



**ENAD
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7**

EG7 Completes the Acquisition of Piranha Games Inc.

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PRESS RELEASE

Stockholm, 1 March 2021

Enad Global 7 AB (publ) ("EG7" or the "Company") has completed the acquisition of 100 percent of the shares in Piranha Games Inc. ("Piranha Games"), which was announced through a press release on 25 November 2020, for a consideration of approximately CAD 31.4 million, plus an additional consideration of up to a maximum of CAD 63.4 million, on a cash- and debt-free basis (the "Transaction"). The initial consideration is paid partly in shares in EG7 amounting to 808,091 shares, corresponding to a value of CAD 10.5 million, which corresponds to approximately SEK 68.9 million^[1] (the "Consideration Shares"), and partly through a cash payment amounting to CAD 20.9 million, which corresponds to approximately SEK 137.9 million (the "Cash Consideration"). 50 percent of the Consideration Shares, equal to approximately CAD 5.2 million, equivalent of SEK 34.4 million, is held back (the "Holdback Shares") and will be earned by the sellers over a period of twelve months, subject to certain conditions (the "Holdback Period"). Following the Transaction, the sellers of Piranha Games will together hold approximately 0.5 percent of the total number of outstanding shares and votes in EG7.

COMPLETION OF THE ACQUISITION OF PIRANHA GAMES

The initial consideration which has been paid for 100 percent of the shares in Piranha Games amounts to CAD 31.4 million, equivalent of approximately SEK 206.8 million, on a cash- and debt-free basis (the "Initial Consideration"). The Initial Consideration is comprised of the Cash Consideration and the Consideration Shares.

The value of the Consideration Shares amounts to CAD 10.5 million, corresponding to approximately SEK 68.9 million and 808,091 shares in EG7. The price per EG7 share is based on a volume weighted average price ("VWAP") of the EG7 share on Nasdaq First North Growth Market for the 20 consecutive trading days preceding 25 November 2020 equal to SEK 85.32 per share. 50 percent of the Consideration Shares, equal to approximately CAD 5.2 million, equivalent of SEK 34.4 million, is held back and will be earned by the sellers over the "Holdback Period". Following the Holdback Period, the Holdback Shares shall, subject to adjustments of the number of the Holdback Shares earned by the sellers, be issued based on the VWAP on Nasdaq First North Growth Market for the 20 consecutive trading days preceding 25 November 2020, equal to SEK 85.32 per EG7 share. The Cash Consideration of approximately CAD 20.9 million, equivalent of approximately SEK 137.9 million, has been paid in cash and is financed through available funds.

In addition to the Initial Consideration, EG7 may pay an earn-out consideration to the sellers of Piranha Games of up to CAD 63.4 million, subject to Piranha Games generating a certain financial performance during the period 1 December 2020-31 December 2025, and will be paid with up to 50 percent in newly issued EG7 shares and the balance in cash. The price for the earn-out consideration Shares will correspond to the VWAP on Nasdaq First North Growth Market for the 20 consecutive trading days preceding the payment.

The board of directors has, pursuant to the authorization granted by the extra general meeting on 17 December 2020, resolved to issue 404,040 shares (i.e., the shares paid as the Consideration Shares less the Holdback Shares). The issue of the Consideration Shares less the Holdback Shares results in a dilution of approximately 0.5 percent of the number of shares and votes in the Company after the Transaction, through an increase in the number of outstanding shares by 404,040, from 76,630,359 to 77,034,399. The share capital will increase by SEK 16,161.60 from SEK 3,065,214.36 to SEK 3,081,375.96.

EG7's and Piranha Games's financial reporting will be consolidated from 1 March 2021.

For further information about the acquisition of Piranha Games, please refer to the previous press release published on 25 November 2020.

ADVISORS

Baker McKenzie (Stockholm and Toronto) is acting as legal advisor to EG7 in the Transaction.

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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 400+ 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 Daybreak Game Company, 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 600 employees in 12 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 materialise 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 CAD to SEK in this press release is made with the exchange rate CAD/SEK 6.5879 as quoted at Riksbanken.