

Press release

Karlstad, Sweden, 5 August 2021

Embracer Group acquires Digixart

Embracer Group AB ("Embracer"), through its wholly owned subsidiary Koch Media GmbH ("Koch Media"), has entered into an agreement to acquire 100 percent of the shares in the France-based DigixArt from its current owners. DigixArt is a development studio and the creator of "Lost in Harmony", "11-11 Memories Retold" and upcoming title "Road 96".

"DigixArt is a very talented studio with an experienced team and proven capabilities to create great IPs. As part of Koch Media and the Embracer Group, DigixArt has the potential to grow and become a leading studio within narrative games. We look forward welcoming them to our team" says Klemens Kundratitz, Co-founder and CEO of Koch Media.

Background and rationale

After 14 years within the game industry, Yoan Fanise and Anne-Laure Fanise founded DigixArt in 2015 in Montpellier, France. Digixart is today an award-winning and profitable games development studio with 20+ employees. The team consists of veterans from the AAA industry as well as young talented developers and with experience in mobile, PC and console games development.

The studio has proven capabilities of creating and developing original IP and through the acquisition, Embracer strengthens its position in the growing sector of narrative games. Going forward, the team will continue to focus on development of new IPs and with support from Koch Media and Embracer, will look to grow the team. The company was owned to 95 percent by the sellers Yoan and Anne-Laure who will both remain in their current roles. DigixArt will continue to operate as an independent studio under Koch Media.

"By joining forces with Koch Media and Embracer, we will be able to grow our team and continue to focus on creating innovative and great games. We are truly excited about this partnership and what it holds for the future of DigixArt", says Anne Laure Fanise, Co-founder DigixArt.

Purchase Price

The parties have agreed not to disclose the transaction terms. The consideration is based on an upfront part and earnout components for six years and consist of a mix of cash and Embracer B shares. The terms and conditions for the acquisition is in line with previous Embracer transactions.

Completion of the transaction

The transaction was completed as of 30 July 2021.

Advisers

Ernst & Young AB is providing transaction support 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. 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 69 internal game development studios and is engaging more than 7,000 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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Webcast presentation for investors, analysts and media

Representatives from Embracer Group and DigixArt will participate in a webcast presentation today at 09.00 CET. Invitation and details for participation will be sent out by a separate press release.