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Press release

Karlstad, Sweden, April 6, 2021

Embracer Group completes the acquisitions of Aspyr, Easybrain and Gearbox Entertainment

On February 3, 2021 Embracer Group AB (the "Company" or "Embracer Group") and its subsidiaries entered into agreements regarding the acquisition of Aspyr, Easybrain and Gearbox Entertainment, which was announced through press releases on February 3, 2021 (the "Transactions"). The aggregated day one purchase price for the Transactions amounts to approximately SEK 9.3 billion in total, on a cash and debt free basis. Approximately SEK 2.5 billion is paid in cash and approximately SEK 6.8 billion is paid in newly issued B shares of the Company. A maximum additional consideration amounting to SEK 12.5 billion on an aggregated basis can be paid, subject to fulfilment of agreed financial and operational milestones, during a period of up to 7 years. The additional consideration comprises a maximum of approximately SEK 7.0 billion to be paid in cash and approximately SEK 5.5 billion to be paid in B shares of the Company. The price per share issued as day one purchase price and additional consideration corresponds to the volume weighted average price per Embracer B share at Nasdaq First North Growth Market during 20 trading days preceding (but not including) the date of the signing of the agreements for the Transactions, i.e., SEK 197.57 ("VWAP 20").

All conditions for the Transactions have now been fulfilled and the Transactions are consequently completed.

Completion of the Transactions

All conditions for the Transactions, including regulatory approvals such as merger control clearance, have now been fulfilled and the Transactions are consequently completed.

The aggregate day one purchase price of approximately SEK 9.3 billion on a cash and debt free basis has today been paid through a cash payment of approximately SEK 2.5 billion and through issuance of 34,348,903 B shares, corresponding to a value of approximately SEK 6.8 billion. Furthermore, an additional 5,313,559 B shares have been issued today as part of the additional consideration, corresponding to a value of approximately SEK 1.05 billion. These additional consideration shares are subject to claw back rights and lock-up restrictions.

A maximum of 22,465,744 B shares may be issued in the future as additional consideration subject to fulfilment of certain targets. Thereby the total number of shares that can be paid as additional consideration amounts to a maximum of 27,779,303 B shares provided that all targets for payment of the additional consideration are met.

In total 39,662,462 B shares have been issued today, meaning that the number of shares in Embracer Group increases from 460,825,448 to 500,487,910 shares (divided on 33,399,137 A shares and 467,088,773 B shares), and that the number of votes increases from 761,417,681 to 801,080,143. The share issued today lead to a dilution of approximately 7.92 percent of the share capital and approximately 4.95 percent of the votes in Embracer Group based on the number of shares and votes in Embracer Group following completion of the Transactions and issuance of 39,662,462 B shares.

EMBRACER⁺ GROUP

Through the Transactions, Embracer Group may in aggregate issue (including additional consideration shares) a total of 62,128,206 B shares, meaning that the number of shares in Embracer Group can increase from 460,825,448 to 522,953,654 shares (divided on 33,399,137 A shares and 489,554,517 B shares), and that the number of votes can increase from 761,417,681 to 823,545,887.

All shares issued today and that may be issued in the future, are issued at a price of SEK 197.57 per B share, corresponding to VWAP 20.

The Transactions will, if all additional consideration shares are issued, lead to a dilution of approximately 11.88 percent of the share capital and approximately 7.54 percent of the votes in Embracer Group based on the number of shares and votes in Embracer Group following completion of the Transactions and issuance of all additional consideration shares.

The acquired companies will be consolidated into Embracer Group's consolidated financial statements as of April 1, 2021.

For further information on the Transactions, reference is made to the press releases announced on February, 3 2021, and the presentations about the Transactions available at Embracer Group's website.

Advisers

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

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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. The Group has an extensive catalogue of over 240 owned franchises, such as Saints Row, Goat Simulator, Dead Island, Darksiders, Metro, MX vs ATV, Kingdoms of Amalur, TimeSplitters, Satisfactory, Wreckfest, Insurgency, World War Z and Borderlands, amongst many others.

With its head office based in Karlstad, Sweden, Embracer Group has a global presence through its eight operative groups: THQ Nordic GmbH, Koch Media GmbH/Deep Silver, Coffee Stain AB, Amplifier Game Invest, Saber Interactive, DECA Games, Gearbox Entertainment and Easybrain. The Group has 63 internal game development studios and is engaging more than 7000 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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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 future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company 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 materialize 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. Embracer 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 Embracer 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's rule book for issuers.