



INVESTOR PRESENTATION
JAN-MAR 2023

Financial Highlights

- **Q1 2023**

- Net Revenue of SEK 572 (400) million, representing 43% YoY growth,
- Adjusted EBITDA of SEK 190 (107) million, representing 33% margin and 78% growth
- Operating cash flow of SEK 171 million

- **Key takeaways**

- All-time high results for the quarter
- Best financial position since inception – SEK 453 million in cash with no bank debt at holdings

572

SEKm

Net Revenues
Q1 2023

190

SEKm

Adj EBITDA
Q1 2023

43%

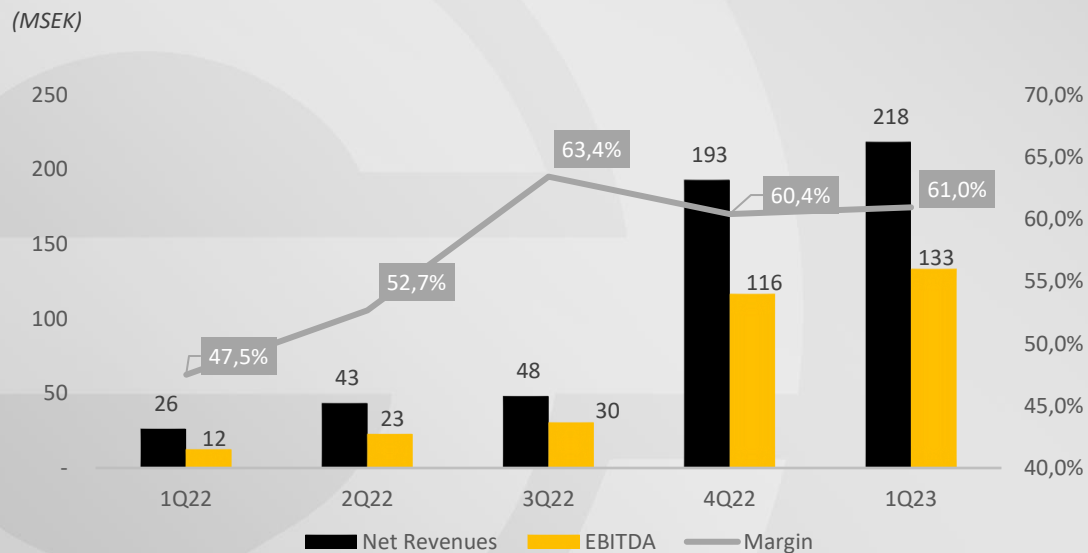
Net Revenue Growth
(YoY)

33%

EBITDA margin



Big Blue Bubble – A Solid Follow Through Performance in Q1

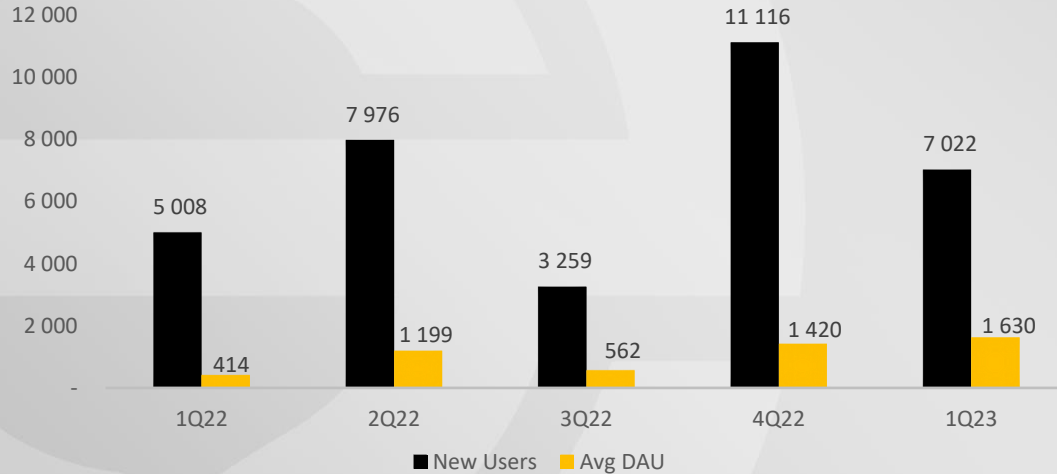


- Further growth in Net Revenue and EBITDA from the record numbers delivered in Q4 2022
- Strong margins at 61%
- December 2022 was the peak for My Singing Monsters (“MSM”) but benefitting from the follow through momentum in Q1
- Expecting a higher normalized baseline for MSM above the level prior to the viral uptick going forward



My Singing Monsters – Strong User Engagement

(000s)



- Over 7 million new users in Q1
- All-time high average DAU of 1.63 million in Q1
- A higher average DAU in Q1 2023 compared to Q4 2022, demonstrating solid engagement and retention trends
- Until major updates/events, the expectation is for engagement numbers to decline but still settle at a higher base than before as noted



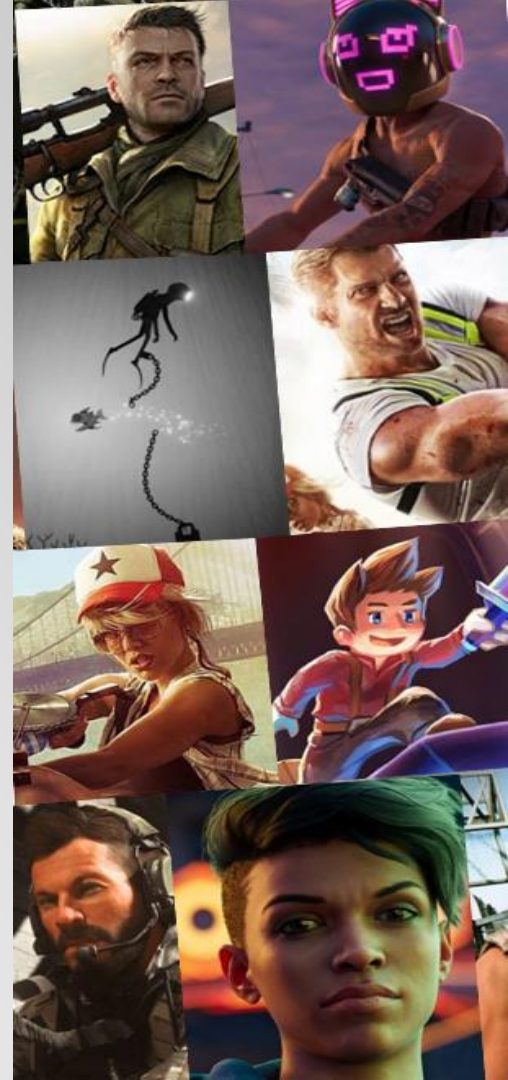
Operational Highlights – Game Segment

- **Financial performance highlights**
 - Net Revenue of SEK 475 million, representing 86% growth and 69% FX neutral organic growth
 - Adjusted EBITDA of SEK 194 million, 129% growth and 41% margin
- **Summary commentary**
 - MSM was once again the key driver for Game Segment's performance
 - BBB contributed 46% of Net Revenue and 68% of Adjusted EBITDA for Game Segment
 - Daybreak's stable business of live games continue to delivered
 - Net Revenue of SEK 201 (212) million, Adj EBITDA margin of 26%
 - Piranha had its best quarter ever with Net Revenue of SEK 51 million
 - The fourth DLC to MechWarrior 5 was a nice success
 - Making good progress on WFH strategy, successfully signing a new contract for SEK 100 million over 18 months



Operational Highlights – Service Segment

- **Key figures**
 - Net Revenue of SEK 97 million, representing 33% decline YoY
 - Adjusted EBITDA of SEK 8 million, representing 8% margin
- **Summary commentary**
 - Q1 Net Revenue due to the unfavorable comparison and the timing of product pipeline for 2023
 - Fireshine performed according to plan – no big releases were planned for Q1
 - The pipeline for the rest of 2023 is strong
 - Indie digital publishing success continues:
 - Shadows of Doubt released in April as an early access title on Steam and currently has 92% positive rating on Steam
 - Petrol doing what it does best with a number of top brands:
 - Mighty DOOM launch – over 10 million trailer views and more than 3.3 million downloads in the first two weeks of release
 - Warframe's 10th anniversary Brand Identity campaign
 - Launch of the new season to Call of Duty Warzone II



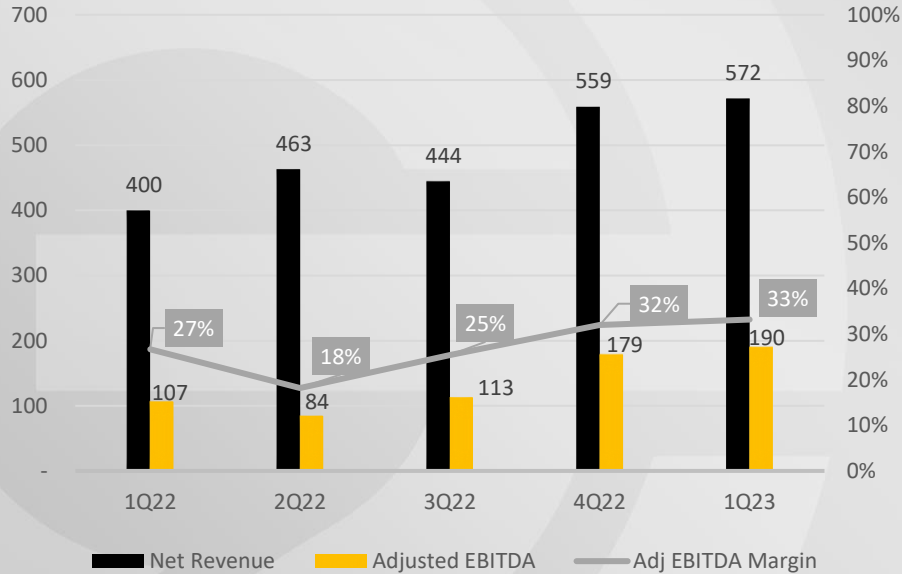
Q1 2023 FINANCIAL DISCUSSION |



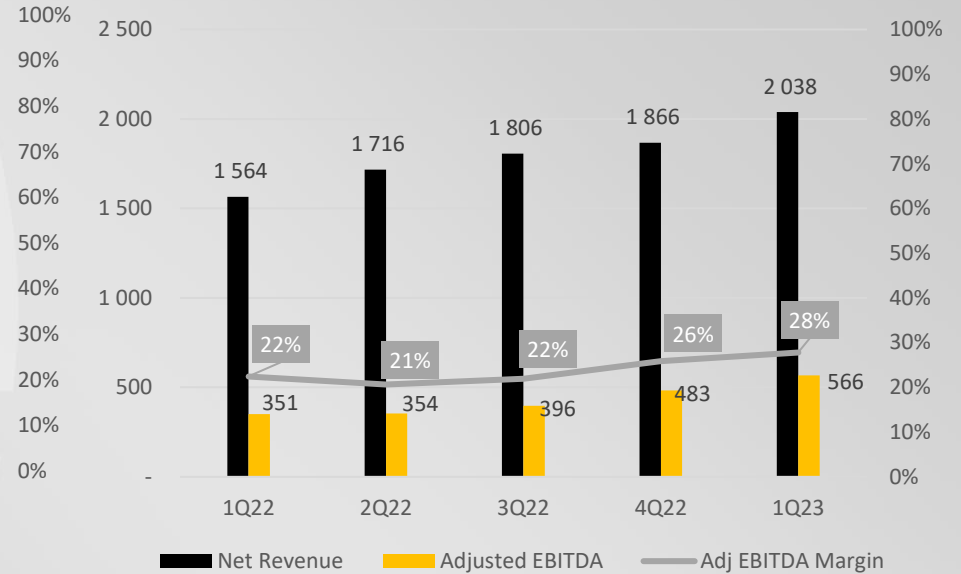
Net Revenue and Adjusted EBITDA

MSEK

QUARTERLY



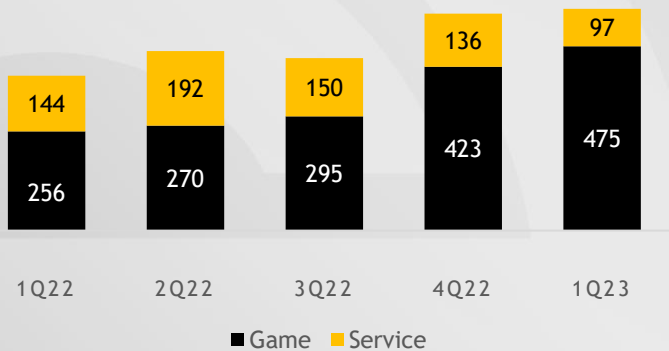
LTM



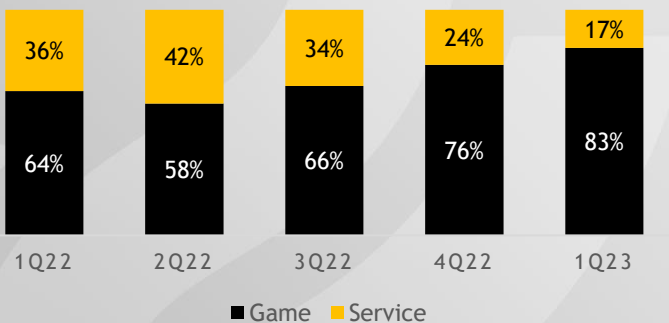
Net Revenue by Segment

MSEK

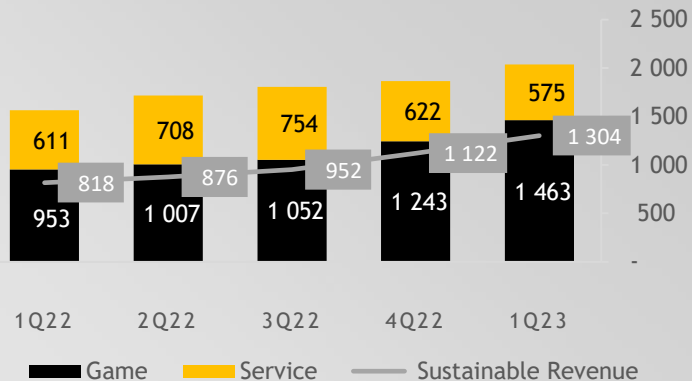
QUARTERLY NET REVENUE



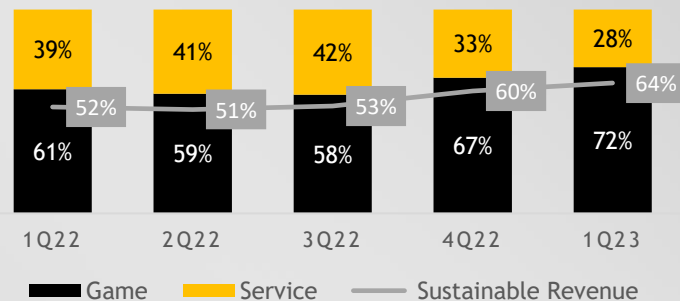
QUARTERLY NET REVENUE MIX



LTM NET REVENUE



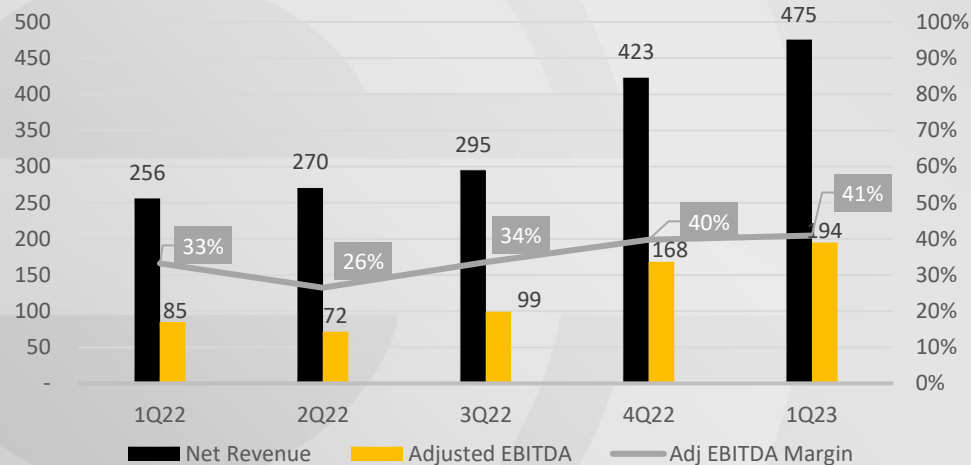
LTM NET REVENUE MIX



Game Segment – Net Revenue and Adjusted EBITDA Mix

MSEK

QUARTERLY



Q1 Net Revenue Contribution

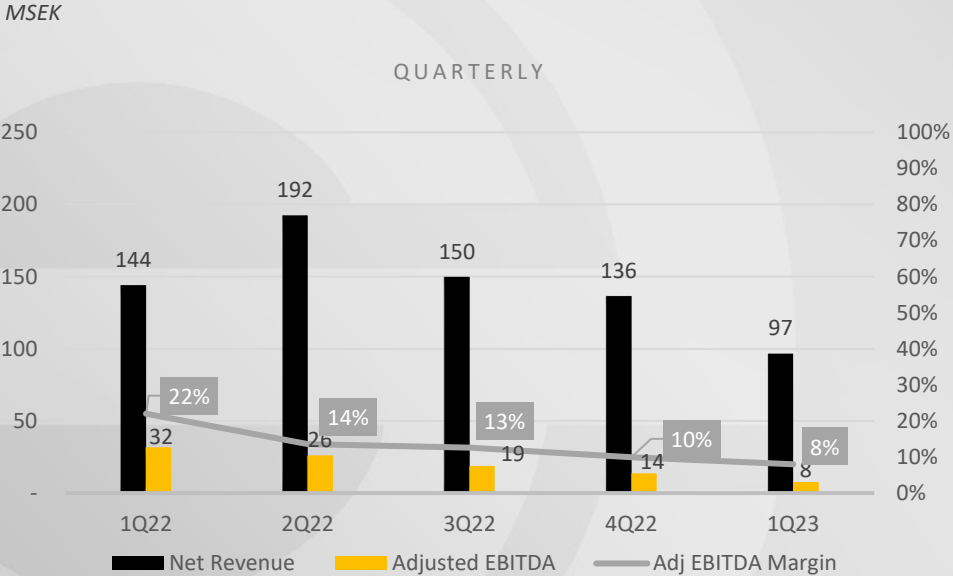
Daybreak	201	42%
Big Blue Bubble	218	46%
Piranha	51	11%
Toadman & AMG	5	1%
Game Segment total	475	100%

Q1 Adj EBITDA Contribution

Daybreak	52	27%
Big Blue Bubble	133	68%
Piranha	23	12%
Toadman & AMG	-14	-7%
Game Segment total	194	100%



Service Segment – Net Revenue and Adjusted EBITDA Mix



Q1 Net Revenue Contribution		
Fireshine	48	49%
Petrol	49	51%
Service Segment total	97	100%

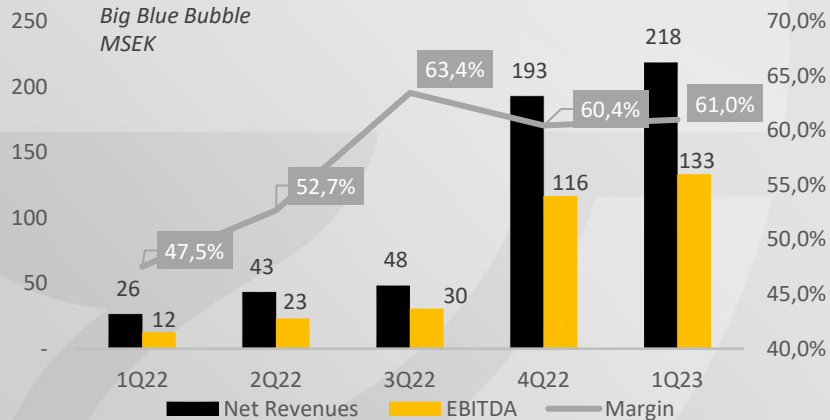
Q1 Adj EBITDA Contribution		
Fireshine	2	25%
Petrol	6	75%
Service Segment total	8	100%



Figures in Perspective

Guide

- Net Revenue in April was SEK 154.6 million
- Expected full year Net Revenue is SEK 2.2 billion
- Expected FY margin is 23-25 percent



Net revenue rollover from other quarters was **SEK 35.6 million in Q1**. Seasonal natural effect.

Positive FX effect of **SEK 41.7 million** in Q1, expected to turn negative for the remainder of the year.

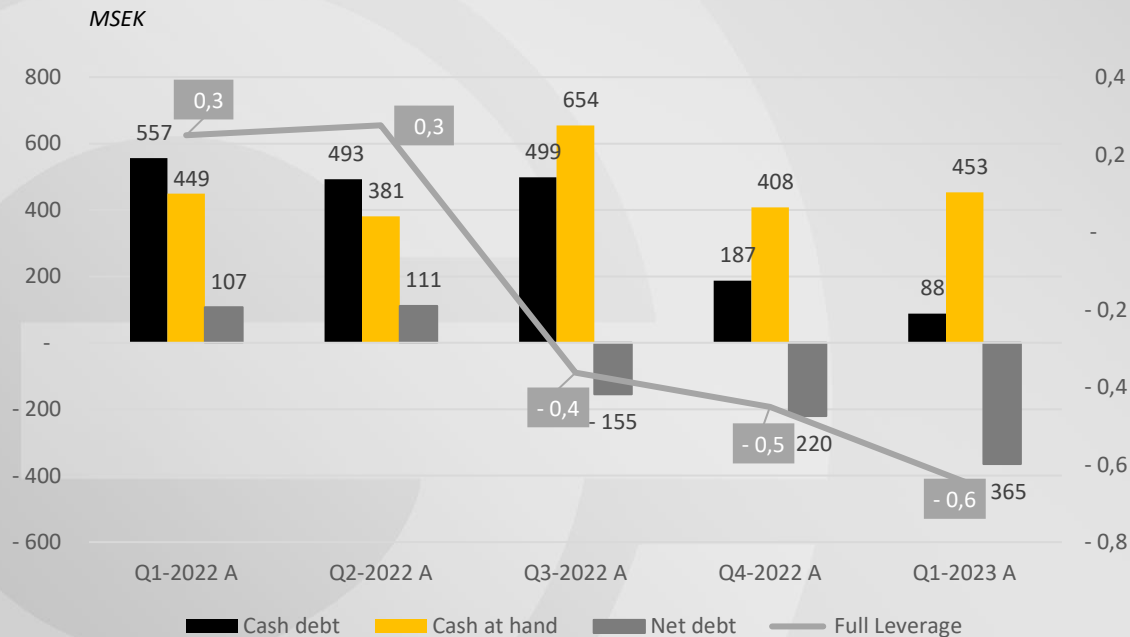
Net capitalization during the year is expected to be **SEK 80 million** lower than 2022, negatively affecting our margins but not our cash generation. Mainly explained by the transition to WFH.

Fireshine will in H2 generate more Net Revenue from the physical distribution, which has generally lower margins than the digital distribution.

My Singing Monster has had two great quarters, with an activity peak in December. We expect normalized baseline above the level prior to the viral uptick going forward.



Net Debt to EBITDA Ratio and Cash



Q1 cash flow

Cash OB	408
Operation	+171
Investing	-18
Financing	-107
Currency fluctuations in liquidity	-1
Delta Cash	+45
Cash CB	453

Cash flow from operations of SEK 170.6 (65.6) million, and cashflow from investing activities amounted to SEK -17.6 (-37.8) million

Remaining SEK 100 million on Groups Credit Facility was fully repaid in February

Innova is not included from 2022 Q2. EBITDA refers to LTM proforma adjusted EBITDA.



Strong balance sheet

SUMMARY |



Summary Remarks

- All-time record results for Q1 2023
 - SEK 572 million of Net Revenue, growing 43% YoY
 - SEK 190 million of Adjusted EBITDA at 33% margin
- My Singing Monsters delivers again above expectations
 - The biggest game in EG7's portfolio for second quarter in a row
 - Contributed 38% of the Group's Net Revenue and 66% of Adjusted EBITDA
- Group in the best position since inception
 - Debt free at the Group level, with strong and clean balance sheet
 - Strong liquidity with SEK 453 million of cash balance as of March 31
 - Making good progress on WFH ramp-up
- Our approach – clear focus on disciplined business building
 - Manage the risk reward profile in the company
 - Invest in building sustainable growth and long-term success
 - Prioritizing the long-term business growth over chasing short-term, quarter-to-quarter external expectations



Q&A |

