

Press release
Karlstad, 13 August 2020

Embracer Group acquires Palindrome Interactive

Amplifier Game Invest, a wholly owned subsidiary of Embracer Group, acquires the remaining 50% of the shares in Palindrome Interactive, a 14-person strong game studio located in Skövde, Sweden. The acquisition makes Palindrome Interactive a wholly owned subsidiary of Amplifier Game Invest.

Amplifier Game Invest acquires the remaining 50% of the shares in Palindrome Interactive by paying the remaining four founders an up-front consideration of SEK 21.5 million, of which 70% is paid in cash and 30% is paid in Embracer Group B shares. Earnout consideration may also be earned by the four remaining founders in Embracer Group B shares if certain financial targets are met over the coming 5–10 years:

- Earnout 1: SEK 10 million in Embracer Group B shares if aggregate net contribution the coming 5 years equals or exceeds SEK 125 million.
- Earnout 2: SEK 10 million in Embracer Group B shares if aggregate net contribution the coming 10 years equals or exceeds SEK 350 million.

The shares issued as upfront consideration and earnout shares are issued at a price of SEK 142.03 per share which equals the 20 day volume weighted average price of Embracer Group B shares on Nasdaq First North Growth Market up to and including 12 August 2020. The earnout shares are issued at closing and are subject to clawback rights if the financial targets are not met. A total of 186,225 Embracer Group B shares are issued as upfront consideration and earnout consideration.

Palindrome Interactive has been partially owned by Amplifier Game Invest since 2017 and is currently in the process of releasing their first game, Immortal Realms: Vampire Wars, on 28 August, on PC, PlayStation, Xbox, and Nintendo Switch.

The creative team at Palindrome is currently working on the studio's next title,

and as of yet unannounced strategy game, which has been signed to be published by Coffee Stain Publishing.

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About Amplifier Game Invest

Amplifier Game Invest, based in Stockholm, Sweden, seeks and invests internationally in the most talented companies in the gaming industry. The goal is, through the addition of expertise and experience in game development, to strengthen the companies and create more successful games in the long term. Amplifier Game Invest currently has active operations in companies in Sweden, Denmark, Norway, Italy, Austria, Spain, and the US. Amplifier Game Invest is a wholly-owned subsidiary of Embracer Group AB.

About Embracer Group

Embracer Group is the parent company of businesses developing and publishing PC and console games for the global games market.

The Group has an extensive catalogue of over 170 owned franchises, such as Saints Row, Goat Simulator, Dead Island, Darksiders, Metro, MX vs ATV, Kingdom Come: Deliverance, TimeSplitters, Satisfactory, Wreckfest, Destroy All Humans!, World War Z and SnowRunner, amongst many others. With its head office based in Karlstad, Sweden, Embracer Group has a global presence through its five operative groups: THQ Nordic, Koch Media/Deep Silver, Coffee Stain, Amplifier Game Invest and Saber Interactive. The Group has 33 internal game development studios and is engaging more than 4,000 employees and contracted employers in more than 40 countries.



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

For more information, please visit: <http://www.embracer.com>