

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES, AUSTRALIA, CANADA, NEW ZEALAND, HONG KONG, JAPAN, SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL OR WOULD REQUIRE REGISTRATION OR ANY OTHER MEASURES.

Press release
Karlstad, Sweden, 18 November, 2020

Embracer Group acquires Silent Games

Embracer Group AB ("Embracer"), through its wholly owned subsidiary Amplifier Game Invest AB ("Amplifier"), has today entered into an agreement to acquire 100 percent of Silent Games Ltd. ("Silent Games"). Silent Games is a UK based studio founded by Sally Blake and Joseph Rogers, experienced developers and award-winning mentors within the British game development scene. The acquisition marks the first investment by Amplifier in the British Isles, one of the strongest hubs for Game Development in the world.

"Silent Games embodies the kind of company we love to support. Highly creative game developers with a strong production background, fueled by passion and engagement, while remaining firmly connected with the local game development community allows us to commit fully to this venture" says Per-Arne Lundberg, CEO Amplifier Game Invest.

Background and rationale

Silent Games, founded in 2018, is a game development studio seated in Newcastle upon Tyne, one of northern England's foremost hubs for games and creative industries. With strong ties to game education at Teesside University, and a deep connection to the British Game Development community, Sally Blake and Joseph Rogers intend to be growing Silent Games from the current team of four persons into a 30 person strong studio over the coming years.

The team plans to build a series of games in a Universe of their own making, ideally suited for a long-lasting franchise, with the first game planned for a 2023 release. Through innovation in game design and co-operative multiplayer technologies, the games aim to allow players to unearth deep secrets of an ancient civilization while unraveling the strong narrative of the present.

"We are incredibly excited for the opportunity to work with Amplifier and the Embracer group building our brand new IP for PC and Console from the ground up. Our long-term partnership will allow for significant growth in Silent Games, and enable us to create a studio that is focused on securing and developing talent in the region for many years to come" says Sally Blake, CEO & Co-founder, Silent Games.

Silent Games becomes a fully owned subsidiary of Amplifier, joining the ranks of 8 other wholly or majority owned game development studios already part of the Amplifier family. Amplifier Game Invest is one of the six operating groups within Embracer Group.

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES, AUSTRALIA, CANADA, NEW ZEALAND, HONG KONG, JAPAN, SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL OR WOULD REQUIRE REGISTRATION OR ANY OTHER MEASURES.

Purchase Price

The parties have agreed not to disclose the full transaction terms due to commercial reasons. The terms for the transaction are in line with previous Amplifier transactions – including an earnout up until 2031 (approximately 10 years).

Completion of the transaction

The transaction is not subject to any further condition and is completed as of November 18, 2020.

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

Tel: +46 708 47 19 78

E-mail: lars.wingefors@embracer.com

Per-Arne Lundberg, CEO Amplifier Game Invest

Tel: +46 705 66 05 55

E-mail: per-arne.lundberg@amplifiergameinvest.com

Sally Blake, Co-founder and CEO Silent Games Studios

Tel: +44 751 929 6183

E-mail: sally@silentgames-studio.com

About Embracer Group

Embracer Group is the parent company of businesses developing and publishing PC, console and mobile games for the global games market. Embracer Group has an extensive catalogue of over 190 owned franchises, such as Saints Row, Goat Simulator, Dead Island, Darksiders, Metro, MX vs ATV, Kingdoms of Amalur, TimeSplitters, Satisfactory, Wreckfest, Insurgency and World War Z, amongst many others.

With its head office based in Karlstad, Sweden, Embracer Group has a global presence through its six operative groups: THQ Nordic GmbH, Koch Media GmbH/Deep Silver, Coffee Stain AB, Amplifier Game Invest, Saber Interactive and DECA Games. Embracer Group has 46 internal game development studios and is engaging more than 4,000 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;

NOT FOR RELEASE, PUBLICATION OR DISTRIBUTION IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, IN THE UNITED STATES, AUSTRALIA, CANADA, NEW ZEALAND, HONG KONG, JAPAN, SOUTH AFRICA OR ANY OTHER JURISDICTION WHERE SUCH RELEASE, PUBLICATION OR DISTRIBUTION WOULD BE UNLAWFUL OR WOULD REQUIRE REGISTRATION OR ANY OTHER MEASURES.

info@fnca.se +46-8-528 00 399.

Subscribe to press releases and financial information:

<https://embracer.com/investors/subscription/>

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