



ENAD GLOBAL 7

EG7 Completes the Acquisition of Daybreak Game Company

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PRESS RELEASE

Stockholm, 22 December 2020

Enad Global 7 AB (publ) ("EG7" or the "Company") has today completed the acquisition of 100 percent of the shares in Daybreak Game Company LLC ("Daybreak"), which was announced through a press release on 1 December 2020 (the "Transaction"), for a consideration of USD 300 million, on a cash- and debt- free basis. The initial consideration of in total USD 260 million has today been paid partly with 10,079,981 shares in EG7, corresponding to a value of USD 100 million, which corresponds to approximately SEK 848 million^[1] (the "Consideration Shares"), and partly through a cash payment amounting to USD 160 million, which corresponds to approximately SEK 1,357 million (the "Cash Consideration"). Following the Transaction, Daybreak's former main owner Jason Epstein will hold approximately 10 percent and the other former shareholders of Daybreak will together hold approximately 3 percent of the total number of outstanding shares and votes in EG7.

COMPLETION OF THE ACQUISITION OF DAYBREAK GAME COMPANY

The upfront consideration which has been paid for 100 percent of the shares in Daybreak amounts to USD 260 million, equivalent of approximately SEK 2,205 million, on a cash- and debt- free basis (the "Upfront Consideration"). The Upfront Consideration is comprised of the Cash Consideration and the Consideration Shares.

The value of the Consideration Shares amounts to USD 100 million, corresponding to approximately SEK 848 million and 10,079,981 shares in EG7. The price per EG7 share is based on a volume weighted average price of the EG7 share on Nasdaq First North Growth Market for the ten consecutive trading days preceding 1 December 2020 equal to SEK 84.14 per share. The Cash Consideration of approximately USD 160 million, equivalent of approximately SEK 1,357 million, has been paid in cash and is financed through available funds raised via the directed share issue announced on 1 December 2020.

In addition, EG7 will pay the deferred consideration to the sellers of Daybreak of USD 40 million following finalization of Daybreak's FY 2020 financial statements. The deferred consideration will be paid in cash.

On 2 December 2020, the board of directors resolved to issue the Consideration Shares, subject to the approval from the extra general meeting on 17 December 2020. The extra general meeting approved the share issue and the board of directors has today resolved to allot the Consideration Shares as part of the completion of the Transaction. The issue of the Consideration Shares results in a dilution of approximately 13.2 percent of the number of shares and votes in the Company after the Transaction, through an increase in the number of outstanding shares by 10,079,981, from 66,550,378 to 76,630,359. The share capital will increase by SEK 403,199.40 from SEK 2,662,015.12 to SEK 3,065,214.36.

EG7's and Daybreak's financial reporting will be consolidated from 22 December 2020.

For further information about the acquisition of Daybreak, please refer to the previous press release published on 1 December 2020.

ADVISORS

Carnegie Investment Bank AB (publ) is acting as financial advisor to EG7 in relation to the Transaction. Baker McKenzie (Stockholm and US) is acting as legal advisor to EG7.

Aream & Co. is acting as exclusive financial advisor to Daybreak. LionTree Advisors is acting as financial advisor to Jason Epstein, Executive Chairman and majority shareholder of Daybreak. Perkins Coie is acting as legal advisor to Daybreak in relation to the Transaction.

The information in this press release has been made public through the agency of the responsible person set out below, for publication at the time stated by the company's news distributor Cision at the publication of this press release.

FOR FURTHER INFORMATION, PLEASE CONTACT:

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ABOUT EG7

EG7 is a group of companies within the gaming industry that develops, markets, publishes and distributes PC, console and mobile games to the global gaming market. The company employs 170+ game developers and develops its own original IP:s, as well as act as consultants to other publishers around the world through its game development divisions 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 world famous brands such as Call of Duty, Destiny, Dark Souls and Rage. The group's publishing and distribution department Sold Out holds expertise in both physical and digital publishing and has previously worked with Team 17, Rebellion and Frontier Developments. The Group is headquartered in Stockholm with approximately 270 employees in 10 offices worldwide.

Nasdaq First North Growth Market Ticker Symbol: EG7

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Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's and the group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company and the group operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is not required by law or Nasdaq First North Growth Market rule book for issuers.

^[1] All conversions from USD to SEK in this press release are made with the exchange rate 8.4813 USD/SEK as quoted at Riksbanken.