarios to ensure that financing takes place on time.

The risk is mitigated by the Group's good liquidity reserves, which are immediately available. The Group's operations are essentially financed via cash flows from operations. The Group has covenants linked to the debt to credit institutions. Indebtedness in relation to EBITDA, loans in relation to EBITDA and EBITDA in relation to borrowing costs. The total liquidity reserve consists of cash and cash equivalents.

Refinancing risk refers to the risk that financing for acquisitions or development cannot be retained, extended, expanded, refinanced or that such financing can only take place on terms that are unfavourable to the company. The need for refinancing is regularly reviewed by the company and the Board to ensure financing of the company's expansion and investments. The goal is to ensure that the Group has ongoing access to external borrowing without the cost of borrowing increasing significantly. The refinancing risk is reduced by structuring and starting the refinancing process in good time. The company also maintains a continuous dialogue with several lenders.

The Group's contractual and undiscounted interest payments and repayments of financial liabilities are shown in the table below. Financial instruments with variable interest rates have been calculated with the interest rate that existed on the balance sheet date. Liabilities have been included in the period when repayment can be demanded at the earliest. In addition to cash and cash equivalents of SEK 478 million, future payments will be covered by ongoing inflows into operations.

			2023-12-31			
Maturity analysis	**<6 months**	**6-12 months**	**1-3 years**	**3-5 years**	**>5 years**	**Total**
Leasing liabilities	27.8	27.8	14.4	7.5		77.5
Contingent considerations	18.3	61.2	124.0	67.4	0.0	271.0
Liabilities to credit institutions	0.4					0.4
Accounts payable	33.7					33.7
Other liabilities	221.9	16.9	3.3			242.2
Total	**302,1**	**106.0**	**141.8**	**74.9**	**0.0**	**624,8**

			2022-12-31			
Maturity analysis	**<6 months**	**6-12 months**	**1-3 years**	**3-5 years**	**>5 years**	**Total**
Leasing liabilities	11.8	11.8	9.2	6.0	1.5	40.2
Contingent considerations		50.7	131.2	0.7	70.5	253.1
Liabilities to credit institutions		104.0				104.0
Accounts payable	83.7	1.1				84.8
Other liabilities	254.5	22.4	9.3	0.1	0.0	286.4
Total	**350.0**	**189.8**	**149.7**	**6.8**	**72.0**	**768.3**

NOTE 22 Accrued expenses

	2023-12-31	**2022-12-31**
Accrued salaries, holiday pay and employer's contributions	100.0	100.2
Accrued audit costs	3.4	4.4
Royalty	74.4	87.8
Other accrued expenses	46.0	30.4
Reported value	**223.9**	**222.8**

NOTE 23 Cash flow statement

Adjustments for non-cash flow items

Adjustments in operating profit	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Depreciation and amortization	243.8	750.4
Contingent considerations	20.9	0.0
Other non-cash flow affecting items	6.7	20.3
Total	**271.4**	**770.7**

Change in liabilities attributable to financing activities

	2023-01-01	Cash flow from financing	Contracts entered into / reclassification leasing	Translation effects	Divestments	Borrowing costs	2023-12-31
Leasing liabilities	41.1	-26.0	64.5	-2.1			77.5
Liabilities to credit institutions	104.0	-100.0				-0.5	3.5
Total liabilities attributable to financing activities	**145.1**	**126.0**	**64.5**	**-2.1**		**-0.5**	**81.0**

	2022-01-01	Cash flow from financing	Contracts entered into / reclassification leasing	Translation effects	Divestments	Borrowing costs	2022-12-31
Leasing liabilities	52.3	-29.6	22.2	4.5	-8.3		41.1
Liabilities to credit institutions	406.2	-300.0				-2.2	104.0
Total liabilities attributable to financing activities	**458.5**	**-329.6**	**22.2**	**4.5**	**-8.3**	**-2.2**	**145.1**

NOTE 24 Pledged collateral and contingent liabilities

Pledged collateral for own liabilities to credit institutions	2023-12-31	2022-12-31
Pledged shares in subsidiaries	3,577.9	3,577.9
Blocked bank funds regarding rent deposit	2.6	2.6
Total	**3,580.5**	**3,580.5**

NOTE 25 Transactions with related parties

A list of the Group's subsidiaries, which are also the companies that are related to the parent company, is provided in Note 19 Group companies. All transactions between Enad Global 7 AB (publ) and its subsidiaries have been eliminated in the consolidated accounts. Further information on the parent company's transactions with subsidiaries can be found in the parent company's Note 19 Transactions with related parties.

For information on remuneration to senior executives, see Note 6 Employees and personnel costs.
EG7's other transactions with related parties consist of transactions on commercial terms with companies in the same industry and at arm's length.

Related party	**Related party income statement**	**2023-01-01 –2023-12-31**	**2022-01-01 –2022-12-31**
Pixelated Ink 1)	Revenue marketing related services	0.2	12.2
Cold Iron LLC 2)	Revenue Game related work for hire	36.2	1.8
Arte Actus Capital AB 3)	Consulting fees	-1.1	-1.1
Agnition Capital 4)	Consulting fees	-1.1	
Gefwert Development AB 5)	Consulting fees	-0.6	
Petrol properties 6)	Rent	-4.2	-3.9

Related party	**Related party balance sheet item**	**2023-01-01 2023-12-31**	**2022-01-01 –2022-12-31**
Cold Iron LLC 2)	Receivable regarding game related work for hire	11.1	1.8
Cold Iron LLC 2)	Publishing deal	116.0	
Total assets		**127.1**	**1.8**
Jason Epstein	Contingent consideration related to tax saving benefits 7)	106.2	121.6
Ji Ham	Contingent consideration related to tax saving benefits 7)	14.2	16.3
Gefwert Development AB	Payable regarding consulting fees	0.1	
Total liabilities		**120.5**	**137.9**

1) Pixeleted Ink is partially owned by Petrol advertisings deputy CEO Ben Granados and CEO Alan Hunter
2) Cold Iron is owned by EG7's CEO Ji Ham and Chairman of the Board Jason Epstein. During the year, Toadman has delivered SEK 36.2 million in WFH – game development to Cold Iron LLC. Out of which SEK 25.1 million has been paid and SEK 11.1 million remains as receivables. EG7 has made a total prepayment of SEK 116.0 million to Cold Iron LLC in 2023. Which will be recouped on game release, and before any revenue share between the companies kicks in.
3) Arte Actus Capital AB is owned by former Board Member Alexander Albedj who left the board in June 2023.
4) Agnition Capital is owned by former Board Member Shumsher Singh who left the board in June 2023.
5) Gefwert Development is owned by board member Marie-Louise Gefwert.
6) Petrol properties owned by Petrol advertisings deputy CEO Ben Granados and CEO Alan Hunter.
7) Total estimated remaining amount by end of December 2023 amounted to SEK 147.8 million of which SEK 106.2 refers to Jason Epstein and SEK 14.2 million to Ji Ham. It refers to acquisition related tax saving benefits from the Daybreak acquisition where the SPA stated that the seller, including Jason Epstein and Ji Ham, and the buyer receive half each from the accumulated tax savings deriving from the acquisition. This amount will be fully settled in 2036 which also means that the tax payments in Daybreak will increase at that point. In total SEK 17.0 million was paid as part of the SPA related tax refund to the sellers of Daybreak in 2024. Where SEK 15.0 million were paid to Jason Epstein, Chairman of the Board, and SEK 2.0 million was paid to Ji Ham, CEO of EG7.

NOTE 26 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 instalments over the following 18 months.

	2022-01-01 -2022-09-26
Net Revenue	197.2
Other Revenue	27.2
Total Revenue	**224.4**
Operating expenses	
Cost of goods sold	-78.8
Other external expenses	-22.5
Personnel expenses	-57.9
Other expenses	-7.4
Operating profit before depreciation and amortization (EBITDA)	**57.8**
Depreciation of tangible and right-of-use assets	-14.1
Operating profit before amortization of intangible assets (EBITA)	**43.7**
Amortization of acquisition-related intangible assets	-1,126.8
Amortization of other intangible assets	-0.2
Operating profit (EBIT)	**-1,083.3**
Transactional result	112.9
Profit before tax	**-970.5**
Tax expense for the period	-0.4
NET PROFIT FROM DISCONTINUED OPERATIONS	**-970.8**

Divested assets	**2022-09-26**
Intangible assets	27.7
Tangible non-current assets	9.1
Financial non-current assets	48.3
Inventory	1.0
Current receivables	151.2
Cash and cash equivalents	121.7
Non-current liabilities	-5.7
Current liabilities	-241.3
Net assets	**112.0**

Cash flow from divested business	**2022**
Operating activities	-91.5
Investing activities	0.0
Financing activities	-10.0
Net cash flow	**-101.5**
Cash at beginning of the period	94.3
Net cash flow	-101.5
FX effect	7.2
Cash at end of the period	**0.0**

NOTE 27 Events after the balance sheet date

- Piranha had a WFH contract that was cancelled. Out of the estimated SEK 100 million of Net Revenues from the contract, Piranha will have received approximately 40 percent of the Net Revenues by the termination date. The remaining SEK 60 million of potential Net Revenue lost is expected to reduce Piranha's profits by approximately SEK 18 million in 2024.
- Daybreak successfully closed the sale of a non-core IP for USD 5.9 million.
- The board has decided to strengthen group management by appointing David Youssefi as Vice President and General Counsel and Huyen Huynh as Vice President of Group Operations.
- The extra general meeting that was held on the 15th of March 2024 resolved, in accordance with the nomination committee's proposal, to elect Ebba Ljungerud as new director. It was noted that the current directors Jason Epstein, Gunnar Lind, Marie-Louise Gefwert, Ji Ham, Ben Braun and Ronald Moravek remain as directors. Jason Epstein remains as chair of the board.

PARENT COMPANY’S INCOME STATEMENT

Values in SEKm	Note	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Revenue			
Net revenue	3	2.1	5.6
Other revenue		0.0	0.0
		2.1	**5.6**
Own work capitalized	9	0.0	48.6
Operating expenses			
Cost of goods sold		-31.9	-54.4
Other external expenses	4,5	-23.7	-27.6
Personnel expenses		-18.6	-15.4
Depreciation and amortization	9,10	0.0	-104.5
Other expenses		0.0	0.0
Operating profit (EBIT)		**-72.1**	**-147.8**
Financial items			
Result from shares in group companies	11	288.6	-768.6
Financial income	6	3.6	261.9
Financial expenses	7	-13.1	-16.4
Profit after financial net		**207.0**	**-670.9**
Appropriations		0.0	-226.7
Profit before tax		**207.0**	**-897.6**
Tax expense for the period	8	-7.4	27.0
NET PROFIT/LOSS		**199.6**	**-870.6**

PARENT COMPANY’S REPORT ON COMPREHENSIVE INCOME

Values in SEKm	Note	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Net profit/loss		199.6	-870.6
Comprehensive income for the period		199.6	-870.6

PARENT COMPANY’S BALANCE SHEET

Values in SEKm	Note	2023-12-31	2022-12-31
ASSETS			
Intangible non-current assets			
Capitalized expenses for development work and similar work	9	0.0	0.0
Total intangible non-current assets		**0.0**	**0.0**
Tangible non-current assets			
Fixtures, tools and installations	10	0.2	0.0
Total tangible non-current assets		**0.2**	**0.0**
Financial non-current assets			
Shares in group companies	11	3,612.1	3,612.1
Receivables from group companies		0.0	7.4
Deferred tax assets	8	32.0	39.4
Other long-term receivables		2.6	2.6
Total financial non-current assets		**3,646.8**	**3,661.5**
Total non-current assets		**3,646.9**	**3,661.5**
Current assets			
Accounts receivables	12	0.0	0.0
Receivables from group companies	12	36.8	36.8
Current tax receivable		0.2	0.0
Other receivables		8.0	30.8
Prepayments and accrued income	13	1.1	1.6
		46.1	**69.2**
Cash and cash equivalents	12	99.6	39.9
Total current assets		**145.8**	**109.1**
TOTAL ASSETS		**3,792.7**	**3,770.6**

EQUITY AND LIABILITIES

Values in SEKm	Note	2023-12-31	2022-12-31
Equity	**14**		
Share capital		3.5	3.5
Development expenditure fund		0.0	0.0
Restricted equity		**3.5**	**3.5**
Share premium reserve		4,609.0	4,609.0
Accumulated profit		-1,116.8	-206.3
Profit for the year		199.6	-870.6
Unrestricted equity		**3,691.8**	**3,532.1**
Total equity		**3,695.3**	**3,535.6**
Non-current liabilities			
Bond loan	12,15	0.0	0.0
Liabilities to credit institutions	12	0.0	0.0
Liabilities to group companies		0.0	0.0
Total non-current liabilities		**0.0**	**0.0**
Current liabilities			
Liabilities to credit institutions	12,15	0.0	99.5
Accounts payable	15	2.7	3.8
Liabilities to group companies	12,15	41.4	121.7
Other liabilities	12	40.4	0.2
Accrued expenses	16	12.9	9.9
Total current liabilities		**97.4**	**235.0**
Total liabilities		**97.4**	**235.0**
TOTAL EQUITY AND LIABILITIES		**3,792.7**	**3,770.6**

PARENT COMPANY'S REPORT ON CHANGES IN EQUITY

Values in SEKm	Restricted equity		Unrestricted equity		
	Share Capital	Capitalization Reserve	Share premium reserve	Accumulated profit	Total equity
Opening balance 2022-01-01	**3.5**	**199.8**	**4,547.4**	**-406.0**	**4,344.6**
Net profit/loss				-870.6	-870.6
Comprehensive income of the period				**-870.6**	**-870.6**
Transactions with shareholders:					
Rights issues after transaction costs	0.1		61.6		61.6
Rights issues transaction costs			0.0		0.0
Tax effects transaction costs of rights issues			0.0		0.0
Total	**0.1**		**61.6**		**61.6**
Transfer capitalization reserve		-199.8		199.8	0.0
Closing balance 2022-12-31	**3.5**	**0.0**	**4,609.0**	**-1,076.9**	**3,535.6**
Opening balance 2023-01-01	**3.5**		**4,609.0**	**-1,076.9**	**3,535.6**
Net profit/loss				199.6	199.6
Comprehensive income of the period				**199.6**	**199.6**
Transactions with shareholders:					
Rights issues after transaction costs					
Rights issues transaction costs					
Tax effects transaction costs of rights issues					
Total					
Dividend				-39.9	**-39.9**
Closing balance 2023-12-31	**3.5**		**4,609.0**	**-917.1**	**3,695.5**

PARENT COMPANY'S CASH FLOW STATEMENT

Values in SEKm	Note	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
OPERATING ACTIVITIES			
Operating profit		-72.1	-147.8
Adjustment for non-cash flow items	17	0.0	107.0
Received interest etc.		3.6	38.7
Paid interest		-2.7	-14.2
Paid income tax		0.0	0.0
Cash flow from operating activities before changes in working capital		**-71.2**	**-16.2**
Cash flow from changes in working capital			
Changes of current receivables		-0.0	-0.2
Changes of current liabilities		-82.2	-14.3
Cash flow from operating activities		**-153.4**	**-30.7**
INVESTMENT ACTIVITIES			
Acquisition of group companies	11	0.0	0.0
Divestment of group companies		29.6	192.6
Acquisition of tangible assets		-0.2	0.0
Acquisition of intangible assets	9	0.0	-48.6
Cash flow from investment activities		**29.4**	**144.0**
FINANCING ACTIVITIES			
Rights issue		0.0	0.0
Dividend received		288.6	146.8
Financial costs	17	-4.9	0.0
Repaid loans	17	-100.0	-300.0
Cash flow from financing activities		**183.7**	**-153.2**
CASH FLOW FOR THE PERIOD		59.8	-39.9
Cash and cash equivalents at start of period		39.8	79.8
Exchange rate differences		0.0	0.0
Cash and cash equivalents at end of period		**99.6**	**39.9**

PARENT COMPANY’S NOTES

NOTE 1 Parent Company’s Accounting Principles

The parent company prepares its financial reports in accordance with the Annual Accounts Act (1995:1554) and the recommendation RFR 2 “Accounting for legal entities” issued by the Swedish Financial Reporting Board. The parent company applies the same accounting principles as the Group with the exceptions and additions specified in RFR 2. This means that IFRS is applied with the deviations specified below. The accounting principles for the parent company set out below have been applied consistently to all periods presented in the parent company’s financial reports, unless otherwise stated.

Arrangement

The income statement and balance sheet are prepared for the parent company in accordance with the Annual Accounts Act, while the statement of comprehensive income, the statement of changes in equity and the statement of cash flow are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows.

Leasing

The rules on accounting for leasing agreements in accordance with IFRS 16 are not applied in the parent company. This means that leasing fees are reported as an expense on a straight-line basis over the leasing period, and that right-of-use assets and leasing liabilities are not included in the parent company’s balance sheet. However, identification of a leasing agreement is made in accordance with IFRS 16, i.e. that an agreement is, or contains, a leasing agreement if the agreement leaves the right to decide for a certain period on the use of an identified asset in exchange for compensation.

Income from shares in subsidiaries

Dividends are reported when the right to receive payment is deemed secure. Revenues from the sale of subsidiaries are reported when control of the subsidiary has been transferred to the buyer.

Taxes

In the parent company, deferred tax liabilities attributable to the untaxed reserves are reported with gross amounts in the balance sheet. The year-end appropriations are reported with the gross amount in the income statement.

Shares in subsidiaries

Shares in subsidiaries are reported in the parent company in accordance with the acquisition value method. This means that transaction costs are included in the reported value of the holding. In cases where the book value exceeds the companies’ consolidated value, a write-down is made which is charged to the income statement. An impairment analysis is carried out when there is an indication that shares and participations have decreased in value. In cases where a previous write-down is no longer justified, this is reversed.

Assumptions are made about future conditions to calculate future cash flows that determine the recoverable amount. The recoverable amount is compared with the reported value of these assets and forms the basis for any write-downs or reversals. The assumptions that affect the recoverable amount the most are future earnings development, discount rate and useful life. If future external factors and conditions change, assumptions may be affected so that the reported values of the parent company’s assets change.

Group contributions and shareholder contributions

The parent company reports both received and paid group contributions and appropriations in accordance with the alternative rule. Shareholder contributions provided by the parent company are entered directly against equity at the recipient and are reported as shares and participations with the parent company. Shareholders’ contributions received are reported as an increase in unrestricted equity.

Financial instruments

Due to the connection between accounting and taxation, the rules on financial instruments according to IFRS 9 are not applied in the parent company as a legal entity, but the parent company applies the acquisition value method in accordance with the ÅRL. In the parent company, financial fixed assets are thus valued at acquisition value and financial current assets according to the lowest value principle, with the application of write-downs for expected credit losses according to IFRS 9 regarding assets that are debt instruments. Contingent considerations are valued at the amount that the parent company deems would need to be paid if it was settled at the balance date.

The parent company applies the exemption not to value financial guarantee agreements for the benefit of subsidiaries and associated companies and joint ventures in accordance with the rules in IFRS 9, but instead applies the principles for valuation in accordance with IAS 37 Provisions, contingent liabilities and contingent assets.

Write-downs of financial assets
Financial assets, including intra-group receivables, are impaired for expected credit losses. For a method regarding write-downs for expected credit losses, see the Group's accounting principles. Expected credit losses for intra-group receivables are estimated through the general model in which the Group companies' credit worthiness is estimated.
Expected credit losses for cash and cash equivalents have not been reported, as the amount has been judged to be insignificant.

Fund for research and development
Expenses for game development are recognized in the parent company as intangible assets in accordance with the Group's principles. In the parent company, amounts corresponding to development expenses are transferred from unrestricted equity to a fund for research and development expenses within restricted equity.

NOTE 2 Significant estimates and assessments

When preparing the financial statements, the company management and the Board must make certain estimates and assessments that affect the carrying amount of asset and liability items and income and expense items, respectively, as well as other information provided. The assessments are based on experiences and assumptions that the management and the Board deem to be reasonable in the prevailing circumstances. Actual outcome may then differ from these assessments if other conditions arise. The estimates and assessments are evaluated on an ongoing basis and are not considered to entail any significant risk of significant adjustments in the reported values of assets and liabilities during the coming periods. Changes in estimates are reported in the period in which the change is made if the change has only affected this period, or in the period in which the change is made and future periods if the change affects both the current period and future periods. The assessments that are most important in the preparation of the financial statements are described below.

Shares in subsidiaries are valued for impairment when there is an indication that shares and participations have decreased in value. The valuation uses cash flow forecasts for each subsidiary. Capitalized development costs are tested annually for future cash flows.

NOTE 3 Revenue from Customer Contracts

	2023-01-01 –2023-12-31	**2022-01-01 –2022-12-31**
Geographical region		
Europe	2.1	5.6
Revenue from customer contracts	**2.1**	**5.6**

NOTE 4 Remuneration to auditors

	2023-01-01 –2023-12-31	**2022-01-01 –2022-12-31**
PRICEWATERHOUSECOOPERS		
Auditing services	1.8	5.2
Tax advice	0.2	1.2
Other fees	5.8	0.0
Total	**7.9**	**6.4**

Audit assignments refer to the auditor's work for the statutory audit and by auditing activities to different types of quality assurance services. Other services are those that are not included in audit assignments or tax advice, for 2023 this mainly consist of costs connected to the planned up-listing.

NOTE 5 Leasing agreements

Future minimum lease payments	2023-12-31	2022-12-31
Within 1 year	1.4	4.5
Between 2-5 years	1.4	0.0
More than 5 years	1.4	0.0
Total	**4.2**	**4.5**

The parent company's leasing agreement mainly pertains to office premises.
Leasing fees expensed for the period amounted to SEK 4.8 million (SEK 4.5 million in 2022).

NOTE 6 Financial income

	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Assets and liabilities valued at accrued acquisition value:		
Interest income, external	1.8	
Interest income receivables from group companies	1.8	38.9
Total interest income according to the effective interest method	**3.6**	**38.9**
Other financial income		
Exchange rate differences – income, financial items	0.0	223.0
Total	**0.0**	**223.0**
Total financial income	**3.6**	**261.9**

NOTE 7 Financial expenses

	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Assets and liabilities valued at accrued acquisition value:		
Interest expenses liabilities to credit institutions	-0.7	-14.2
Interest expenses liabilities to group companies	-2.0	-1.2
Interest expenses other financial liabilities	0.0	-1.1
Total interest expenses according to the effective interest method	**-2.7**	**-16.4**
Other financial expenses		
Exchange rate differences – costs, financial items	-5.5	0.0
Result divestment	0.0	-768.6
Borrowing costs	-4.9	0.0
Total	**-10,4**	**-768.6**
Total financial expenses	**-13.1**	**-785.0**

NOTE 8 Tax

	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Current tax	0.0	0.0
Change in deferred tax regarding temporary differences	-7.4	27.0
Reported tax	**-7.4**	**27.0**
Reconciliation of effective tax rate		
Profit before tax	**207.0**	**-897.6**
Tax according to the current tax rate for the parent company (20.6%)	-42.6	184.9
Tax effect of:		
Non-deductible expenses	-0.1	-0.6
Adjustment of deferred tax in previous years	-24.1	0.0
Non-deductible interest	0.0	1.0
Dividend from subsidiaries	59.5	30.2
Result divestment of subsidiaries	0.0	47.1
Impairment of subsidiary shares	0.0	-235.7
Reported tax	**-7.4**	**27.0**
Effective tax rate	-4%	-3%

Information on deferred tax assets and liabilities.
The following tables specify the tax effect of the temporary differences:

Deferred tax assets	Deficit deduction	Total
Opening balance 2023-01-01	39.4	39.4
Reported:		
In profit	-7.4	-7.4
In equity	0.0	0.0
Closing balance 2023-12-31	**32.0**	**32.0**

Deferred tax assets	Deficit deduction	Total
Opening balance 2022-01-01	12.4	12.4
Reported:		
In profit	27.0	27.0
In equity	0.0	0.0
Closing balance 2022-12-31	**39.4**	**39.4**

NOTE 9 Intangible assets

Intangible assets in the parent company consist of capitalized expenses for development work and similar work. The expenses arise in connection with the game development.

Acquisition value	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Opening balance	**106.3**	**206.7**
This year's purchases	0.0	0.0
Internally processed	0.0	48.6
Scraped and sales	0.0	-149.0
Closing balance	**106.3**	**106.3**
Depreciation and amortization		
Opening balance	0.0	-0.3
This year's depreciation and amortization	0.0	0.3
Closing balance	**0.0**	**0.0**
Impairment		
Opening balance	-106.3	-5.6
This year's impairment	0.0	-106.3
Scraped and sales	0.0	5.6
Closing balance	**-106.3**	**-106.3**
Closing balance	**0.0**	**0.0**

NOTE 10 Tangible assets

Tangible assets in the parent company consist of office equipment.

Acquisition value	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Opening balance	**0.1**	**0.1**
This year's purchases	0.2	0.0
Sales / scraps	0.0	0.0
Closing balance	**0.3**	**0.1**
Depreciation and amortization		
Opening balance	-0.1	0.0
This year's depreciation and amortization	0.0	0.0
Sales / scraps	0.0	0.0
Closing balance	**-0.1**	**-0.1**
Closing balance	**0.2**	**0.0**

NOTE 11 Shares in group companies

	2023-12-31	2022-12-31
Opening balance acquisition value	3,796.2	2,800.1
Acquisition / shareholder contribution	0.0	2,117.4
Sales subsidiaries	0.0	-1,121.3
Closing balance acquisition value	**3,796.2**	**3,796.2**

Impairment of a share in group companies	**2023-12-31**	**2022-12-31**
Opening balance accumulated impairments	184.1	159.1
Impairments for the year	0.0	25.0
Closing balance accumulated impairments	**184.1**	**184.1**
Closing balance	**3,612.1**	**3,612.1**

Company	Corporate identity number	Location	Equity 2023-12-31	Net profit/loss 2023	Share %	Number of shares	Reported value 2023-12-31	Reported value 2022-12-31
Toadman Interactive AB	559230-6483	Stockholm, Sweden	47.4	-35.0	100%	100,000	62.4	62.4
Artplant AS	NO983807747	Oslo, Norway						
Toadman Interactive GmbH	DE314775478	Berlin, Germany						
Toadman Interactive SAS	953 801 743	Montpellier, France						
Sympa Games DOO	21801593	Novi Sad, Serbia						
Anti-matter Games Ltd	8543466	Cornwall, UK	6.3	2.4	100%	44	1.7	1.7
Petrol Advertising Inc	EIN: 84-2171339	North Varney, US	50.7	-3.7	100%	100	63.3	63.3
Sold-out Marketing & Distribution Ltd	Reg nr. 06989121	London, UK	189.1	5.7	100%	2	288.6	288.6
Dream Acquisition Co.	85-4392549	San Diego, US	2,856.4	58.4	100%	10	2,797.0	2,797.0
Daybreak Game Company LLC	20-4347762	San Diego, US						
Standing Stone Games LLC	81-43419251	San Diego, US						
Online Game Services		San Diego, US						
Big Blue Bubble Inc.	OCN 5037200	London, Canada	160.2	195.2	100%	100	182.6	182.6
Piranha Games Inc.	865634174RC0002	Vancouver, Canada	401.3	34.2	100%	100	216.5	216.5
							3,612.1	**3,612.1**

NOTE 12 Financial instruments

Financial assets / liabilities valued at accrued acquisition value.

Financial assets	2023-12-31	2022-12-31
Receivables from group companies	36.8	44.3
Accounts receivable	0.0	0.0
Cash and cash equivalents	99.6	39.9
Total	**136.4**	**84.1**
Financial liabilities		
Bond debt	0.0	0.0
Liabilities to credit institutions	0.0	99.5
Accounts payable	2.7	3.8
Liabilities to group companies	41.4	121.7
Contingent consideration	0.0	0.0
Other liabilities	40.4	0.2
Total	**84.5**	**225.1**

Liabilities to credit institutions bear variable interest rates.
For other financial instruments in the parent company, the reported value is considered to be a good approximation of the fair value.
The assets' maximum credit risk consists of the reported values. The parent company has not received any pledged collateral for the financial assets.

NOTE 13 Prepaid expenses and accrued income

	2023-12-31	2022-12-31
Prepaid rental expenses	0.4	1.2
Intra-group prepaid expenses	0.0	0.0
Other prepaid expenses	0.7	0.4
Reported value	**1.1**	**1.6**

NOTE 14 Equity

Fund for capitalized development	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Opening balance	0.0	199.8
Increase through capitalized development expenses		48.6
Sales intangible assets		-143.1
Decrease in line with amortization and write downs of intangible assets		-105.2
Closing balance	**0.0**	**0.0**

For other information on equity, see Group Note 20 Equity.

NOTE 15 Maturity analysis for financial liabilities

2023-12-31	<6 months	6-12 months	1-3 years	3-5 years	>5 years	Total
Liabilities to credit institutions	0.0	0.0	0.0	0.0	0.0	**0.0**
Accounts payable	2.7	0.0	0.0	0.0	0.0	**2.7**
Liabilities to group companies	0.0	41.4	0.0	0.0	0.0	**41.4**
Other liabilities	40.4	0.0	0.0	0.0	0.0	**40.4**

2022-12-31	<6 months	6-12 months	1-3 years	3-5 years	>5 years	Total
Liabilities to credit institutions	0.0	99.5	0.0	0.0	0.0	**99.5**
Accounts payable	3.8	0.0	0.0	0.0	0.0	**3.8**
Liabilities to group companies	0.0	121.7	0.0	0.0	0.0	**121.7**
Other liabilities	0.2	0.0	0.0	0.0	0.0	**0.2**

NOTE 16 Accrued expenses and prepaid income

	2023-12-31	2022-12-31
Accrued salaries, holiday pay and employer's contributions	6.3	3.6
Auditing expenses	2.9	4.1
Other accrued expenses and prepaid income	3.7	2.2
Reported value	**12.9**	**9.9**

NOTE 17 Cash flow information

Adjustments for non-cash flow items	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Adjustments in operating profit		
Depreciation and amortization	0.0	0.0
Impairments	0.0	104.5
Provisions	0.0	0.0
Other	0.0	2.5
Total	**0.0**	**107.0**

Change in liabilities attributable to financing activities.

	2023-01-01	Cash flow changes	Non-cash flow changes	2023-12-31
Bond debt	0.0	0.0	0.0	0.0
Liabilities to credit institutions	99.5	-100.0	0.5	0.0
Total liabilities attributable to financing activities	**99.5**	**-100.0**	**0.5**	**0.0**

	2022-01-01	Cash flow changes	Non-cash flow changes	2022-12-31
Bond debt	0.0	0.0	0.0	0.0
Liabilities to credit institutions	399.2	-300.0	0.3	99.5
Total liabilities attributable to financing activities	**399.2**	**-300.0**	**0.3**	**99.5**

NOTE 18 Pledged collateral and contingent liabilities

Pledged collateral for own liabilities to credit institutions	2023-12-31	2022-12-31
Pledged shares in subsidiaries	3,577.9	3,577.9
Blocked bank balance, rent deposit	2.6	2.6
Total	**3,580.5**	**3,580.5**

NOTE 19 Transactions with related parties

Group companies	2023-01-01 –2023-12-31	2022-01-01 –2022-12-31
Sales of goods / services	2.1	3.5
Purchase of goods / services	-31.6	-54.4
Internal interest rate	-1.0	37.6
Receivable on the balance sheet date	36.8	36.8
Liability on the balance sheet date	41.4	121.7

NOTE 20 Events after the balance sheet date

No significant events after the balance sheet date.

NOTE 21 Proposed allocation of profit and loss

(SEKm) At the Annual General Meeting's disposal stands:	2023-12-31	2022-12-31
Accumulated profit/loss	-1,116.7	-206.3
Share premium reserve	4,609.0	4,609.0
Profit/loss of the year	199.6	-870.6
	3,691.8	**3,532.0**
The Board proposes that the following is carried forward		
Carried forward	3,691.8	3,532.0
	3,691.8	**3,532.0**

DEFINITIONS

ALTERNATIVE PERFORMANCE MEASURES

Guidelines regarding alternative performance measures for companies with securities listed on a regulated market within the EU have been issued by ESMA (The European Securities and Markets Authority). The interim report refers to a number of undefined measures in accordance with IFRS that are used to help both investors and management to analyse the company's operations. Because not all companies calculate financial measures in the same way, these are not always comparable with measures used by other companies. These financial measures should therefore not be regarded as compensation for measures defined in accordance with IFRS. Below we describe the various measures not defined in accordance with IFRS that have been used as a complement to the financial information reported in accordance with IFRS and how these measures are used.

The reason why we use the alternative KPIs listed under Definitions is because they visualize operational performance in such a way that a reasonable investor potentially would consider some or all of them in a decision to trade shares in Enad Global 7 AB.

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.

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. Referring to Note 3 Segments for a detailed view of non recurring items.

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

EBITA: Operating profit before depreciation of intangible assets.

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

Adjusted EBIT: EBIT adjusted for items considered to be non-recurring and one-time in nature for comparability between periods. Referring to Note 3 Segments for a detailed view of non recurring items.

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

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

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.

OTHER DEFINITIONS

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

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

Equity ratio: Equity as a percentage of total assets.

Net profit/loss: Profit/loss after tax for the period.

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

Number of shares: Total number of shares outstanding.

Stockholm, 24 April 2024

Ji Ham CEO / Bord Member	Jason Epstein Chairman of the Board
Ben Braun Board Member	Marie-Louise Gefwert Board Member
Ron Moravek Board Member	Gunnar Lind Board Member

Our audit report has been submitted on

Öhrlings PricewaterhouseCoopers AB

Niklas Renström
Authorized auditor

AUDITORS REPORT

To the general meeting of the shareholders of Enad Global 7 AB (publ), corporate identity number 556923-2387

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Enad Global 7 AB (publ) for the year 2023. The annual accounts and consolidated accounts of the company are included on pages 32-88 in this document.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 December 2023 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group..

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-31. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Revisorsinspektionen's website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

Report on other legal and regulatory requirements

Opinions
In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Enad Global 7 AB (publ) for the year 2023 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated dealt with in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions
We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director
The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility
Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

● has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
● in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Revisorsinspektionen's websitewww.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

Stockholm 24 April 2024

Öhrlings PricewaterhouseCoppers AB

Niklas Renström
Authorized Public Accountant

Auditor’s Limited Assurance Report on Enad Global 7 AB’s (publ) Sustainability Report and statement on the Statutory Sustainability Report

To the annual general meeting of Enad Global 7 AB (publ), corporate identity number 556923-2387

Introduction

We have been engaged by the Board and Group Management of company Enad Global 7 AB (publ) to undertake a limited assurance of Enad Global 7 AB (publ)’s Sustainability Report for the year 2023. The company has defined the scope of its sustainability report on page 12-22.

Responsibilities of the Board and Group Management

The Board of Directors and Group Management are responsible for the preparation of the Sustainability Report, including the statutory sustainability report, in accordance with the applicable criteria and the Annual Accounts Act. The criteria are described on page 11 of the Sustainability Report, and consists of the parts of the GRI Sustainability Reporting Standards which are applicable to the Sustainability Report, as well as the accounting and calculation principles that Enad Global 7 AB (publ) has developed. This responsibility also includes the internal control which is deemed necessary to establish a sustainability report that does not contain material misstatement, whether due to fraud or error.

Responsibilities of the auditor

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to provide a statement on the statutory sustainability report. Our assignment is limited to the historical information that is presented and thus does not include future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 revised Assurance Engagements Other than Audits or Reviews of Historical Financial Information. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report and applying analytical and other limited assurance procedures. We have conducted our examination regarding the statutory sustainability report in accordance with FAR’s recommendation RevR 12, the Auditor’s Opinion on the Statutory Sustainability Report. A limited assurance engagement and an examination according to RevR 12 have a different focus and a considerably smaller scope compared to the focus and scope of an audit in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The audit firm applies ISQM 1 (International Standard on Quality Management) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent in relation to Enad Global 7 AB (publ) according to generally accepted auditing standards in Sweden and have fulfilled our professional ethics responsibility according to these requirements.The procedures performed in a limited assurance engagement and an examination according to RevR 12 do not allow us to obtain such assurance that we become aware of all significant matters that could have been identified if an audit was performed. The conclusion based on a limited assurance engagement and an examination in accordance with RevR 12, therefore, does not provide the same level of assurance as a conclusion based on an audit has.

Our procedures are based on the criteria defined by the Board of Directors and the Group Management as described above. We consider these criteria as suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Group Management.

A Statutory Sustainability Report has been prepared.

Stockholm 24 April 2024

Niklas Renström
Authorized Public Accountant

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