



ACQUISITION OF **PIRANHA GAMES**
Q3 INVESTOR PRESENTATION - **NOVEMBER 2020**



EG7 is a unique eco-system within the video games industry consisting of:

1. **Petrol**, the number one gaming marketing agency.
 - That is why Activision, Embracer, Ubisoft among other repeat clients use Petrol.
2. **Sold Out**, our publisher that has never had an unprofitable release.
 - That is why Frontier, Team17 and Rebellion among other repeat clients use Sold Out.
3. **A world-class network of developers** within F2P, premium, console, PC, mobile, technology and game engine - all of which are available to the companies that join the group.
 - That is why we own more than 10 IPs that combined have more than **5 million** copies sold, more than **2 million monthly active users** and downloaded more than **100 million times**.
 - That is also why Disney, Dreamworks, Fatshark and many repeat clients use us.

WHY COMPANIES WANT TO JOIN EG7:

- Because EG7 is a unique eco-system that controls the entire value chain, acquires and enhances companies to increase potential and scale to unleash higher profitability.

829
SEKm

TTM REVENUE

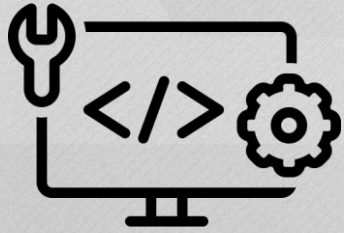
152
SEKm

TTM EBITDA

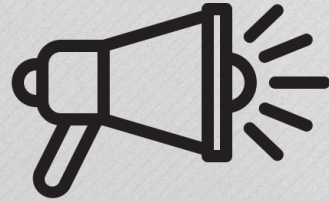
335
EMPLOYEES

11
NUMBER OF COMPANIES

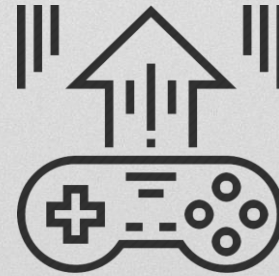
VALUE CHAIN – WE CONTROL THE VALUE CHAIN



DEVELOPING



MARKETING



PUBLISHING



DISTRIBUTING

WE TAKE THE COMPANIES WE ACQUIRE TO A NEW LEVEL

160+

PREVIOUS GAME
PROJECTS¹

25+

CURRENT GAME
PROJECTS¹

40+

ONGOING MARKETING
CAMPAIGNS

RELEASES IN 2020

RELEASED



RELEASED



RELEASED



RELEASED



RELEASED



TO BE RELEASED



RELEASED



RELEASED



TO BE RELEASED IN 2020-2022



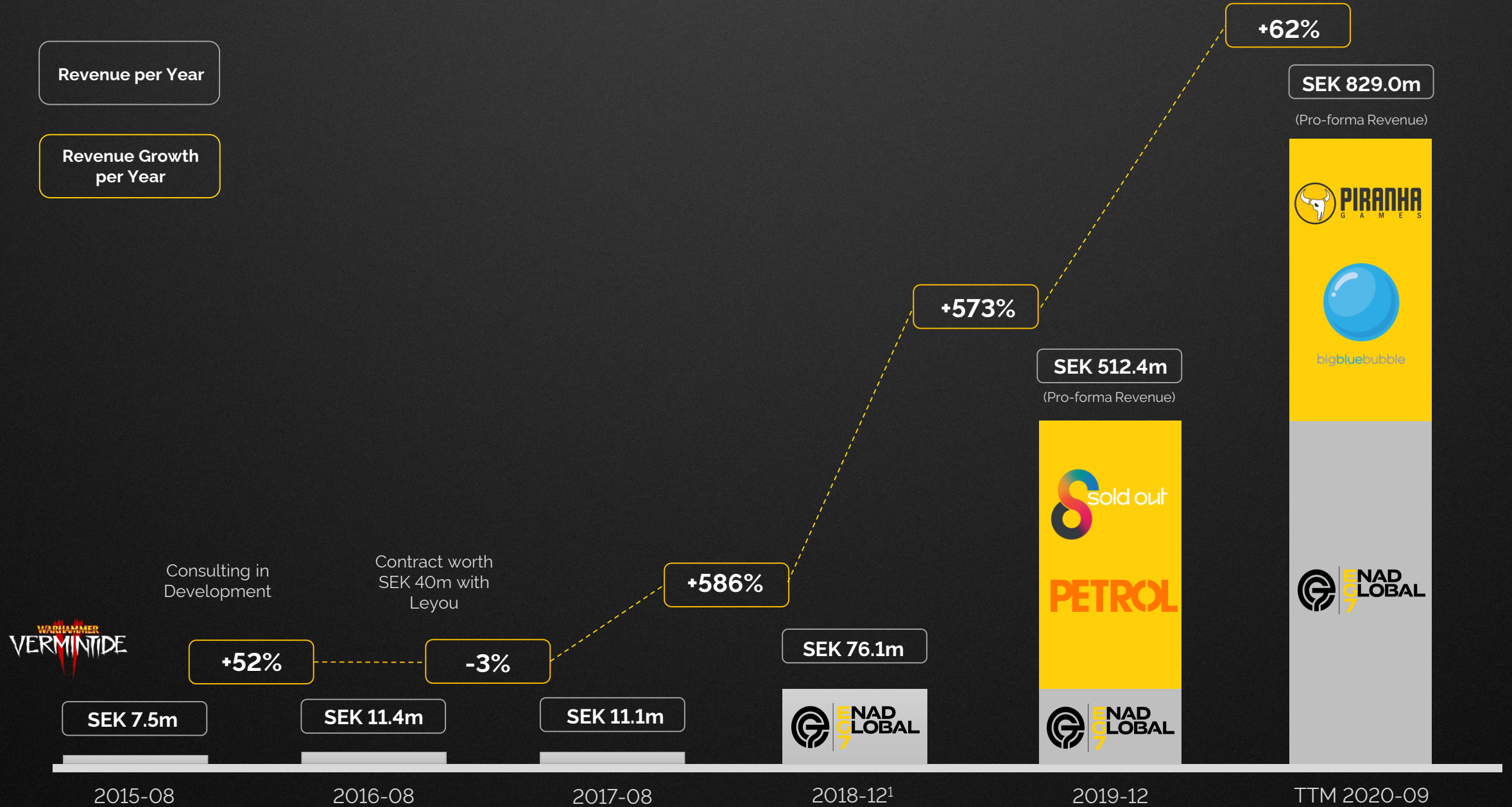
PETROL



10+
UNDISCLOSED
PROJECTS

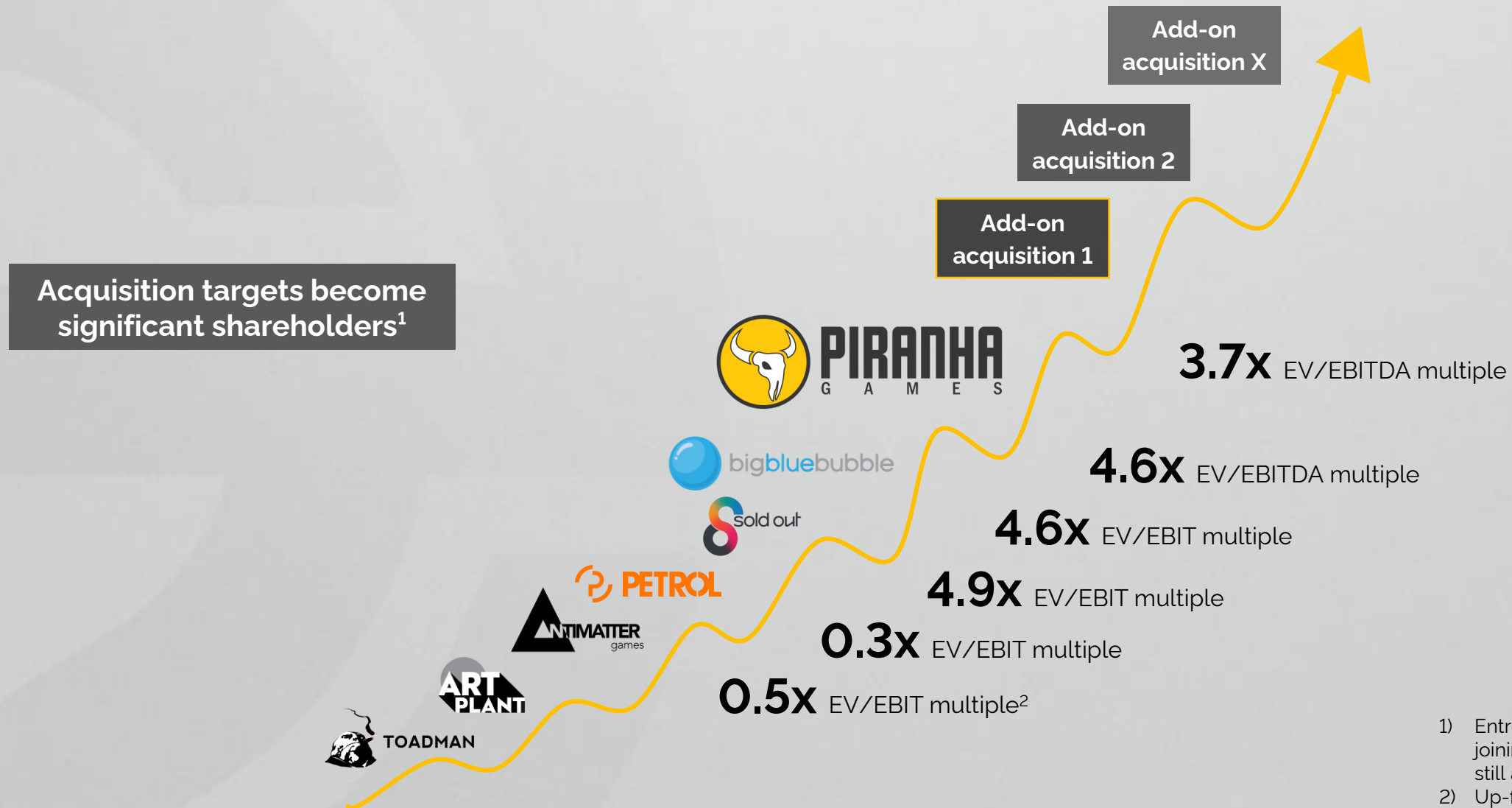
40+
MARKETING CAMPAIGNS
AND RELEASES

HISTORY & FINANCIALS



HISTORY AND PROGRESS OF M&A

We have used **SEK 370m in cash** for acquisitions which has given us a repeat **EBITDA of SEK 152m** before synergies.



- 1) Entrepreneurs get larger stake joining now than later as we are still a relatively small company.
- 2) Up-front multiples paid excluding earn-out.



3.7x

UP-FRONT EBITDA MULTIPLE

60%

EG7 GROUP EBITDA INCREASE

SEK 150m

TTM REVENUE

SEK 56m

TTM EBITDA

ACQUISITION RATIONALE FOR EG7

AAA GAME PORTFOLIO

EXPERIENCED TEAM

F2P SYNERGIES

SOLID PROFITABILITY

MECHWARRIOR - A STRONG FRANCHISE



"MECHWARRIOR IS EXTREMELY BACK."

80% **PC GAMER**

"A RETURN TO FORM"

GAMING TREND 85%

"GREAT OLD SCHOOL JOY"

81% **IGN**

"WHAT GAMING HAS BEEN MISSING OUT ON"

METRO.co.uk 80%





NEW IP'S ADDED TO GROUP



20
YEARS
ACTIVE

70M+
USD
REVENUE
GENERATED

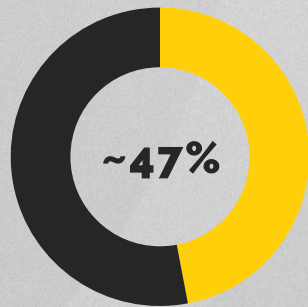
10K+
DAILY ACTIVE PLAYERS

				 
	CURRENT EG7	PIRANHA GAMES		COMBINED
DESCRIPTION	Video game development and related services	Video game development		Video game development and related services
SALES TTM	SEK 679 million	SEK 150 million		SEK 829 million
EBITDA TTM	SEK 96 million	SEK 56 million		SEK 152 million
OWN/LICENSED IP	9	2		11
SIZE OF IP'S	Indie, A, AA	AA, AAA		Indie, A, AA, AAA
OUTPUT CHANNELS	PC, Console, Mobile, Switch	PC, Console		PC, Console, Mobile, Switch
FTE	270	65		335
BUSINESS AREAS	Games (Game dev) and Services (WfH, Marketing, Publishing)	Games (Game dev)		Games (Game dev) and Services (WfH, Marketing, Publishing)
MGMT/BOARD OWNERSHIP	53%	100%		54%



GAMES

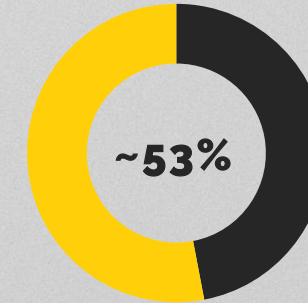
- Development of own titles.
- Five independent studios with unique expertises.
- 10+ own/licensed IPs.
- 10+ current projects.
- Toadman Studios.



TOTAL REVENUE¹

SERVICES

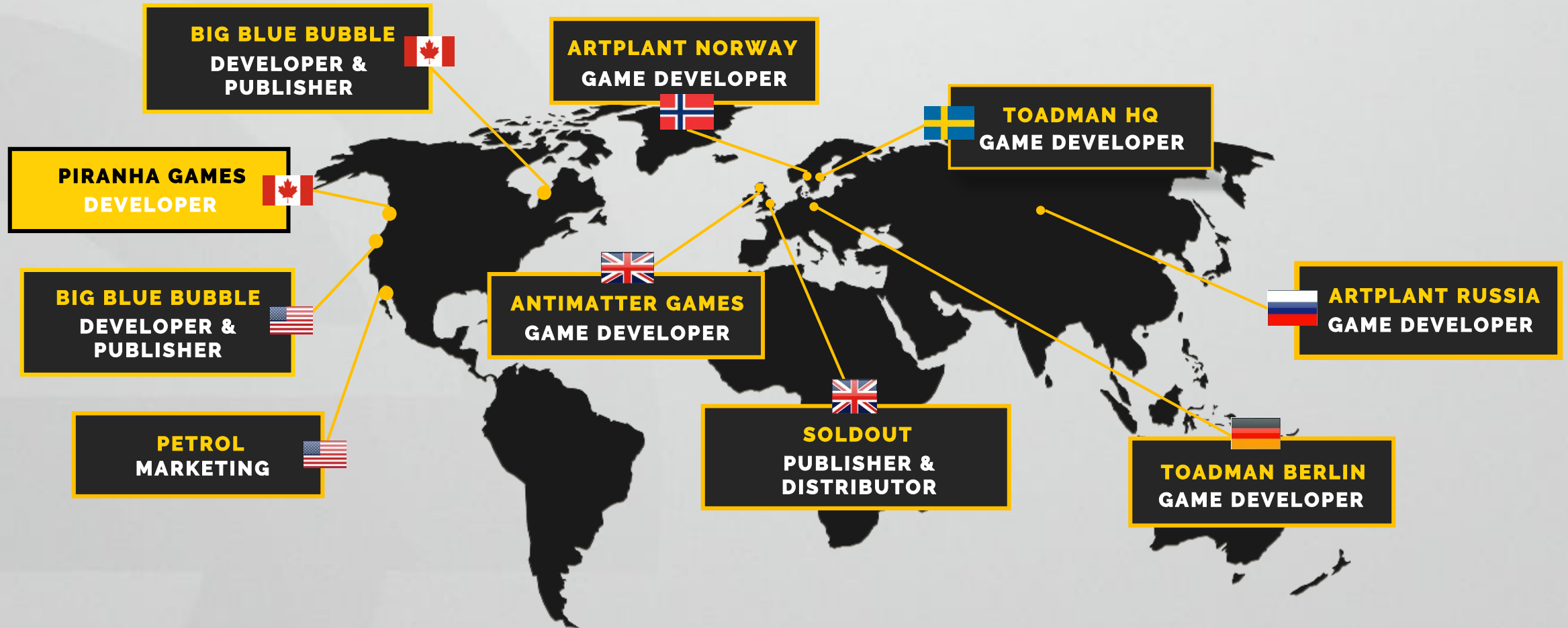
- Creative marketing studio with **40+ ongoing marketing projects**. Previous projects - Call of Duty Warzone, Far Cry 6 and Assassins Creed Valhalla.
- **15+ current projects** in Publishing, distribution and Work-For-Hire of PC and console video games.
- Toadman Work-For-Hire.



TOTAL REVENUE¹

1) Q3 2020 actuals including Big Blue Bubble and Piranha Games.

OUR OFFICES



RUSS BULLOCK

CEO and Founder of
Piranha games
>20 years experience



DAMIR SLOGAR

CEO and Founder of
Big Blue Bubble
>30 years experience



JAMES CATO

Co-founder and
COO of Sold Out
>30 years experience



ALAN HUNTER

Co-founder and
CCO of Petrol
>20 years experience





EG7 AS AN INVESTMENT



- Net revenue grew by more than **20%** compared to Q3 2019.
- **Raised SEK 429m** from several institutional investors to finance M&A strategy.
- Several organizational improvements.
- **Acquisition** of Canadian game developer Big Blue Bubble.
- Several game releases, one of which was **No Straight Roads**.
- **Strong M&A pipeline** going forward.
- **Acquisition** of Canadian game developer Piranha Games after the quarter.

183
SEKm

PRO-FORMA
TOTAL REVENUE
Q3 2020

46
SEKm

PRO-FORMA
EBITDA
Q3 2020

21
%

INCREASE IN
NET REVENUE

335

EMPLOYEES

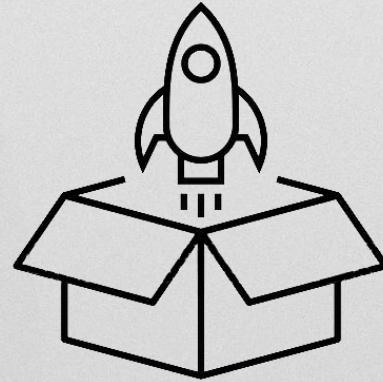
NEXT LOGICAL STEPS FOR EG7



1.

M&A PIPELINE

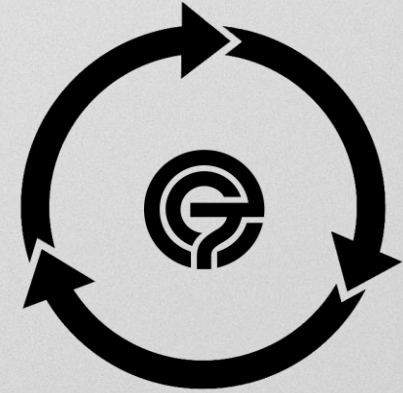
M&A pipeline is stronger than ever.



2.

GAMES TO BE RELEASED

Our pipeline of 10+ games to be released, including million copy sellers like IGI, '83, Block'n'Load 2.



3.

COMPLETE ECO-SYSTEM

Now that the eco-system is complete, we are very excited about the future.

SHAREHOLDER ¹	TYPE OF INVESTOR	SHARES	CAPITAL %
Robin Flodin	CEO & Co-Founder	3,817,713	8.60%
Dan Sten Olsson with Family and Trust	Investor, Represented on Board Level	3,625,000	8.16%
Rasmus Davidsson	Head of Design Toadman Studios, Co-Founder	2,872,743	6.47%
Avanza Pension (of which 1m shares held by Creades AB)	Institutional and Retail Investors	2,794,535	6.29%
Alan Hunter	Petrol CEO, Co-Founder	2,323,718	5.23%
Ben Granados	Petrol Co-Founder	2,021,717	4.55%
Johan Svensson	External Investor	1,951,362	4.39%
Länsförsäkringar Fonder	Institutional Investor	1,896,288	4.27%
TIN Fonder	Institutional Investor	1,840,000	4.14%
Alexander Albedj	Chairman of the Board	1,679,084	3.78%
Erik Nielsen Through Company	Board Member	1,387,000	3.12%
James Cato	Sold Out Co-Founder	1,386,320	3.12%
Garry Williams	Sold Out CEO, Co-Founder	1,386,320	3.12%
SPSW Capital / Lloyd Fonds AG	Institutional Investor	1,351,350	3.04%
Ola Nilsson	Head of Toadman Studios	778,000	1.75%
Other shareholders		13,291,507	29.93%
Total		44,402,657	100.00%
Management and Board²		23,639,728	53.00%

1) Holdings as of October 31, 2020
2) Damir Slogar of Big Blue Bubble holds 1,298,256 EG7 shares post closing



7 STRONG REASONS TO INVEST

1. **Unique world-class gaming eco-system.**
2. **Proven shareholder value** through acquisitions.
3. **Diversified risk** through stable cash-flow, low-risk, profitable services division and experienced game development division.
4. High potential through a games division with a **massive pipeline of strong titles.**
5. **Incentivized management and board** that owns 53% of the shares.
6. **Experienced team.**
7. The EG7 **eco-system is now launched** to harness its potential.

THANK YOU



APPENDIX 1 INCOME STATEMENT - GROUP

	QUARTER		ACCUMULATED		FY 2019
	2020-07-01 2020-09-30	2019-07-01 2019-09-30	2020-01-01 2020-09-30	2019-01-01 2019-09-30	2019-01-01 2019-12-31
	3 months	3 months	9 months	9 months	12 months
(SEKm)					
Net revenue	80.5	66.5	374.0	94.9	151.6
Own work capitalized	10.3	2.6	27.5	6.3	12.8
Other revenue	29.7	3.9	45.3	6.9	3.9
Total revenue	120.5	73.0	446.9	108.1	168.4
<i>Operating expenses</i>					
Cost of goods sold	-36.5	-20.7	-227.5	-26.6	-51.3
Other external expenses	-25.8	-10.5	-56.7	-17.9	-36.1
Personnel expenses	-35.6	-28.3	-109.2	-42.9	-75.4
Other expenses	0.0	-0.1	0.0	-0.2	-0.5
Operating profit before depreciation and amortization (EBITDA)	22.6	13.3	53.5	20.5	5.1
Depreciation and amortization	-21.5	-11.4	-67.8	-12.3	-25.9
Operating profit (EBIT)	1.1	2.0	-14.3	8.2	-20.7
Financial net	-6.4	-6.6	-19.6	-6.9	-7.4
Profit before tax	-5.3	-4.7	-33.9	1.3	-28.1
Tax expense for the period	-3.6	-3.2	-16.0	-3.4	0.0
NET PROFIT	-9.0	-7.8	-49.9	-2.1	-28.1

APPENDIX 2 – BALANCE SHEET GROUP

(SEKm)	2020-09-30	2019-09-30	2019-12-31
ASSETS			
Non-current assets			
Intangible non-current assets	456.2	211.9	510.2
Tangible non-current assets	7.9	7.8	9.0
Financial non-currents assets	2.2	1.3	2.5
Total non-current assets	466.3	221.1	521.7
Current assets			
Inventory	22.8	-	12.1
Current receivables	74.2	110.1	71.4
Cash and cash equivalents	540.8	13.4	105.7
Total current assets	637.8	123.4	189.3
TOTAL ASSETS	1,104.1	344.5	711
EQUITY AND LIABILITIES			
Equity	705.7	133.0	250.1
Provisions	80.3	50.5	111.2
Non-current liabilities	220.6	134.4	216.3
Current liabilities	97.5	26.5	133.4
TOTAL EQUITY AND LIABILITIES	1,104.1	344.5	711.0