

Press release

Karlstad, Sweden, 14 October 2021

## Embracer Group acquires mobile game developer Jufeng Studio and eight mobile titles

Embracer Group AB ("Embracer"), through its wholly owned subsidiary DECA Games, has acquired Gaea's mobile studio Jufeng and its six titles. Through the acquisition DECA Games gains access to a talent base in China, providing a foundation for further growth in the Asia Pacific Region.

DECA Games has also acquired two mobile titles, Hero Hunters and Killshot Bravo, from Hothead Games Inc. DECA Games' internal studios in Europe will continue the live operations and development of these two titles.

In the quarter July to September 2021, the eight acquired titles in total had approximately 150,000 DAU and 800,000 MAU. Total gross revenues for the period was approximately SEK 50 million. Revenues will be included in Embracer's accounting starting October 2021.

*"DECA has taken an important step in delivering on our asset care and M&A strategy. We've acquired eight long lasting and beloved titles and added a talented team that is experienced in the live operations and international mobile publishing. I am excited to continue growing our portfolio and exploring further opportunities in Asia where the talent and market for mobile games is outpacing the rest of the world." says Ken Go, CEO of DECA Games*

### Background and rationale for the acquisition of Jufeng

The Jufeng Studio, is a mobile studio founded 2015, based in Beijing, China and was previously owned by Gaea. Jufeng currently comprise of a team of 50 people. The acquisition of the Jufeng Studio gives access to an attractive talent base in China and creates a foundation for further growth in the Asia Pacific Region.

The Jufeng Studio will operate as an independent studio within DECA Games and will keep its existing management. Gaea's co-founder and President, An An, will join as the Managing Director of DECA Games' new China office, and lead M&A efforts within the Asia Pacific Region for DECA Games. The studio is located in Beijing's central business district. The studio will initially focus on the live operations of the six existing IPs. Over time, additional IPs will be added to Jufeng's portfolio, both through acquisitions and development in-house.

The six titles were originally developed and launched by other studios, later acquired and further developed by the Jufeng Studio. All are geared towards the global market, with more than 99% of revenues coming internationally from markets outside of the Asia Pacific

Region. The titles are strategy and RPG games for mobiles and include Castle Age, Underworld Empire, Elves vs Dwarves, Dragons of Atlantis, Kingdoms of Camelot: Battle for the North, and Heroes of Camelot.

*“Jufeng Studio is a great fit for DECA Games and its global user base and the longevity of its games. GAEA and DECA Games will seek more strategic collaboration opportunities in the future, especially in the Asia Pacific Region via M&A growth.” says An An, President of GAEA.*

### **Purchase price**

The parties have agreed not to disclose specific transaction terms due to commercial reasons. The terms and conditions for the acquisition are in line with similar previous Embracer transactions.

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

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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, Koch Media, Coffee Stain, Amplifier Game Invest, Saber Interactive, DECA Games, Gearbox Entertainment and Easybrain. The Group has 81 internal game development studios and is engaging more than 8,500 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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