

# EMBRACER+ GROUP

Embracer Group acquires Spotfilm Networx

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## Today's speakers



**Lars Wingefors**  
CEO  
Embracer Group



**Stefan Kapelari**  
MD  
Koch Films GmbH (Muc)



**Markus Hauk**  
MD  
Spotfilm Networx

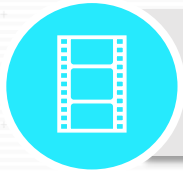


# KOCH FILMS PROFILE

## A FAST-GROWING EUROPEAN FILM COMPANY



Koch Films – a leading independent film publisher mainly operating in German-speaking Europe and Italy - serving all channels.



Koch Films catalogue consists of +3.000 films in all genres but is particularly strong in anime, cult classics and world cinema movies.



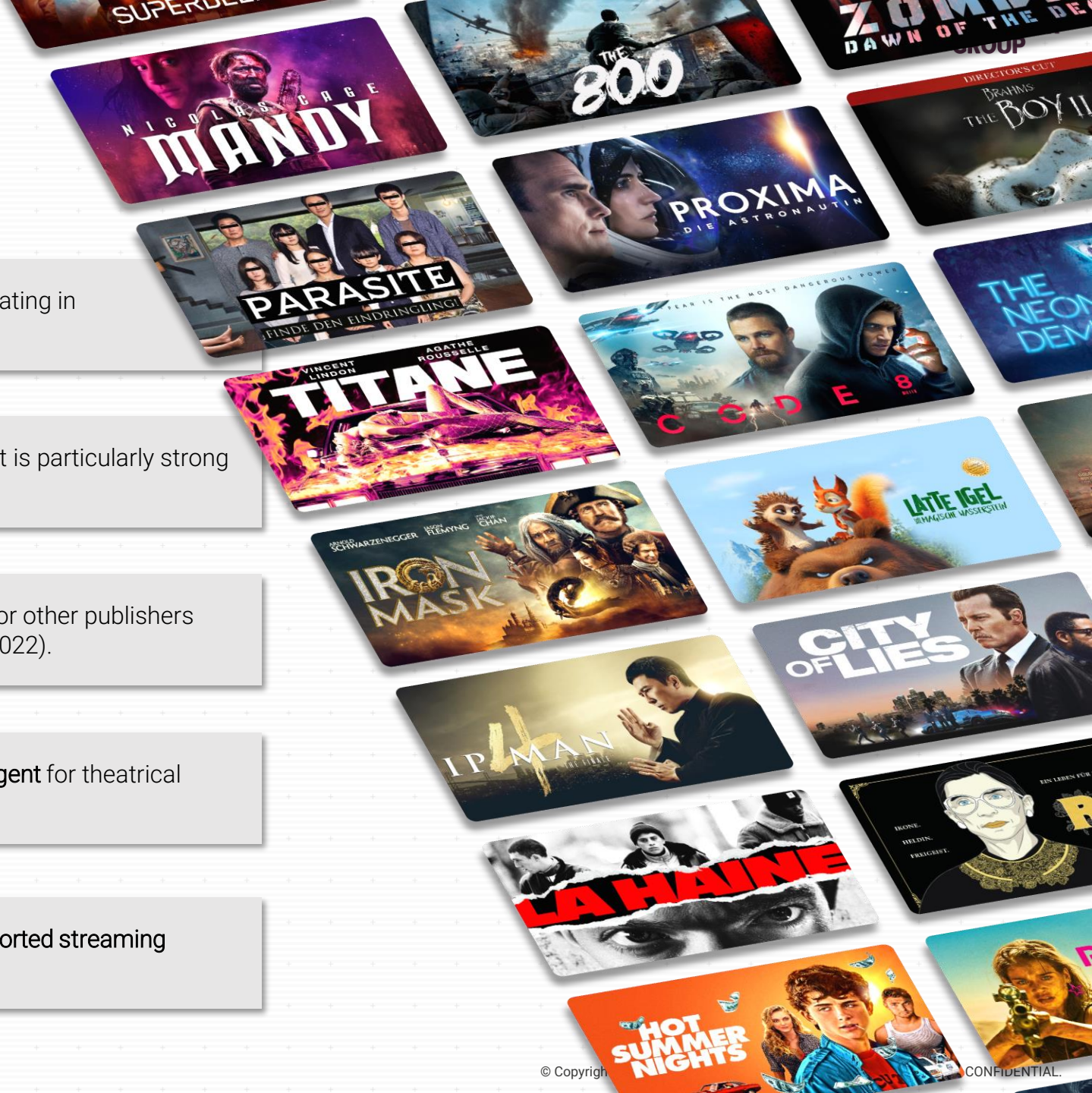
Koch Films acts as exclusive home entertainment distributor for other publishers (e.g. *Paramount* in Italy since 2021, *StudioCanal* in GAS as of 2022).



Koch Films owns *Sola Media* – a German based world sales agent for theatrical family entertainment movies.

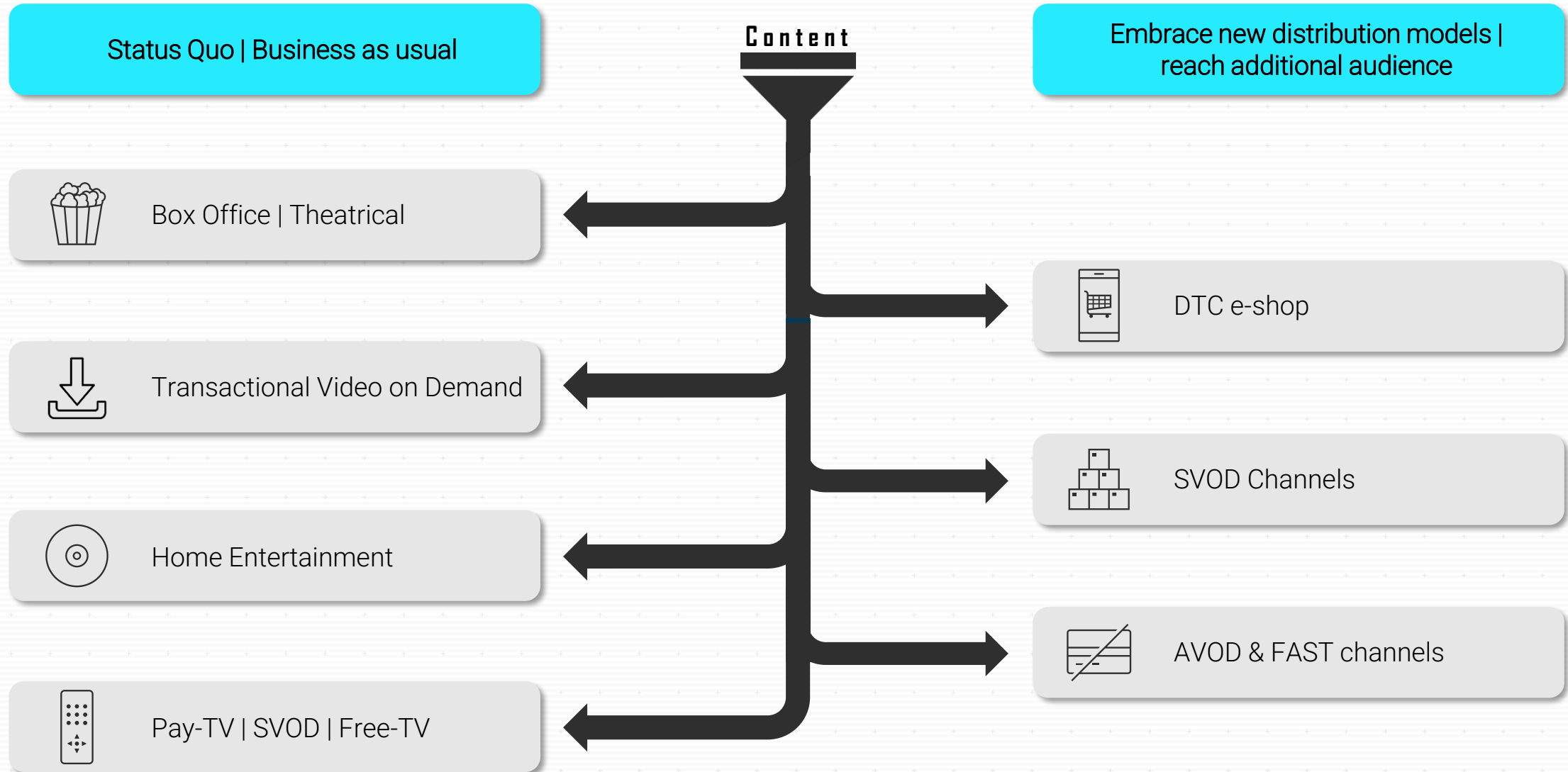


Koch Films now owns *Spotfilm Networx* – the leading ad-supported streaming service in Germany.



# KOCH FILMS PROFILE

## FLEXIBLE DISTRIBUTION & WINDOWING





# SPOTFILM Networx + KOCH MEDIA

- Located in Berlin  
Founded 2010  
18 FTE

## Background information

- Spotfilm Networx (Spotfilm Networx GmbH) owns *Netzkino* - the leading Advertising-based Video on Demand (AVOD) channel in Germany
- Spotfilm Networx operates 20 AVOD channels and 2 Subscription Video on Demand (SVOD) channels, hosting 3,000 videos on YouTube and own streaming apps.
- Founded by Peter von Ondarza – a veteran of digital film distribution in Germany
- Long-serving MD Markus Hauk will stay on board and in his roll

## KPIs



22	Branded channels
~7 M	Unique users
> 30 M	Video views per month
> 40 M	Ad-impressions monthly
> 3.000	Movies online



## Acquisition rationale

### Spotfilm is a strong case on its own:

- German leader ad-supported multi channel network
- AVOD is the fastest growing area in the film business
- Dedicated management / team with 10+ yrs of experience.

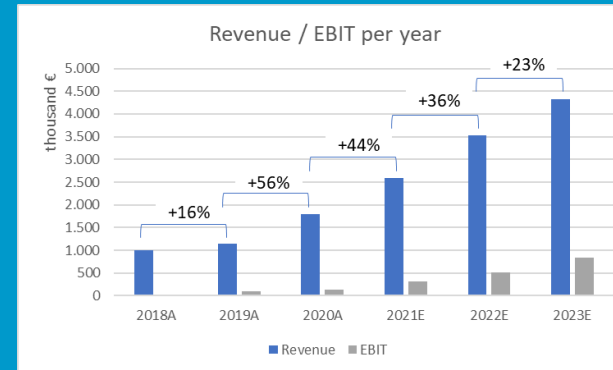
### Provides strong synergies with Koch Films:

- Provides a fast lane in digital development for Koch Films
- Increased volumes through content sharing
- Cost savings through knowledge and technology transfers.
- Platform for international expansion

## Transaction details

- Embracer Group, via its subsidiary Koch Media / Koch Films acquires 100% of the shares from Spotfilm's currently five owners.
- The acquisition includes film rights, all AVOD and SVOD platform and channel contracts, advertising and network contracts, apps including source code, streaming website and customer data
- The parties have agreed not to disclose the terms and conditions for the transaction. The transaction will be accretive to adjusted earnings per share.

## Financials



- Financial Business Plan (dated 22. November 2021) presented in the due diligence process and validated by Koch Films Management
- More than 100 film slate contracts, some flat → more than 3.000 movies in total.
- Forecasted operational EBIT for FY 22/23 are approximately SEK 6 million and FY 23/24 approximately SEK 9 million.

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