

Press release
Karlstad, 13 August 2020

Embracer Group acquires Rare Earth Games

Amplifier Game Invest, a wholly owned subsidiary of Embracer Group acquires the Austria-based development studio Rare Earth Games with a team of highly experienced industry veterans. The acquisition marks the first investment by Amplifier Game Invest in Austria. Rare Earth Games focus on action-packed multiplayer game titles for PC, Consoles and Cloud services.

Amplifier Game Invest acquires 100% of the shares in Rare Earth Games by paying the three founders an up-front consideration of EUR 0.3 million, of which 70% is paid in cash and 30% is paid in Embracer Group B shares.

Earnout consideration may also be paid out to the three founders in Embracer Group B shares if certain financial targets are met over the coming 5–10 years:

- Earnout 1: EUR 1 million in Embracer Group B shares if aggregate net contribution the coming 5 years equals or exceeds EUR 12 million.
- Earnout 2: EUR 2 million in Embracer Group B shares if aggregate net contribution the coming 10 years equals or exceeds EUR 28 million.

The shares issued as up-front consideration and, any earn-out shares that may be issued, are issued at a price of SEK 142.45 per share which equals the 20 day volume weighted average price of Embracer B shares on Nasdaq First North Growth Market up to and including 11 August 2020. A total of 6,504 Embracer B shares are issued as up-front consideration.

The Rare Earth leadership team, Michael Borrás, Helmut Hutterer and Peter Ehardt, has experience as founders of Iron Mountain Interactive and Socialspiel Entertainment, with backgrounds at Deep Silver and Rockstar Games. Together with a strong technical and creative team, they will spearhead the work on Rare Earth's first game, a fresh take on online co-op survival action.

For more information, please contact:

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About Amplifier Game Invest

Amplifier Game Invest, based in Stockholm, Sweden, seeks and invests internationally in the most talented companies in the gaming industry. The goal is, through the addition of expertise and experience in game development, to strengthen the companies and create more successful games in the long term. Amplifier Game Invest currently has active operations in companies in Sweden, Denmark, Norway, Italy, Austria, Spain and the US. Amplifier Game Invest is a wholly owned subsidiary of Embracer Group AB.

About Embracer Group:

Embracer Group is the parent company of businesses developing and publishing PC and console games for the global games market.

The Group has an extensive catalogue of over 170 owned franchises, such as Saints Row, Goat Simulator, Dead Island, Darksiders, Metro, MX vs ATV, Kingdom Come: Deliverance, TimeSplitters, Satisfactory, Wreckfest, Destroy All Humans!, World War Z and SnowRunner, amongst many others. With its head office based in Karlstad, Sweden, Embracer Group has a global presence through its five operative groups: THQ Nordic, Koch Media/Deep Silver, Coffee Stain, Amplifier Game Invest and Saber Interactive. The Group has 33 internal game development studios and is engaging more than 4,000 employees and contracted employers in more than 40 countries.

Embracer Group's shares are publicly listed on Nasdaq First North Stockholm under the ticker EMBRAC B with FNCA Sweden AB as its Certified Adviser; info@fnca.se +46-8-528 00 399.

For more information, please visit: <http://www.embracer.com>