

Press release
Karlstad, 13 August 2020

Embracer Group acquires Vermila Studios

Embracer Group's wholly owned subsidiary Amplifier Game Invest acquires the ten-person strong game development studio Vermila Studios.

Amplifier Game Invest acquires 100% of the shares in Vermila Studios by paying the two founders an up-front consideration of EUR 0.9 million, of which 60% is paid in cash and 40% is paid in Embracer Group B shares. Earnout consideration may also be paid out to the two founders in Embracer Group B shares if certain financial targets are met over the coming 5–10 years:

- Earnout 1: EUR 1 million in Embracer Group B shares if aggregate net contribution the coming 5 years equals or exceeds EUR 15 million.
- Earnout 2: EUR 1 million in Embracer Group B shares if aggregate net contribution the coming 10 years equals or exceeds EUR 30 million.

The shares issued as up front consideration and, any earn-out shares that may be issued, are issued at a price of SEK 142.12 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 10 August 2020. A total of 26,090 Embracer B shares are issued as up-front consideration.

Vermila Studios is currently working on their first production, Crisol: Theater of Idols. The game is a first-person horror adventure set in the town of Tormentosa, a Hispanian village with an ancient past, with captivating visuals based on warm Spanish red and gold colors.

The two founders of Vermila Studios, David Carrasco and David Tornero have worked together since 2017, and have created a diverse team of talented Spanish game developers. The Crisol IP is developed in the studio and the team is eager to expand the concept further in the future, opening the possibilities for strong sequels in the Crisol universe.

With this acquisition, Amplifier Game Invest extends its existing network of highly

creative game studios and is looking forward to a fruitful, long-term partnership with the Spanish studio.

For more information, please contact:

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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>