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Press release
Karlstad, Sweden, 18 November 2020

Embracer Group acquires 34BigThings

Embracer Group AB ("Embracer"), through its wholly owned subsidiary Saber Interactive ("Saber"), has entered into an agreement to acquire 100 percent of the shares in 34BigThings ("34BT"). 34BT is a game developer of premium games across PC, console and mobile devices. 34BT is renowned as the studio behind Redout which has won 13 international awards and been awarded as the Best Italian Videogame by IIDEA in 2017. Through the acquisition, Saber onboards an experienced AA team based in Italy.

"34BigThings is one of the most exciting independent game studios in Italy fueled by the team's deep love of games. They describe themselves as 'superweird' but they are also super-talented. We can't wait to work with them on their next batch of fiercely original titles" says Matthew Karch, CEO Saber Interactive and Director of the Embracer Board.

Background and rationale

34BigThings, founded in 2013, is a developer of premium games for PC, console and mobile devices that has released 10 high-quality games including Super Inefficient Golf, Hyperdrive Massacre and multiple Redout titles, among others, last year's Apple Arcade sensation Redout: Space Assault. 34BT, based in Turin, Italy, is an experienced co-founding team of game veterans and a total of 28 employees. 34BT currently has two unannounced premium games in the pipeline and is expected to grow further in order to support development of the titles in parallel. 34BT represents a strategic acquisition for Saber Interactive, acquiring a talented and efficient Italian studio that offers an opportunity to grow substantially. 34BT will be supported in developing and launching original games on more platforms as a component of Saber's comprehensive strategy.

"We are super excited about joining Saber Interactive today. We believe this is the best opportunity for our studio to expand our PC and console business. Working alongside so many amazing Embracer companies will allow us to reach the full extent of our potential and ambition in the coming years" says Valerio Di Donato, Co-founder & CEO 34BT.

Purchase Price

The parties have agreed not to disclose the full transaction terms due to commercial reasons. The upfront consideration consists of a mixture of cash and Embracer B shares. The earnout consideration of cash and shares is based on financial targets up until 2026 (6 years). The terms and conditions for the acquisition is in line with previous Saber transactions.

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Completion of the transaction

The transaction is not subject to any further condition and is completed as of November 18, 2020.

Advisers

Ernst & Young AB is providing transaction support and Baker McKenzie is acting as legal counsel to Embracer in the transaction.

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About Embracer Group

Embracer Group is the parent company of businesses developing and publishing PC, console and mobile games for the global games market. Embracer Group has an extensive catalogue of over 190 owned franchises, such as Saints Row, Goat Simulator, Dead Island, Darksiders, Metro, MX vs ATV, Kingdoms of Amalur, TimeSplitters, Satisfactory, Wreckfest, Insurgency and World War Z, amongst many others.

With its head office based in Karlstad, Sweden, Embracer Group has a global presence through its six operative groups: THQ Nordic GmbH, Koch Media GmbH/Deep Silver, Coffee Stain AB, Amplifier Game Invest, Saber Interactive and DECA Games. Embracer Group has 46 internal game development studios and is engaging more than 4,000 employees and contracted employees in more than 40 countries.

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

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