

Press release

Karlstad, Sweden, 18 August 2021

## Embracer Group enters into agreement to acquire OÜ Fractured Byte

Embracer Group AB ("Embracer"), through its wholly owned subsidiary Saber Interactive Inc.<sup>1</sup> ("Saber"), has entered into an agreement to acquire 100 percent of the shares in OÜ Fractured Byte ("Fractured Byte"). Fractured Byte is a well-regarded game studio, with headquarters in Estonia and a team of approx. 50 developers based across Ukraine, primarily working with independent game development and porting projects. Through the acquisition, Saber onboards a creative and cost-effective studio with a founder-led team, that will continue to collaborate with Saber on development projects.

*"Fractured Byte is an impressive studio that has done fantastic work on world-class IPs in its relative short history. We're excited to bring them into the fold to collaborate closely together moving forward",* says Andrey Iones, COO and co-founder of Saber Interactive.

### Background and rationale

Founded in 2018, Fractured Byte is an independent studio with headquarters located in Tallin, Estonia and with development operations across three locations in Ukraine. The studio has extensive game development experience and has collaborated with global developers and publishers on porting projects. For example, the studio's experience involves work on titles such as *Borderlands: The Legendary Collection* and *Tony Hawk's Pro Skater 1 and 2* for Nintendo Switch. Fractured Byte is led by one of its co-founders who will remain as CEO.

Through the acquisition, Saber onboards an experienced team that adds to Embracer's work-for-hire capabilities and continues to build on the longstanding relationship with the studio. Going forward, Fractured Byte will continue to operate as a subsidiary to Saber and work closely with the Saber team on internal and external game development projects.

*"We are excited to team up with Saber to build on our existing relationship. We look forward to growing the studio under Saber and Embracer and continue making great games",* says co-founder and CEO of Fractured Byte.

### Purchase price

The parties have agreed not to disclose the terms. The purchase price contains an upfront part and a 6-year potential earn-out and consists of a mix of cash and newly issued Embracer B shares. The terms and conditions for the acquisition are in line with previous Embracer transactions.

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<sup>1</sup> Acquired through Embracer's wholly owned subsidiary Embracer Group Lager 2 AB and will be part of the Saber Interactive group.

## **Completion of the transaction**

The transaction is subject to certain conditions and is estimated to be completed by the end of September 2021.

## **Advisers**

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

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

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### **Andrey Iones, COO and Co-founder Saber Interactive**

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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 Publishing, Coffee Stain, Amplifier Game Invest, Saber Interactive, DECA Games, Gearbox Entertainment and Easybrain. The Group has 77 internal game development studios and is engaging more than 8,000 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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