

Press release

Karlstad, Sweden, 5 August 2021

## Embracer Group acquires Grimfrost

**Embracer Group AB<sup>1</sup> (“Embracer”) has entered into an agreement with the owners of Varyag Group AB (doing business as Grimfrost) to acquire 70 percent of Varyag Group AB. Grimfrost is an e-commerce specialist and a leading player with a global brand within high-quality Viking merchandise.**

*“The Grimfrost team are not only passionate and knowledgeable about our history - they are also true entrepreneurs who have taken the company to a market leading position within a niche that is more popular than ever before. The merger opens up for internal collaboration with Viking themed-games within the group. Besides Grimfrost being a leading, growing and profitable business, this will also contribute with deep knowledge of how to build a global e-commerce and merchandise business around one brand. Importantly, with Grimfrost being headquartered in the home of Embracer, Värmland, it adds to our growing Swedish-based group of companies”, says Lars Wingefors, Founder and Group CEO of Embracer Group.*

### Background and rationale

Grimfrost, founded in 2014, is a leader within high-quality Viking merchandise. Its headquarters are located in Karlstad, Sweden and employs approx.12 FTEs. Primary business model is B2C, but Grimfrost also supplies costumes and assets for TV and movie productions (e.g. Game of Thrones, Vikings), and reproductions for museums (B2B). As of now, the biggest market is the US representing approx. 60% of sales. In addition, Grimfrost has a strong brand and community with over +1 million followers on Facebook.

*“The heritage and long tradition of knowledge, integrity and service has been our vision with Grimfrost and we are excited to join forces with Embracer to grow our business and community”* says Ismo Arvenhav, Co-founder and CEO of Grimfrost.

Through the acquisition, Embracer onboards an experienced team that will provide Embracer with significant knowledge within global B2C e-commerce. Through the partnership, Embracer will facilitate Grimfrost to better position itself for international markets, team expansion and product development, enabling Grimfrost to capitalize on current potential and unmet demand. Grimfrost’s expertise caters for further collaboration opportunities with other entities within Embracer Group such as GOE Distribution. Grimfrost will operate as a subsidiary to Embracer and report under the Partner Publishing and Film division.

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<sup>1</sup> The acquisition is carried out through Embracer's its wholly-owned subsidiary Embracer Group Lager 9 AB

## **Purchase Price**

The parties have agreed not to disclose the transaction terms. The purchase price structure is based on a cash upfront payment and is in line with previous Embracer transactions.

## **Completion of the transaction**

The transaction was completed as of 7 July 2021.

## **Advisers**

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

## **For additional information, please contact:**

### **Lars Wingefors, Co-founder and Group CEO Embracer Group AB**

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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](mailto:info@fnca.se) +46-8-528 00 399.

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**Webcast presentation for investors, analysts and media**

Representatives from Embracer Group 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.