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## **EG7 intends to sell its subsidiary Innova at a price of EUR 32 million through a management buy-out - Relocates Toadman Interactive**

**INSIDE INFORMATION: STOCKHOLM, SWEDEN (APRIL 19, 2022) -- Enad Global 7 AB (publ) ("EG7" or the "Company") has today entered into a letter of intent for the sale of the Company's subsidiary Innova Intellectual Properties S.à r.L. ("Innova") and to relocate Toadman Interactive studio from Russia. The sale of Innova is intended to be structured as a management buy-out (MBO) and the purchase price has been set at EUR 32 million. Structuring the Innova sale as an MBO is aimed to ensure the continuance of its ongoing business operations under the strong leadership of the existing management team and secure the talented team of local employees. The sale will be conditional upon an approval from a general shareholders' meeting of the Company. Additionally, EG7 will be relocating Toadman Interactive and its employees who are currently based in Russia.**

The Innova MBO purchase price has been set at EUR 32 million for 100 percent of the shares and is intended to be settled through a vendor loan agreement. Innova generated 13 percent of EG7's consolidated revenue, corresponding to SEK 74.1 million in the fourth quarter 2021. During the same period Innova generated 22 percent of EG7s consolidated EBITDA, corresponding to SEK 26.4 million. Innova employs approximately 200 people. Since the acquisition of Innova in March 2021, Innova has been operated as an independent publisher. Innova had a book value of SEK 1,100 million as of March 31, 2022, resulting in a negative impact on the income statement of approximately SEK 800 million, net of the Vendor Loan, upon closing of the transaction.

The sale of Innova will be subject to the approval from a general shareholders' meeting of the Company and may also require approvals from Russian authorities before it can be fully executed.

EG7 has further decided to relocate Toadman Interactive studio's Russian activities to western or eastern Europe. The studio relocation will likely impact some of Toadman's current projects.

*"We've been monitoring our current business operations in Russia the past few weeks and after careful evaluation, we concluded that parting ways with Innova would benefit both parties. Upon completion of the transaction, EG7 will no longer have operations in*

*Russia and no further exposure to continuing uncertainties in the region. The relocation of the Toadman team also creates an important site for continued growth,” said Ji Ham, Acting CEO, EG7. “This decision has minimal impact on our group companies outside of Russia / CIS. Our utmost priority is to ensure that the Innova and Toadman teams have our full support while we help them transition through this process.”*

FOR MORE INFORMATION, PLEASE CONTACT:

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*This press release constitutes inside information that Enad Global 7 AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation 596/2014. The information was sent for publication, through the agency of the contact persons set out above, at the time stated by the Company’s news distributor, Cision, at the publication of this press release.*

#### 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 470+ game developers and develops its own original IPs, as well as act 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 world famous brands such as Call of Duty, Destiny, Dark Souls and Rage. The group’s publishing and distribution departments Innova and Sold Out hold expertise in both physical and digital publishing. EG7 is headquartered in Stockholm with approximately 880 employees in 16 offices worldwide.

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