

ENAD GLOBAL 7 AB (PUBL)

INTERIM REPORT

APRIL-JUNE 2022



INTERIM REPORT - APR-JUN 2022

SUMMARY COMMENTS

EG7 delivered another strong quarter with growth across all segments despite the increasing uncertainties in the global economy. For Q2, the group generated Net Revenue of SEK 462.8 (311.1) million, representing 48.8 percent growth and a strong organic growth of 40.9 percent. The organic growth in local currencies amounted to 23.6 percent. This represents our third consecutive quarter of noteworthy organic growth. We are very pleased to be able to deliver such consistent performance while a large cross section of the industry is dealing with slowing or, in many cases, negative growth. Adjusted EBITDA for the period was SEK 84.3 (81.1) million. The group businesses continue to produce consistent cash flows, generating a healthy SEK 63.5 (39.4) million of operating cash flows for the quarter.

Both Game and Service segments continue to demonstrate strong growth. Service segment produced another great quarter with Net Revenue of SEK 192.4 (94.7) million, representing an exceptional organic growth of 103.2 percent. Game segment is performing steadily and delivered Net Revenue of SEK 270.4 (216.4) million, representing 25.0 percent growth for the period.

While the group is not immune to a global market slowdown, we are very well-positioned to weather the volatility better than others, benefitting from our diversified portfolio of businesses and the significant recurring and stable revenues from our live games portfolio.

Net Revenue for July came in at SEK 132.7 million and Net Revenue range expectations for the full year is SEK 1.6-1.7 billion with margins near the new normalized level.

HIGHLIGHTS

- Net Revenue of SEK 462.8 (311.1) million, representing a 48.8 percent growth. Notably, the growth was largely organic with 40.9 percent organic growth rate for the quarter and 23.6 percent in local currencies.
- EBITDA of SEK 88.3 (68.8) million, representing an increase of 28.2 percent.
- Adjusted EBITDA of SEK 84.3 (81.1) million, corresponding to a growth of 3.9 percent and 18.2 percent margin. The adjustment for non-recurring items affecting EBITDA in the second quarter comparability of SEK 4.0 million was primarily non-recurring revenues.
- Adjusted EBIT of SEK 32.9 (31.8) million.
- EBIT of SEK -184.7 (19.5) million. Mainly due to a non-recurring, non-cash impact from SEK 221.6 million write down of the intangible asset for the discontinued Marvel project.
- Profit before tax amounted to SEK -195.6 (-8.2) million. Excluding the non-cash, non-recurring items, profit before tax would have been SEK 22.0 million.
- Earnings per share amounted SEK -14.34 (-0.03). Adjusted EPS of SEK 0.03 with non-cash, non-recurring items added back.
- Solid cash flow from operations of SEK 63.5 (39.4) million, which more accurately reflects the group's continuing and strong profitability without the non-cash, non-recurring items.
- Liquidity and credit profile remains very strong with net debt of SEK 23.7 (-40.6) million, comprised of SEK 381.3 million of cash and cash equivalents and SEK 404.9 million of liabilities to credit institution.

KEY METRICS

SEKm	QUARTER		YTD		FULL YEAR
	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	JAN-DEC 2021
Net Revenue	462.8	311.1	862.4	614.7	1,467.9
Net Revenue growth	48.8%	125.4%	40.3%	109.4%	157.6%
EBITDA	88.3	68.8	173.7	155.8	642.6
Adjusted EBITDA	84.3	81.1	190.9	161.8	324.8
EBITDA margin, %	18.2%	26.1%	22.1%	26.3%	22.1%
EBIT	-184.7	19.5	-151.0	67.7	157.7
Adjusted EBIT	32.9	31.8	87.9	73.7	116.1
EBIT margin, %	7.1%	10.2%	10.2%	12.0%	7.9%
Profit before tax	-195.6	-8.2	-164.9	22.5	53.6
Net profit	-1,270.9	-2.8	-1,269.3	14.4	96.8
Earnings per share (SEK)	-14.34	-0.03	-14.33	0.17	1.11

Note: Innova is reported as discontinued operations and is excluded from all actual and comparable figures unless otherwise stated. For further details please see note 5.

COMMENTS FROM THE CEO



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

Delivering consistent performance

EG7 delivered another quarter with strong performance. For the second quarter, the company produced Net Revenues of SEK 462.8 (311.1) million, representing 48.8 percent growth over the same period last year. The organic growth was particularly strong for the quarter, coming in at 40.9 percent. Excluding the currency impact, the organic growth rate was still very strong at 23.6 percent. We are pleased to be able to deliver such strong growth, despite the challenging market dynamics. Further boosting the organic growth rate was the favorable comparison against the same period last year, especially for the Service segment, which dealt with pandemic lows during the first half of 2021. This favorable comparison is expected to subside for the second half of 2022. Adjusted EBITDA for the quarter amounted to SEK 84.3 (81.1) million, representing 3.9 percent growth over the prior year and an 18.2 percent margin. Q2 profit margins were lower than our prior normalized margin levels primarily due to the exclusion of Innova, which has historically contributed high profit margins, in addition to Q2 being one of the lower margin quarters annually due to seasonality.

At the segment level, the Service segment once again produced strong results. Net Revenue for the quarter came in at SEK 192.4 (94.7) million, representing an organic growth of 103.2 percent. For Q2, Fireshine continued

to benefit from the successful release of Core Keeper at the end of Q1, driving strong digital publishing revenues. Also, as noted above, the Service segment benefited from a favorable year-over-year comparison against the Q2 2021 results, which were depressed due to the pandemic. The Game segment delivered SEK 270.4 (216.4) million of Net Revenues, representing 25.0 percent growth. The key drivers of growth this quarter included strong performance from My Singing Monster, new content release for MechWarrior and the addition of Magic Online.

Solid performance in a challenging environment

The overall gaming industry is facing headwinds with global economic uncertainties. There are a number of notable challenges, including the multi-decade high inflation, potential recession across major economies, resource/staff shortages and continuing geopolitical uncertainties. However, despite these challenges, the group continues to deliver strong organic growth. The primary reason for such stability and performance is due to our diversified portfolio of businesses and the large component of recurring revenue.

Conviction in our future

The company is in a great position. In the current market climate, having a diversified and balanced portfolio of businesses with a strong and recurring base of profitability and cash flows is highly advantageous. Additionally, the group is built on a solid foundation with a combination of strong IPs, talented pool of developers and wide breadth of capabilities across development, publishing and distribution of games. Leveraging these assets, attributes and capabilities, we are emphasizing a heavier focus on our long-term goal vs. seeking immediate gratification through short-term deals and wins. Our leadership team firmly believes in the group's value and its future. As a firm indication of such conviction, our board and the executive team invested more than SEK 40 million this quarter in the company. We remain very excited for our long-term prospects and are fully committed to delivering great returns to all the shareholders.

EG7 BUSINESS OVERVIEW

A leading global MMO developer and publisher

Daybreak is one of the most prolific massively multiplayer online (MMO) game developers in the world, having developed 13 MMOs throughout its history. Daybreak currently operates a portfolio of 8 live service titles. 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 diversified and long-life cycle live games portfolio is a key differentiator for the group and provides a solid foundation of on-going, sustainable and predictable revenues and cash flows. Net Revenue from these assets in the second quarter amounted to SEK 251.2 million, corresponding to 54.3 percent of Net Revenue in Q2.

Iconic, world class brands

EG7 is home to some of the most iconic IPs - both first-party and third-party brands.

- Key first party brands include:
 - EverQuest, considered to be one of the three most iconic fantasy MMO brands in the world together with World of Warcraft and Ultima Online.
 - H1Z1, the very first battle royale game that was credited as one of the inspirations for Fortnite, with over 40 million life-to-date (LTD) registrations.
 - My Singing Monsters, which has over 82 million (LTD) registrations on mobile and now expanding to PC and console.
- Top tier global third-party brands:
 - DC Comics from Warner Brothers with continuing pipeline of content from blockbuster feature films and TV shows.
 - The Lord of the Rings, arguably the most iconic classic fantasy IP, primed for resurgence with the highly anticipated new Amazon streaming series fall of 2022.
 - Dungeons & Dragons, with a world-wide passionate fan base and a new feature film on its way.
 - Magic: The Gathering, the number one trading card game in the world from Wizards of the Coast.

These titles differentiate our portfolio of games from competitors and provide great opportunities to leverage them further towards continuing content development and new future products.

Robust game development capabilities and live operations expertise

We have 8 game development and live operations studios across North America and Europe in the group: AntiMatter Games, Piranha, Toadman Studios, Big Blue Bubble, Dimensional Ink, Standing Stone, Rogue Planet and Darkpaw. Passionate and talented individuals at these studios amount to 579 (550) full time individuals and constitute the core driver of our success. In addition to the 10 live service games, we currently have a strong pipeline of new and reinvestment projects underway to drive continuing growth for the group.

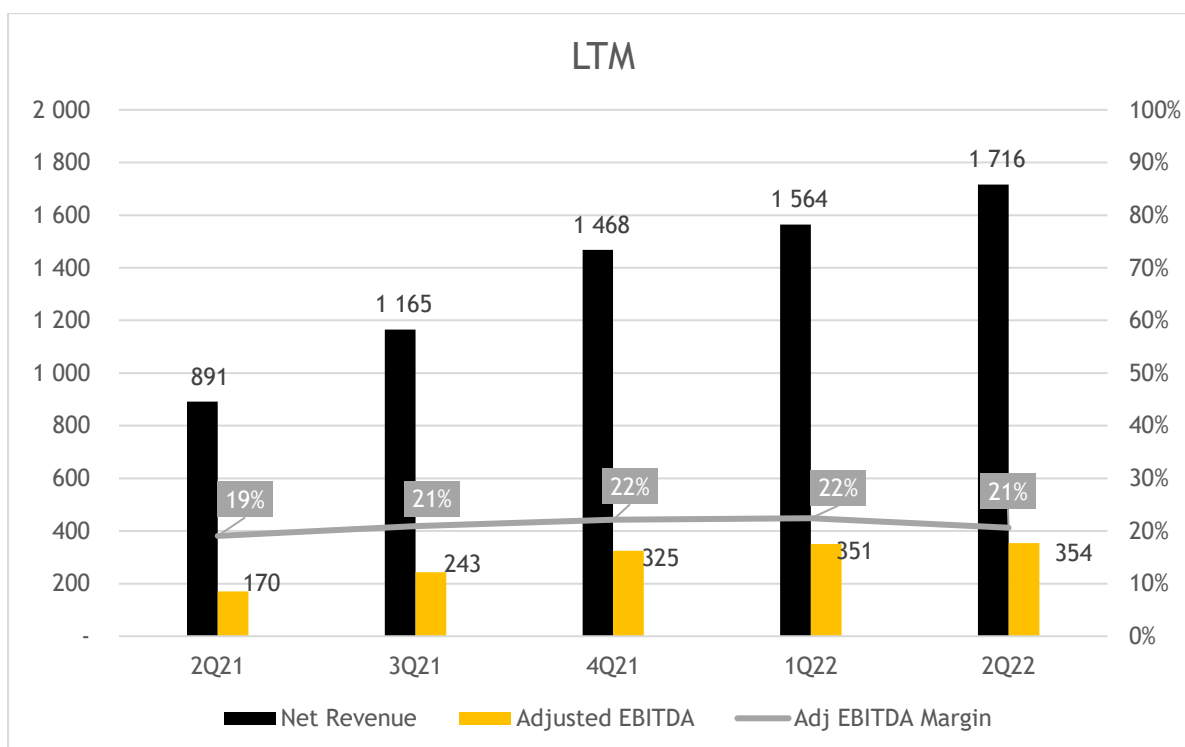
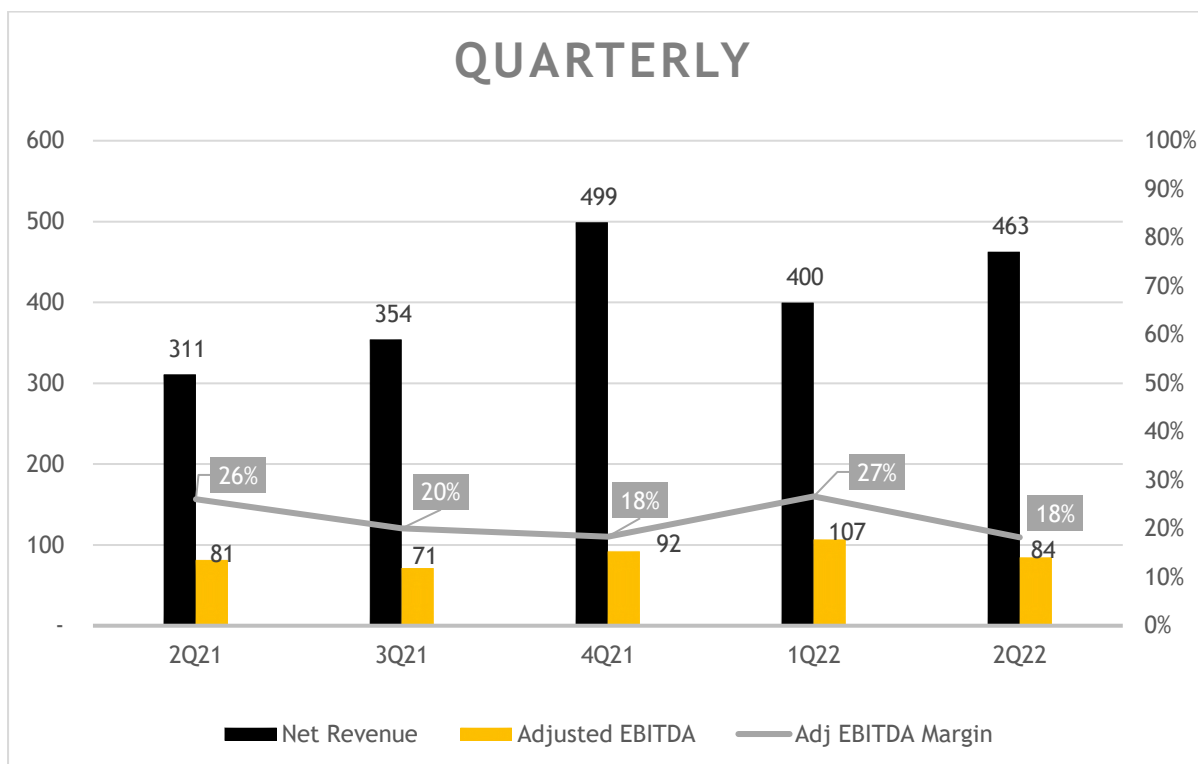
Creative, marketing and distribution expertise and capabilities

Petrol has been responsible for some of the most iconic imageries in gaming with the Call of Duty key art each year and many other creative work on AAA products in its history. With a blue-chip client list who repeatedly tap Petrol for its premier services, Petrol continues to stamp their mark across the industry, creating visual masterpieces.

Fireshine Games brings a wealth of experience and knowledge in publishing and distribution for premium titles. Fireshine extends the groups publishing and distribution capabilities beyond digital and live service. In addition to its expertise in physical publishing and distribution, Fireshine has been investing in digital publishing in order to expand its capabilities and growth opportunities. The first major milestone of this investment was realized in Q1 with the release of Core Keeper, a new indie title that so far have shipped over 1,000,000 units since release in early March.

Net Revenue and Adjusted EBITDA

SEKm



SUMMARY BY SEGMENT

Game Segment

Net Revenue for the Game Segment amounted to SEK 270.4 (216.4) million in Q2 2022, corresponding to a 25.0 percent growth and representing 58.4 percent of total group Net Revenue. Adjusted EBITDA for the period amounted to SEK 71.6 (86.2) million, representing 84.9 percent of the group total.

DAYBREAK

Daybreak currently operates 8 live titles. For Q2 2022, Daybreak contributed Net Revenue of SEK 203.4 (174.7) million, corresponding to a 16.4 percent growth and Adjusted EBITDA amounted to SEK 51.7 (55.6) million. The adjusted EBITDA margin amounted to 25.4 (31.8) percent. The relatively lower growth, excluding Magic Online, is attributable to an unfavorable comparison against the pandemic boosted results in Q2 2021. Daybreak's profitability for the period was also negatively impacted by the write down related to the Marvel project cancellation in the amount of SEK 221.6 million. Daybreak results represented the largest contribution amongst the group companies with Net Revenue contribution of 43.9 percent and Adjusted EBITDA contribution of 61.3 percent for the period.

BIG BLUE BUBBLE

Big Blue Bubble delivered solid performance for the quarter with Net Revenue of SEK 43.2 (27.3) million corresponding to a 58.2 percent growth and Adjusted EBITDA of SEK 22.8 (11.9) million. Big Blue Bubble's contributions represented 9.3 percent of Net Revenue and 27.0 percent of Adjusted EBITDA for the group. My Singing Monsters Easter campaign was a success, and the game has continued to show strong retention, engagement, and monetization metrics. In conjunction with the 10th anniversary of the title, new contents and events are scheduled during the fall which is anticipated to continue to drive the success of My Singing Monster.

PIRANHA

Net Revenue and Adjusted EBITDA for the quarter came in at SEK 22.9 million and SEK 4.5 million, respectively. Since Q4 2021, Piranha has been operating profitably. In addition to continuing earnings from MechWarrior 5 DLC and MechWarrior Online, the group is leveraging Piranha's talented team for internal project development efforts such as EvilvEvil.

TOADMAN STUDIOS AND ANTIMATTER GAMES

Both studios are mainly focused on new product development. Key titles in the pipeline include Block N Load 2, EvilvEvil, Minimal Affect and IGI. The teams are continuing to make good progress and are working towards the release of Block N Load 2 and EvilvEvil in the second half of 2022. Minimal Affect and IGI are currently estimated for release in the 2023 to 2024 timeframe. The title 83 is temporary paused subject to evaluation.

The relocation of Toadman's Russian studio is proceeding according to plan and are now awaiting final greenlight from the Greek authorities. Some of our on-going projects may experience delays due to this relocation effort, but we do not expect any material negative impacts.

Service Segment

For Q2 2022, Service segment delivered 103.2 percent organic growth. Net Revenue came in at SEK 192.4 (94.7) million, representing 41.6 percent of the group total Net Revenue. Adjusted EBITDA amounted to SEK 26.2 (6.6) million, corresponding to an adjusted EBITDA margin of 13.6 (7.0) percent.

PETROL

For Q2 2022, Net Revenue for Petrol came in at SEK 49.9 (32.7) million, representing exceptional growth of 52.6 percent from the comparable period last year. Adjusted EBITDA was minus SEK 4.4 (positive 4.8) million. One of the key drivers for Petrol's lower than expected EBITDA margin in the quarter was a onetime lower than usual margin strategic project. As one of the premier creative marketing agencies in the industry, Petrol consistently works with the leading publishers in the industry, including Bandai Namco (the publisher of Elden Ring), JBL (Quantum Cup), Activision - Blizzard (Call of Duty). Petrol also benefitted from a favorable year over year comparison to the

prior year. During the first half of 2021, Petrol had to contend with a number of project delays with uncertainties from the pandemic, resulting in depressed results. The comparison between the pandemic low in performance Q2 last year contributed to the larger year over year growth for Petrol.

FIRESHINE GAMES

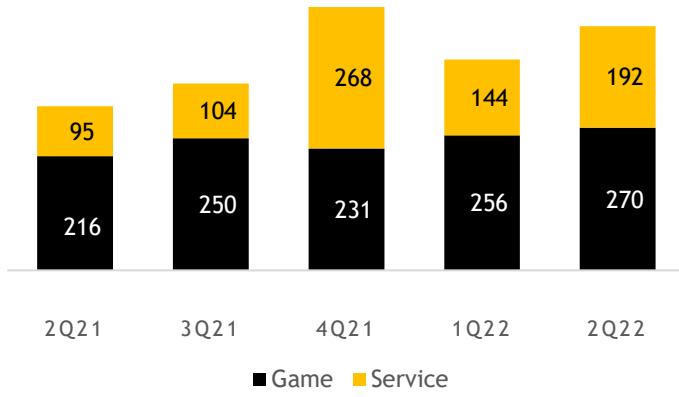
Fireshine Games delivered one of its best Q2 results this quarter. Typically, the first half of the year is seasonally low for Fireshine. However, Fireshine delivered Net Revenue of SEK 142.5 (62.0) million, representing 129.8 percent growth over Q2 2021. Adjusted EBITDA for the quarter came in at SEK 30.6 (1.9) million, representing a 21.5 percent EBITDA margin. The key driver for Fireshine's great quarter was the successful release of Core Keeper in March and the June content update (The Sunken Sea). Core Keeper has sold over one million units through Steam Early Access since the release. Fireshine continues to deliver strong physical distribution with Rebellion's Sniper Elite 5 game which was originally scheduled for Q3 but launched earlier in Q2. Upon release, Sniper Elite 5 was the number one selling physical game in the UK market during the period. Fireshine continued its focus on transitioning its business to a more balanced model with both digital and physical distribution by investing in digital publishing pipeline and capabilities. Core Keeper represents a proof of concept and an important milestone for Fireshine's transformation. Increasing digital indie studio game publishing pipeline will also reduce Fireshine's historical dependency on a few large publisher partners. This is consistent with EG7's strategy to improve the overall risk-reward profile of the group. Additionally, similar to Petrol, Fireshine's strong growth rate for the quarter reflects a favorable comparison to the second quarter 2021, which was negatively impacted by the pandemic.

Innova excluded from the segments and reported as asset under sale

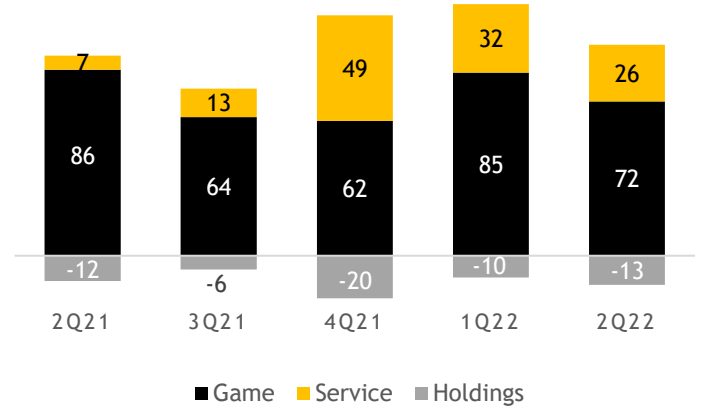
INNOVA

As announced on 19th of April, given the continuing uncertainties in the region, the group has decided to divest Innova and exit its business in Russia/CIS region in order to remove any further risks stemming from the situation going forward. EG7 entered into a letter of intent for the sale of Innova to its existing leadership team. The agreed upon transaction value is EUR 32 million. The planned transaction will be financed with a vendor loan from the group. The vendor loan value will be re-evaluated over time due to the uncertainties in that region. We continue to work towards the completion of the transaction with the target closing by the end of Q3.

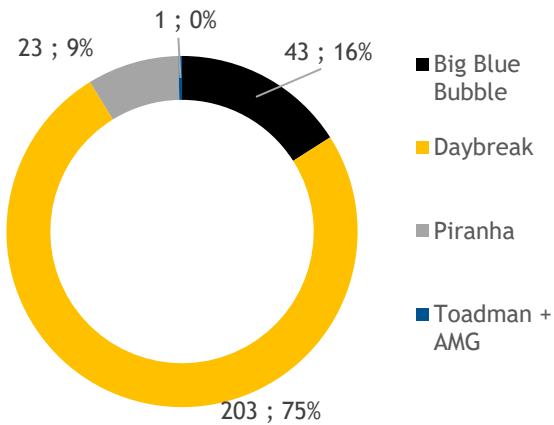
QUARTERLY NET REVENUE



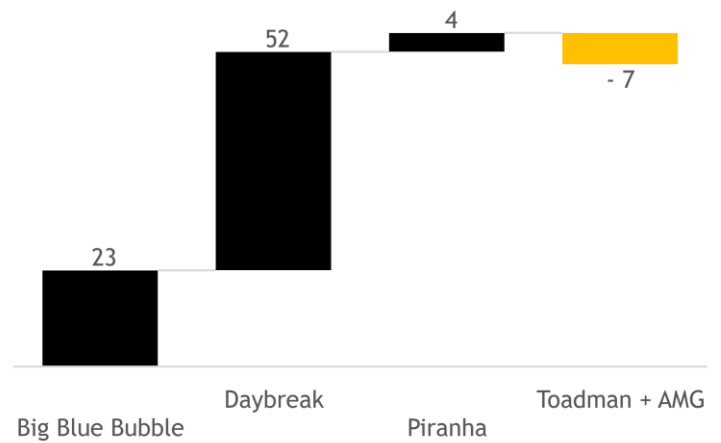
QUARTERLY ADJUSTED EBITDA



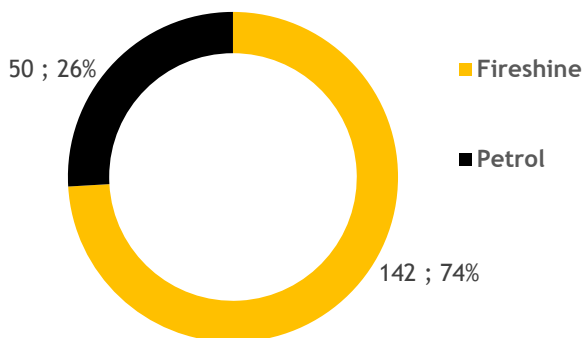
2Q22 Game Segment Net Revenue Mix



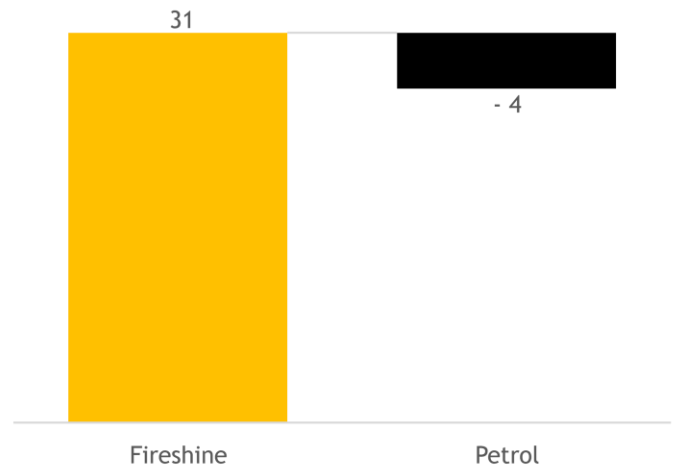
2Q22 Game Segment EBITDA Build Up



2Q22 Service Segment Net Revenue Mix



2Q 22 Service Segment EBITDA Build Up



FINANCIAL OVERVIEW

Net Revenue and Operating Profit

SEKm	APR - JUN			JAN-JUN			JAN-DEC
	2022	2021	% CHG	2022	2021	% CHG	2021
Net Revenue	462.8	311.1	48.8%	862.4	614.7	40.3%	1,467.9
Adjusted EBITDA	84.3	81.1	3.9%	190.9	161.8	17.9%	324.8
EBITDA	88.3	68.8	28.3%	173.7	155.8	11.4%	642.6
Adjusted EBIT	32.9	31.8	3.4%	87.9	73.7	19.1%	116.1
EBIT	-184.7	19.5	-1,045.2%	-151.0	67.7	-322.8%	157.7
<i>% Margins</i>							
Adjusted EBITDA margin	18.2%	26.1%		22.1%	26.3%		22.1%
EBITDA margin	19.1%	22.1%		20.1%	25.4%		43.8%
Adjusted EBIT margin	7.1%	10.2%		10.2%	12.0%		7.9%
EBIT margin	-39.9%	6.3%		-17.5%	11.0%		10.7%

Net Revenue in Q2 2022 came in at SEK 462.8 (311.1) million, representing a 48.8 percent growth year-over-year. The growth was driven by a combination of contributions from acquisitions and an organic growth of 40.9 percent, excluding Magic Online. Without the positive currency effect from Q2 the organic growth was 23.6 percent in the quarter. Adjusted EBITDA and Adjusted EBIT were SEK 84.3 (81.1) million and SEK 32.9 (31.8) million for the quarter, representing 18.2 percent and 7.1 percent margin respectively. The adjustment for non-recurring items affecting EBITDA in the second quarter comparability of SEK -4.0 million (12.3) was primarily non-recurring revenues. The adjustment for EBIT relate to the SEK 221.6 million write down of the Marvel intangible asset.

Organic growth bridge

SEKm	APR-JUN			JAN-JUN		
	2022	2021	% CHG	2022	2021	% CHG
Net Revenue proforma	462.8	311.1	48.8%	862.4	614.6	40.3%
Magic Online Q1 2022	-24.5			-44.8		
Organic Revenue excl Magic Online	438.3	311.1	40.9%	817.7	614.6	33.0%
FX effect		+43.6			+75.4	
Organic Revenue FX adjusted excl Magic Online	438.3	354.7	23.6%	817.7	690.0	18.5%

Capitalized development costs

SEKm	APR-JUN		JAN-JUN	
	2022	2021	2022	2021
Beginning balance	356.9	248.3	328.8	184.4
Acquired capitalized development costs	1.3	12.0	2.1	49.8
Capitalized development cost	38.8	28.4	74.8	50.8
Reclassified from Other intangible assets	113.3	-0.7	113.3	-0.7
Amortization of product development	-11.8	-1.4	-24.4	-2.7
Write down	-192.9	0.0	-192.9	
FX	8.0	-1.7	11.9	3.2
Ending balance	313.6	284.8	313.6	284.8

For Q2 2022 the total development costs capitalized were SEK 38.8 million. The increase from comparable period previous year is due to both increasing investment in existing products under development and new in-progress projects that came together with the acquisitions made since last year. The reclass from other intangible assets of 113.3 million to capitalized expenditure as per above are intangible assets associated to the Marvel development. Amortization of product development amounted to SEK -11.8 (-1.4) million, the increase is mainly attributable to a shorter timeframe for amortization of capitalized development costs for premium product MechWarrior 5. In the second quarter there was a decision to stop developing Marvel and the capitalized development costs together with other group intangible assets was written down, a total write down of -221.6 million SEK.

The net ending balance of capitalized development cost as of the end of the quarter was SEK 313.6 million.

Financial net

<i>SEKm</i>	APR-JUN		JAN-JUN	
	2022	2021	2022	2021
Net interest expense	-3.0	-5.2	-6.4	-11.5
Discount interest expense earn-out and other	-7.9	-8.5	-15.3	-17.1
Interest leasing	-0.9	-0.8	-1.3	-1.3
Financing fees	0.1	2.6	-0.4	-2.3
Loan forgiveness (Covid related in US)	0.1	0.0	12.0	0.0
FX effects	0.9	-16.3	-2.5	-13.6
Financial net	-10.9	-28.3	-13.9	-45.8

The financial net amount for Q2 2022 was SEK -10.9 million compared to SEK -28.3 million for the same period last year. The change in financial net was primarily due to lower interest expense and negative FX effects last year.

Financing

<i>SEKm</i>	JUNE	
	2022	2021
Total debt	404.9	505.5
Cash and cash equivalents	-381.3	-546.1
Net debt	23.7	-40.6

EG7 ended the quarter with a strong liquidity and credit position. The company had total debt of SEK 404.9 million at the end of Q2 2022. Net of SEK 381.3 million of cash and cash equivalents, net debt balance was SEK 23.7 million. Compared to last year Innova is now presented as asset held for sales. Innova contributed cash of 68.4 million in 2021. Excluding Innova cash balance for 2021, net debt would have been 27.8 million.

Cash flow

	APR-JUN		JAN-JUN		JAN-DEC
	2022	2021	2022	2021	2021
SEKm					
Operating profit (EBIT) from continuing operations	-184.7	19.5	-151.0	67.7	157.7
Adjustment for non-cash flow items	251.7	15.2	354.6	75.4	76.7
Financial net	-10.9	-39.4	-13.9	-45.9	-33.6
Taxes paid	-11.4	-4.3	-21.0	-2.1	-7.3
Operating cash flows before balance sheet cash flow impact	44.7	6.9	168.7	95.1	193.5
Change in net working capital	18.8	58.8	-39.8	-22.4	45.0
Cash flow from operations	63.5	39.4	128.9	72.7	238.5
Cash flow from investment activities	-114.2	-464.0	-152.0	-598.4	-723.5
Cash flow from financing activities	34.4	4.3	-12.5	-92.1	-235.2
Cash and cash equivalents, start of period	376.9	904.5	389.6	1,087.5	1,087.5
Cash flow for the period	-16.3	-420.3	-35.6	-617.8	-720.3
Exchange rate differences	20.8	-4.3	27.3	10.1	22.3
Cash and cash equivalents, end of period	381.3	479.8	381.3	479.8	389.6

For Q2 2022 EG7 had net cash outflow of SEK -16.3 million. The cash flow from operations was SEK 63.5 million compared to SEK 39.4 million for the same period last year. The positive cash flow from operations was offset by SEK -114.2 million of investing activities. The largest component of investments was the cash portion of the last earn-out for Big Blue Bubble acquisition of SEK 46.6 million. Capitalized development expenses amounted to SEK 38.8 million and other intangible asset investments was 28.8 million. Financing activities was SEK 34.4 million mainly due to the FX effect from the intercompany financing arrangement between EG7 and Daybreak. Exchange fluctuation in liquid funds amounted to SEK 20.8 million. Overall, the Group continued to have a strong liquidity position with SEK 381.3 million of cash and cash equivalents available as of the end of Q2 2022.

FINANCIAL REPORTS

Income Statement - Group

SEKm	Note	QUARTER		ACCUMULATED		FULL YEAR
		APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	JAN-DEC 2021
Net Revenue	2.3	462.8	311.1	862.4	614.7	1,467.9
Own work capitalized		38.9	36.2	74.8	63.6	127.0
Other Revenue		9.0	1.1	12.7	16.6	365.1
Total Revenue		510.7	348.,4	950.0	694.9	1,959.9
<i>Operating expenses</i>						
Cost of goods sold		-187.8	-96.2	-308.4	-194.8	-584.6
Other external expenses		-57.0	-38.7	-103.3	-78.6	-178.5
Personnel expenses		-175.8	-143.5	-362.1	-264.2	-553.3
Other expenses		-1.7	-1.1	-2.5	-1.4	-1.0
Operating profit before depreciation and amortization (EBITDA)		88.3	68.8	173.7	155.8	642.6
Depreciation of tangible and right-of-use assets		-10.7	-8.8	-20.8	-17.5	-37.8
Operating profit before amortization of intangible assets (EBITA)		77.6	60.1	152.8	138.4	604.8
Amortization of acquisition-related intangible assets		-30.2	-35.3	-58.6	-63.3	-414.5
Amortization of other intangible assets		-232.1	-5.2	-245.2	-7.3	-32.6
Operating profit (EBIT)		-184.7	19.5	-151.0	67.7	157.7
Financial net		-10.9	-27.7	-13.9	-45.2	-104.1
Profit before tax		-195.6	-8.2	-164.9	22.5	53.6
Tax expense for the period		-19.1	-8.4	-42.0	-21.9	11.7
NET PROFIT FROM CONTINUED OPERATIONS		-214.7	-16.6	-206.8	0.6	65.3
Profit from discontinued operations, net of tax	5	-1,056.2	13.8	-1,062.5	13.8	31.5
NET PROFIT FOR THE YEAR		-1,270.9	-2.8	-1,269.3	14.4	96.8

The Net profit for the period is fully attributable to the parent company's shareholders.

EARNINGS PER SHARE	QUARTER		ACCUMULATED		FULL YEAR
	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	JAN-DEC 2021
Earnings per share before and after dilution (SEK)	-14.34	-0.03	-14.43	0.17	1.13
Average number of shares before and after dilution	88,603,526	87,118,089	87,937,291	83,622,179	85 370 134

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

SEKm	QUARTER		ACCUMULATED		FULL YEAR
	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	JAN-DEC 2021
Net profit for the period	-1,270.9	-2.8	-1,269.3	14.4	96.8
<i>Items that will be reclassified to profit or loss</i>					
Translation difference	348.1	-76.6	446.1	122.4	248.2
Deferred tax	-39.1	6.5	-48.8	-10.2	-28.8
Other comprehensive income for the period	309.0	-70.1	397.3	112.2	219.4
Comprehensive income for the period	-961.9	-72.9	-872.0	126.6	316.3

Balance Sheet - Group

SEKm	Note	30 JUN 2022	30 JUN 2021*	31 DEC 2021*
ASSETS				
Non-current assets				
Intangible non-current assets		4,162.2	4,840.5	5,016.5
Tangible non-current assets		10.8	31.2	43.3
Right-of-use assets		63.2	73.0	44.2
Financial non-currents assets	4	8.7	583.5	71.6
Total non-current assets		4,244.8	5,528.2	5,175.6
Current assets				
Inventory		10.9	10,1	13.2
Current receivables	4	305.4	202.9	335.4
Cash and cash equivalents	4	381.3	546.1	483.9
Assets classified as held for sale		244.8		
Total current assets		942.4	759.1	832.5
TOTAL ASSETS		5,187.2	6,287.3	6,008.1
EQUITY AND LIABILITIES				
Equity				
Equity attributable to the parent company's shareholders		3,787,4	4,408.1	4,597.8
Total equity		3,787.4	4,408.1	4,597.8
Non-current liabilities	4	710.7	954.2	691.0
Current liabilities	4	564.1	925.0	719.3
Liabilities classified as held for sale		125.0		
TOTAL EQUITY AND LIABILITIES		5,187.2	6,287.3	6,008.1

*Note: Innova is included for year 2021

Cash Flow Statement - Group

	QUARTER		ACCUMULATED		FULL YEAR
	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	JAN-DEC 2021
<i>SEKm</i>					
OPERATING ACTIVITIES					
Operating profit (EBIT) from continuing operations	-184.7	19.5	-151.0	67.7	157.7
Adjustments for non-cash flow items	251.7	-1.0	354.6	75.4	76.7
Financial items and tax	-22.3	-37.9	-34.9	-48.0	-40.9
Cash flow from operating activities before changes in working capital	44.7	-19.4	168.7	95.1	193.5
Cash from flow changes in working capital	18.8	58.8	-39.8	-22.4	45.0
Cash flow from operating activities	63.5	39.4	128.9	72.7	238.5
INVESTMENT ACTIVITIES					
Cash flow from investment activities	-114.2	-464.0	-152.0	-598.4	-723.5
FINANCING ACTIVITIES					
Cash flow from financing activities	34.4	4.3	-12.5	-92.1	-235.2
CASH FLOW FOR THE PERIOD	-16.3	-420.3	-35.6	-617.8	-720.3
Cash and cash equivalents at start of period	376.9	904.5	389.6	1 087.5	1 087.5
Cash flow for the period	-16.4	-420.3	-35.6	-617.8	-720.3
Exchange rate differences	20.8	-4.3	27.3	10.1	22.3
Cash and cash equivalents at end of period	381.3	479.8	381.3	479.8	389.6
Specification of cash and cash equivalents					
Total cash balance	381.3	479.8	381.3	479.8	389.6
<i>of which are blocked</i>	-2.6	-2.6	-2.6	-2.6	-2.6
Cash at the end of the period	378.7	477.2	378.7	477.2	387.0

Change in Equity - Group

EQUITY ATTRIBUTABLE TO THE SHAREHOLDERS OF THE PARENT COMPANY		
SEKm	2022 JAN-JUN	2021 JAN-JUN
Opening balance	4,597.8	3,108.2
Changes in equity during the period		
The Net profit of the period	-1,269.3	14.4
Other comprehensive income for the period	397.3	112.2
Rights issue	61.7	1,172.8
First consolidation of OOO Artplant		0.5
Closing balance	3,787.4	4,408.1

Income Statement - Parent Company

	QUARTER		ACCUMULATED		FULL YEAR
	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	JAN-DEC 2021
<i>SEKm</i>					
Net Revenue	0.3	2.8	1.4	4.9	7.5
Own work capitalized	7.9	16.5	15.8	28.2	56.4
Other Revenue	0.0	0.0	0.0	0.0	0.0
Total Revenue	8.2	19.2	17.2	33.1	63.9
<i>Operating expenses</i>					
Cost of goods sold	-11.3	-19.0	-22.0	-40.0	-91.5
Other external expenses	-10.0	-10.4	-16.1	-24.5	-38.5
Personnel expenses	-5.9	-4.5	-12.2	-8.4	-22.9
Other expenses	0.0	0.0	0.0	0.0	0.0
Operating profit before depreciation and amortization (EBITDA)	-18.9	-14.7	-33.0	-39.7	-89.0
Depreciation and amortization	1.8	-0.1	1.8	-0.2	-5.9
Operating profit (EBIT)	-17.1	-14.9	-31.2	-39.9	-94.8
Financial net	-904.3	-49.4	-852.1	29.2	13.9
Profit before tax	-921.4	-64.2	-883.4	-10.6	-80.9
Appropriations	0.0	0.0	0.0	0,0	1,8
Tax expense for the period	-39.6	11.0	-47.4	0.0	-13.8
NET PROFIT	-961.0	-53.2	-930.8	-10.6	-92.9

Balance Sheet - Parent Company

<i>SEKm</i>	30 JUN 2022	30 JUN 2021	31 DEC 2021
ASSETS			
Non-current assets			
Intangible non-current assets	73.5	175.1	200.9
Tangible non-current assets	0.0	0.1	0.1
Financial non-currents assets	1,682.8	2,724.8	2,653.4
Total non-current assets	1,756.3	2,899.9	2,854.4
Current assets			
Current receivables	2,146.4	1,878.4	1,900.4
Cash and cash equivalents	47.1	216.2	82.5
Total current assets	2,193.5	2,094.5	1,982.9
TOTAL ASSETS	3,949.7	4,994.5	4,837.2
EQUITY AND LIABILITIES			
Equity	3,475.4	4,426.6	4,344.6
Non-current liabilities	399.8	34.5	399.2
Current liabilities	74.5	533.5	93.4
EQUITY AND LIABILITIES	3,949.7	4,994.5	4,837.2

NOTES TO THE INTERIM REPORT

Note 1 Accounting principles. Estimates and Assessments

This interim report 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 Ringvägen 100, 118 60 Stockholm.

EG7 applies International Financial Reporting Standards (IFRS) as adopted by the EU. The group's interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and applicable parts of the Annual Accounts Act (1995: 1554).

The parent company applies the Annual Accounts Act and RFR 2 Accounting for Legal Entities.

All amounts in this report are stated in millions of Swedish kronor (SEK millions) unless otherwise stated.

Rounding differences may occur.

Note 2 Operational Segments

Jan-Jun 2022	Service segment	Game segment	Total segments	Intra-group items and eliminations	Total group
Revenue from external customers	336.4	526.1	862.4	0.0	862.4
Revenues from other segments	3.6	0.0	3.6	-3.6	0.0
Net Revenue	340.0	526.1	866.0	-3.6	862.4
Operating profit before depreciation and amortization (EBITDA)	57.3	141.2	198.6	-24.9	173.7
Depreciation and amortization					-324.6
Financial net					-13.9
Profit before tax					-164.9
Tax expense					-42.0
NET PROFIT FROM CONTINUED OPERATIONS					-206.8
Profit from discontinued operations, net of tax					-1,062.5
NET PROFIT FOR THE YEAR					-1,269.3
Jan-Jun 2021					
Revenue from external customers	184.2	430.4	614.7	0.0	614.7
Revenues from other segments	3.9	15.6	19.5	-19.5	0.0
Net Revenue	188.1	446.0	634.2	-19.5	614.7
Operating profit before depreciation and amortization (EBITDA)	11.0	160.5	171.5	-15.7	155.8
Depreciation and amortization					-88.1
Financial net					-45.2
Profit before tax					22.5
Tax expense					-21.9
NET PROFIT FROM CONTINUED OPERATIONS					0.6
Profit from discontinued operations, net of tax					13.8
NET PROFIT FOR THE YEAR					14.4

Note 3 Revenue from Customer Contracts

Jan-Jun 2022	Service segment	Game segment	Group eliminations	Total group
<i>Geographical region</i>				
Europe	98.6	85.0	0.0	183.6
North America	213.2	419.6	0.0	632.8
Other markets	24.6	21.4	0.0	46.0
Revenue from customer contracts	336.4	526.1	0.0	862.4
<hr/>				
Jan-Jun 2021	Service segment	Game segment	Group eliminations	Total group
<i>Geographical region</i>				
Europe	80.3	93,7	-19.5	154.5
North America	95.7	336.1	0.0	431.8
Other markets	12.1	16,2	0.0	28.3
Revenue from customer contracts	188.1	446.0	-19.5	614.7

Note 4 Financial Instruments

Valuation of financial assets and liabilities per Jun 30. 2022

Financial assets	Financial assets valued at fair value through profit or loss	Financial assets valued at amortized cost	Total reported values
Accounts receivable	0.0	209.7	209.7
Cash and cash equivalents	0.0	381.3	381.3
Total	0.0	591.0	591.0
<hr/>			
Financial liabilities	Financial liabilities valued at fair value through profit or loss	Financial liabilities valued at amortized cost	Total reported values
Contingent consideration	78.9	0.0	78.9
Liabilities to credit institutions	0.0	404.9	404.9
Accounts payable	0.0	37.7	37.7
Other financial liabilities	0.0	524.3	524.3
Total	78.9	966.9	1,045.8

*Valuation of financial assets and liabilities per Jun 30. 2021**

	Financial assets valued at fair value through profit or loss	Financial assets valued at amortized cost	Total reported values
Financial assets			
Accounts receivable	0.0	93.9	93.9
Cash and cash equivalents	0.0	546.1	546.1
Total	0.0	640.0	640.0
	Financial liabilities valued at fair value through profit or loss	Financial liabilities valued at amortized cost	Total reported values
Financial liabilities			
Contingent consideration	410.4	0.0	410.4
Liabilities to credit institutions	0.0	505.5	505.5
Accounts payable	0.0	58.7	58.7
Other financial liabilities	0.0	347.6	347.6
Total	410.4	911.8	1,322.2

*NOTE: INNOVA IS INCLUDED FOR YEAR 2021

VALUATION HIERARCHY

The levels in the valuation hierarchy 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).

Contingent consideration

The contingent consideration is reported at fair value according to level 3 in the valuation hierarchy. The fair value is calculated using a valuation model that discounts the present value of expected payments of cash flows with a risk-adjusted discount rate. Expected cash flows are determined based on probable scenarios based on expected financial outcomes and future financial forecasts. The most significant input factors used in the valuation at fair value is a risk-adjusted discount factor of 16.3 percent.

Contingent consideration	Jan-Jun 2022	Jan-Jun 2021
At beginning of period	128.7	505.6
Acquisitions during the period	0.0	328.7
Payments	-68.2	-445.2
Interest	6.8	0.0
Reclassification through profit or loss	-0.9	-15.3
FX effect	12.5	36.6
At end of period	78.9	410.4

Realized gains for contingent consideration held as of the balance sheet date amounted to 0.9 MSEK (15.3 MSEK). This amount is included as part of other operating income in the group's income statement.

Current receivables and liabilities

For current receivables and liabilities, such as accounts receivable and accounts payable, the reported value is considered to be a good approximation of the fair value.

Note 5 Discontinued operations

April 19, 2022, EG7 announced the intent to sell the Russian subsidiary Innova Intellectual Properties S.ar.L. subsidiary. The sale of Innova is intended to be structured as a management buy-out.

Income statement discontinued operations	QUARTER		ACCUMULATED		FULL YEAR
	APR-JUN 2022	APR-JUN 2021	JAN-JUN 2022	JAN-JUN 2021	JAN-DEC 2021
SEKm					
Net Revenue	70.8	73.3	123.3	73.3	202.6
Other Revenue	24.3	0.8	24.4	0.8	2.9
Total Revenue	95.1	74.1	147.7	74.1	205.5
<i>Operating expenses</i>					
Cost of goods sold	-28.4	-28.0	-45.0	-28.0	-78.2
Other external expenses	-5.9	-5.3	-13.3	-5.3	-13.7
Personnel expenses	-20.0	-12.7	-35.9	-12.7	-41.5
Other expenses	3.3	-0.2	-3.4	-0.2	0.0
Operating profit before depreciation and amortization (EBITDA)	44.0	27.9	50.1	27.9	72.0
Depreciation of tangible and right-of-use assets	-4.4	-2.4	-9.2	-2.4	-10.3
Operating profit before amortization of intangible assets (EBITA)	39.6	25.6	40.9	25.6	61.7
Amortization of acquisition-related intangible assets	-1,107.3	-5.6	-1,111.9	-5.6	-13.7
Amortization of other intangible assets	-4.2	-4.2	0.0	15.8	-9.7
Operating profit (EBIT)	-1,064.9	15.8	-1,071.0	67.7	38.3
Financial net	0.8	-0.6	1.1	-0.6	-1.2
Profit before tax	-1,064.1	15.2	-1,069.9	15.2	37.1
Tax expense for the period	7.4	-1.4	6.9	-1.4	-5.6
NET PROFIT FROM DISCONTINUED OPERATIONS	-1,056.7	13.8	-1,063.0	13.8	31.5

Balance sheet discontinued operations included in consolidated balance sheet	30 jun 2022	30 jun 2021	31 dec 2021
Intangible non-current assets	23.3	1,100.6	1,096.4
Tangible non-current assets	41.9	24.4	14.6
Financial non-currents assets	52.0	47.8	50.9
Inventory	0.9	0.4	0.4
Current receivables	8.9	6.8	6.6
Cash and cash equivalents	117.7	66.4	94.3
Non-current liabilities	-16.3	-45.0	-24.4
Current liabilities	-108.7	-75.5	-82.9
Net identifiable assets	119.8	1,125.9	1,155.8

Cash flow from discontinued operations	2022	2021	2022	2021	2022
	apr-jun	apr-jun	jan-jun	jan-jun	jan-dec
Cash flow from:					
Operating activities	16.0	5.2	0.5	8.3	38.9
Investing activities	0.0	0.1	0.0	59.6	62.3
Financing activities	-3.2	-1.7	-4.2	-1.7	-8.5
Net cash flow	12.8	3.6	-3.6	66.1	92.6
Cash at beginning of period	72.4	63.6	94.3		
Net cash flow	12.8	3.6	-3.6	66.1	92.6
FX effect	32.4	-0.7	27.1	0.3	1.7
Cash at end of period	117.7	66.4	117.7	66.4	94.3

THE SHARE AND SHAREHOLDERS

SHAREHOLDER (30-06-2022)	No. of Shares	Capital %
Settecento Ltd	9 043 282	10.38%
Jason Epstein	7 999 092	9.03%
Media and Games Invest SE	7 126 190	8.04%
Dan Sten Olsson med familj och stiftelse	6 912 000	7.93%
Avanza Pension	4 667 562	5.27%
Lloyd Fonds AG	4 034 800	4.55%
Rasmus Davidsson	2 872 743	3.24%
Swedbank Robur Fonder	2 470 000	2.79%
Aguja Capital GmbH	2 378 265	2.68%
TIN Fonder	1 883 893	2.13%
Other shareholders	47 214 791	43.39%
Total	88 603 526	100%

EG7 stock is listed on Nasdaq First North Growth Market with the ticker symbol 'EG7'. As of June 30, 2022, the total number of shares outstanding was 88,603,526 and the closing share price was SEK 16.39 per share.

RELATED PARTY TRANSACTIONS

The company did not make any material transactions with related parties during the period.

RISKS

Risks with the company's share are described in EG7's company description, which was published on January 30, 2019. It can be downloaded from the company's website www.enadglobal7.com. Risks are also included in the annual report of 2021.

AUDITOR

Öhrlings PricewaterhouseCoopers AB (PwC) is the company's auditor and is represented by Niklas Renström.

DEFINITIONS

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

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

Adjusted EBITDA: EBITDA adjusted for items considered to be non-recurring and one-time in nature for comparability between periods.

EBITDA: Earnings before interest, tax, depreciation and amortization of tangible and intangible non-current assets.

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

EBITA: Operating profit before depreciation of intangible assets.

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

Adjusted EBIT: EBIT adjusted for items considered to be non-recurring and one-time in nature for comparability between periods

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

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

Net profit: Profit after tax for the period.

Net debt: Interest-bearing liabilities less interest-bearing assets and cash and cash equivalents.

Equity ratio: Equity as a percentage of total assets.

Average number of employees: The average number of employees during the period.

Number of shares: Total number of shares outstanding.

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

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, if not otherwise stated in the text.

Cash conversion: Operational cashflow divided by proforma EBITDA over the last twelve months

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

FOR MORE INFORMATION. PLEASE CONTACT:

Ji Ham. Acting CEO
Mail: ji@enadglobal7.com
Phone: +46 70 065 07 53

Fredrik Rüdén. deputy CEO and CFO
Mail: fredrik.ruden@enadglobal7.com
Phone: +46 733 117 262

EG7 IN SHORT

EG7 is a group of companies within the gaming industry that develops, markets, publishes and distributes PC, console and mobile games to the global gaming market. The company employs 415+ game developers and develops its own original IPs, as well as acts as consultants to other publishers around the world through its game development divisions Daybreak Games, Piranha Games, Toadman Studios, Big Blue Bubble and Antimatter Games. In addition, the group's marketing department, Petrol has contributed to the release of 1.500+ titles, of which many are leading global brands such as Call of Duty, Destiny and Elden Ring. The group's publishing and distribution department Firespine Games hold expertise in both physical and digital publishing. EG7 is headquartered in Stockholm with approximately 690 employees in 16 offices worldwide.

Nasdaq First North Growth Market Ticker
Symbol: EG7

CERTIFIED ADVISOR

As a company listed on Nasdaq First North Growth Market Stockholm, the company has an obligation to use a Certified advisor. EG7 has appointed:

Eminova Fondkommission AB
Mail: info@eminova.se
Phone: +46 8 684 211 00

AUDITING

This report has not been audited by the company's auditor.

NEXT REPORT

The next financial report will be published:

Interim report Q3 2022: November 17, 2022

Interim report Q4 2022: February 17, 2023

IMPORTANT INFORMATION

This information is information that Enad Global 7 AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the contact persons set out below at 6:00am CET on August 23, 2022.

THE BOARD'S DECLARATION

The Board of Directors and CEO ensure that this interim report gives a true and fair view of the company's operations and financial position.

Stockholm. August 23. 2022

Ji Ham	Jason Epstein	Alexander Albedj	Marie-Louise Gefwert	Shum Singh	Gunnar Lind
<i>Acting Chief Executive Officer</i>	<i>Chairman of the board</i>	<i>Member of the board</i>	<i>Member of the board</i>	<i>Member of the board</i>	<i>Member of the board</i>