Disclamer

EMBRACER GROUP – INTERIM REPORT FY 22/23

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Embracer Group is a parent company of businesses led by entrepreneurs in PC, console, mobile and board games and other related media.

**OPERATIVE GROUPS**

12

**TOTAL HEADCOUNT**

16,243

**INTERNAL STUDIOS**

134

Source: as of 31 December, 2022
## Interim Report Q3 FY 22/23

### BRIEF SUMMARY

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY 22/23</th>
<th>YOY Growth</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales Group</strong></td>
<td>SEK 11,622m</td>
<td>128%</td>
</tr>
<tr>
<td><strong>Adjusted EBIT</strong></td>
<td>SEK 2,009m</td>
<td>78%</td>
</tr>
<tr>
<td><strong>Adjusted EPS</strong></td>
<td>(0.70)</td>
<td></td>
</tr>
<tr>
<td><strong>Free cash flow</strong></td>
<td>SEK 1,722m</td>
<td></td>
</tr>
</tbody>
</table>

- **GROUP ORGANIC GROWTH**: -3%
- **GROUP PRO FORMA GROWTH**: -3%

#### Adjusted EBIT forecast

- **SEK 8,000 – 10,000 million** (reiterated) FY 22/23
- **SEK 10,300 – 13,600 million** (reiterated) FY 23/24

#### Source

- as of 31 December, 2022

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**PC/Console ROI**

- 31 AAA
- SEK 8.2 bn invested

**Cash flow drivers**

- Easybrain
- asmodee

**Change of listing venue**

- Nasdaq
- Change of listing venue

**Partnership and licensing deals**

- Partnership and licensing deals expected to be closed FY 22/23

**Free cash flow**

- SEK 1,722m

**EMBRACER GROUP**

**Source:** as of 31 December, 2022
Continued growth

**FINANCIAL GROWTH (Q3 TTM) SEKm**

- **Net sales**
  - Q3 FY 18/19: 4,124
  - Q3 FY 19/20: 5,541
  - Q3 FY 20/21: 7,947
  - Q3 FY 21/22: 14,221
  - Q3 FY 22/23: 33,547

- **Adj. EBIT**
  - Q3 FY 18/19: 0.75
  - Q3 FY 19/20: 1.41
  - Q3 FY 20/21: 2.65
  - Q3 FY 21/22: 3.71
  - Q3 FY 22/23: 4.59

- **Adj. EPS after full dilution**
  - Q3 FY 18/19: -
  - Q3 FY 19/20: 10
  - Q3 FY 20/21: 20
  - Q3 FY 21/22: 50
  - Q3 FY 22/23: 100

**OPERATIONAL GROWTH**

- **Total headcount**
  - Total: 16,243
  - Internal Studios: 134
  - On-going Projects: 224

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1) According to previous reporting standards. 2) According to International Financial Reporting Standards (IFRS) | source: as of 31 December, 2022
1. Segments
Operative Groups by segment

**PC / CONSOLE GAMES**
Internal Headcount: 9,961 | Internal Studios: 98 | IP: 256

**MOBILE GAMES**
Internal Headcount: 1,157 | Internal Studios: 11 | IP: 47

**ENTERTAINMENT & SERVICES**
Internal Headcount: 924 | Internal Studios: 3 | IP: 193

**TABLETOP GAMES**
Internal Headcount: 2,642 | Internal Studios: 22 | IP: 380

**NET SALES SPLIT | Q3 FY 22/23**
- PC / CONSOLE GAMES: 36%
- MOBILE GAMES: 13%
- TABLETOP GAMES: 20%
- ENTERTAINMENT & SERVICES: 9%

**ADJUSTED EBIT SPLIT | Q3 FY 22/23**
- PC / CONSOLE GAMES: 31%
- MOBILE GAMES: 41%
- TABLETOP GAMES: 22%
- ENTERTAINMENT & SERVICES: 28%
PC/Console Games

NET SALES REVENUE SPLIT SEKm & ADJUSTED EBIT MARGIN

BACK CATALOG SALES SEKm

NEW RELEASES

Evil West | Flying Wild Hog – Focus Entertainment

TOP 10 BACK CATALOG TITLES Q3 FY22/23

OPERATIVE GROUPS

Source: as of 31 December, 2022
NET SALES & ADJUSTED EBIT MARGIN

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY 21/22</th>
<th>FY 22/23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3</td>
<td>1,545</td>
<td>1,573</td>
</tr>
<tr>
<td>Q4</td>
<td>1,759</td>
<td>1,488</td>
</tr>
<tr>
<td>Q1</td>
<td>1,441</td>
<td>1,441</td>
</tr>
<tr>
<td>Q2</td>
<td>1,441</td>
<td>1,441</td>
</tr>
</tbody>
</table>

Net sales, SEK m
Adjusted EBIT, margin %

23% 28% 19% 22% 29%

USER ACQUISITION COST

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY 21/22</th>
<th>FY 22/23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3</td>
<td>881</td>
<td>755</td>
</tr>
<tr>
<td>Q4</td>
<td>898</td>
<td>733</td>
</tr>
<tr>
<td>Q1</td>
<td>883</td>
<td>52%</td>
</tr>
<tr>
<td>Q2</td>
<td>755</td>
<td>52%</td>
</tr>
<tr>
<td>Q3</td>
<td>733</td>
<td>47%</td>
</tr>
</tbody>
</table>

Net sales, SEK m
UAC, % of net sales

57% 51% 59% 52% 47%

DAILY ACTIVE USERS / MONTHLY ACTIVES USERS (PRO FORMA)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>FY 21/22</th>
<th>FY 22/23</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q3</td>
<td>293</td>
<td>307</td>
</tr>
<tr>
<td>Q4</td>
<td>307</td>
<td>307</td>
</tr>
<tr>
<td>Q1</td>
<td>300</td>
<td>34</td>
</tr>
<tr>
<td>Q2</td>
<td>283</td>
<td>34</td>
</tr>
</tbody>
</table>

Net sales, SEK m
UAC, % of net sales

Witch Arcana - Magic School
Logic Puzzles
Backgammon

NEW RELEASES

- Witch Arcana - Magic School
- Logic Puzzles
- Backgammon

OPERATIVE GROUPS

- Easybrain
- Easybrain
- Easybrain

Source: as of 31 December, 2022
### Solid performance in seasonally strongest quarter

- **Net sales**
  - Q4 FY21/22: 571 MN 
  - Q1 FY22/23: 2,665 MN 
  - Q2 FY22/23: 3,247 MN 
  - Q3: 4,146 MN
  - **Change vs Q2:** +28%

- **Adj. EBIT margin**
  - Q4 FY21/22: 13% 
  - Q1 FY22/23: 17% 
  - Q2 FY22/23: 14% 
  - Q3: 21%
  - **Change vs Q2:** +7 ppts

### STRONG PIPELINE

- **Challengers nominated for As d’Or in Experienced Player category**
- **Descent and Exploding Kittens VR signed with Saber**

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**Source:** as of 31 December, 2022
Asmodee Q3 Highlights

1. **Market**
   - **Tabletop market stable in challenging socio-economic context**

2. **Tabletop games remained a favourite with consumers over the holiday season**

3. **Net sales and Adj. EBIT**
   - **Solid topline performance in seasonally strongest quarter**

4. **Adj. EBIT resilient in context of inflationary pressure and change in product mix**

5. **Working capital and cash**
   - **Inventory decreased as expected in Q3, unwinding is on track**

6. **Strong free cashflow generation in Q3, further generation expected in Q4**
Resilient market in challenging context

In a challenging global socio-economic context, the Tabletop market shows a resilient performance with strong growth in TCG segment and moderate decline in Games against record high comparators.

### Tabletop Mass Market (1)

<table>
<thead>
<tr>
<th>Q3</th>
<th>YTD</th>
<th>Since pre-Covid:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Tabletop -4% vs Q3 ’21/22</td>
<td>Total Tabletop is <strong>Stable</strong> yoy</td>
<td>Total Tabletop 19-22 CAGR +11%</td>
</tr>
<tr>
<td>Prior year comparator was at record level (+25% vs pre-Covid)</td>
<td>TCG’s (EU) +18%</td>
<td>Market retains significant proportion of accelerated growth from Covid period</td>
</tr>
<tr>
<td>Boardgames (US+EU) -6.5%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Tabletop games remained a favourite for Christmas 2022 with 31% of 18+ consumers offering a tabletop gift in France, US, UK and Germany. (2)

December sell-out was at an all-time record high.

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(1) Source: NPD, Games Market EU6 (ES, IT, DE, FR, UK, BENL) and Asmodee estimate for US games market
(2) Source: MIS for Asmodee, January 2023
Solid P&L performance driven by TCG growth and benefitting from seasonality vs Q2

<table>
<thead>
<tr>
<th></th>
<th>Q3</th>
<th>YTD</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net Sales</strong></td>
<td>4,146m SEK</td>
<td>10,058m SEK</td>
</tr>
<tr>
<td></td>
<td>+28% vs Q2 ’22/23</td>
<td>+5% vs last year (1)</td>
</tr>
<tr>
<td></td>
<td>-2% vs Q3 ’21/22 (1)</td>
<td>-3% vs last year (2)</td>
</tr>
<tr>
<td><strong>Adj. EBITDA</strong></td>
<td>928m SEK</td>
<td>1,973m SEK</td>
</tr>
<tr>
<td></td>
<td>+76% vs Q2 ’22/23</td>
<td>-3% vs last year (2)</td>
</tr>
<tr>
<td></td>
<td>-3% vs Q3 ’21/22 (2)</td>
<td></td>
</tr>
<tr>
<td><strong>Adj. EBIT</strong></td>
<td>864m SEK</td>
<td>1,760m SEK</td>
</tr>
<tr>
<td></td>
<td>+91% vs Q2 ’22/23</td>
<td>-3% vs last year (2)</td>
</tr>
<tr>
<td></td>
<td>-4% vs Q3 ’21/22 (2)</td>
<td></td>
</tr>
</tbody>
</table>

(1) On a pro-forma basis. Not adjusted for differences in exchange rates and thus not comparable to Embracer Group’s definition to pro forma growth.
(2) On an adjusted pro forma basis
Unwinding of inventory on-track and driving strong Q3 cash generation, further expected in Q4

Reminder from Q2

Seasonality
Asmodee Historic Inventory Cycle

Asmodee Free Cashflow historic split
H1/H2

Mar '19 Jun '19 Sep '19 Dec '19 Mar '20 Jun '20 Sep '20 Dec '20

H1 '19/20 H2 '19/20 H1 '20/21 H2 '20/21

Expectation
Seasonal unwinding of stock to year end with ~70m€ of temp effects unwinding over next 12 months

Strong H2 cash generation even after accounting for a partial phasing to next year

Q3 update

Net Inventory

Q3 closing value = 3,761m SEK (1)

-543m SEK/ -15 days vs Q2 (2)

Free cashflow (3)

780m SEK (4) generated in Q3

90% conversion of Q3 Adj EBIT

Inventory unwinding in line with internal forecasts and on track to deliver further FCF generation in Q4.

(1) 338m€
(2) -56m€, on like for like basis excluding 12m€ impact of VR take-on balances
(3) Free Cashflow (FCF) = Adj. EBIT + operating D&A - capex +/- mvt in working capital
(4) 71m€
Other business updates

Key new releases in Q3…

- Descent
- Exploding Kittens VR
- Asmodee IP’s

… and strong pipeline in place for 2023/24

M&A Update

- 5 active discussions underway
- Solid pipeline of quality targets

Asmodee strategic priorities 2023/24

- Return to high pace of new releases and novelties
- Organic growth on back catalog
- Continued focus on responsible management of cost base
- Unwinding of remaining temporary inventory effects and delivery of strong free cashflow generation
- Revenue synergies with other Embracer operating units
- Inorganic growth opportunities
Middle-earth Enterprises | Lord of the Rings

Five titles in production with 3rd party licensed partners that will release during the next 24 months.

Healthy pipeline of projects in production

Source: as of 31 December, 2022
SEGMENTS

Market update

GLOBAL VIDEO GAMES MARKET REVENUE FORECAST

- The global video games market is estimated by Newzoo to grow by +5% YoY to USD 194 billion, driven by much better console supply and a stronger line-up of new releases, among other factors.
- 2022 was a corrective year following two years of pandemic-induced growth with the global games market declining by 4% year-over-year. Compared to 2019, the market grew by 28%.
- The longer-term growth prospects also remain strong, with Newzoo expecting a +7% CAGR between 2019 and 2025*.
- The tabletop games market, which includes strategic trading cards and board games, has been stable during April-December 2022 YoY in both Europe and US.**

GLOBAL MARKET

- PC *
  - expected to grow by +1% in 2023

- Console *
  - expected to grow by +9% in 2023

- Mobile *
  - expected to grow by +5% in 2023

- Tabletop ***
  - all-time record month +2% YoY in December 2022

Source: as of 31 December, 2022 | * Newzoo | ** NPD US & Europe, 3 main boardgame categories; Family Board/Action Games, Family Strategy Games, Card Games | *** MIS Institute, January 2023 commissioned by Asmodee
2. Financial Performance
## Key PNL Metrics

<table>
<thead>
<tr>
<th></th>
<th>SEK million</th>
<th>Q3 FY 22/23</th>
<th>Q3 FY 21/22</th>
<th>YOY GROWTH</th>
<th>YOY ORGANIC GROWTH</th>
<th>YOY PRO FORMA GROWTH</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Net sales</strong></td>
<td></td>
<td>11,622</td>
<td>5,091</td>
<td>128%</td>
<td>-3%</td>
<td>-3%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3,575</td>
<td>2,187</td>
<td>64%</td>
<td>-6%</td>
<td>-5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,573</td>
<td>1,545</td>
<td>2%</td>
<td>-14%</td>
<td>-15%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>4,146</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-5%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>2,328</td>
<td>1,360</td>
<td>71%</td>
<td>16%</td>
<td>16%</td>
</tr>
<tr>
<td><strong>Adjusted EBIT (margin %)</strong></td>
<td></td>
<td>2,009 (17%)</td>
<td>1,130 (22%)</td>
<td>78%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>579 (16%)</td>
<td>694 (32%)</td>
<td>-17%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>464 (29%)</td>
<td>355 (23%)</td>
<td>31%</td>
<td>-</td>
<td>-</td>
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<tr>
<td></td>
<td></td>
<td>864 (21%)</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>187 (8%)</td>
<td>111 (8%)</td>
<td>69%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Adjusted EPS, SEK</strong></td>
<td></td>
<td>0.76</td>
<td>0.96</td>
<td>-21%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td>0.70</td>
<td>0.91</td>
<td>-23%</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>Adjusted EPS after full dilution, SEK</strong></td>
<td></td>
<td></td>
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</table>
Financial performance development

**Gross Margin Development SEKm**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
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</thead>
<tbody>
<tr>
<td>FY 20/21</td>
<td>60%</td>
<td>60%</td>
<td>76%</td>
<td>76%</td>
<td>66%</td>
<td>66%</td>
<td>56%</td>
<td>66%</td>
<td>56%</td>
</tr>
<tr>
<td>FY 21/22</td>
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<td>60%</td>
<td>76%</td>
<td>76%</td>
<td>66%</td>
<td>66%</td>
<td>56%</td>
<td>66%</td>
<td>56%</td>
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<tr>
<td>FY 22/23</td>
<td>60%</td>
<td>60%</td>
<td>76%</td>
<td>76%</td>
<td>66%</td>
<td>66%</td>
<td>56%</td>
<td>66%</td>
<td>56%</td>
</tr>
</tbody>
</table>

Source: as of 31 December, 2022

**Development of Marketing Costs SEKm**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 20/21</td>
<td>13%</td>
<td>17%</td>
<td>20%</td>
<td>20%</td>
<td>16%</td>
<td>13%</td>
<td>10%</td>
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<td>10%</td>
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<td>17%</td>
<td>20%</td>
<td>20%</td>
<td>16%</td>
<td>13%</td>
<td>10%</td>
<td>13%</td>
<td>10%</td>
</tr>
</tbody>
</table>

**Development of Operating Expenses, Net SEKm**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
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<td>25%</td>
<td>23%</td>
<td>22%</td>
<td>21%</td>
</tr>
<tr>
<td>FY 22/23</td>
<td>17%</td>
<td>14%</td>
<td>19%</td>
<td>20%</td>
<td>17%</td>
<td>25%</td>
<td>23%</td>
<td>22%</td>
<td>21%</td>
</tr>
</tbody>
</table>

**Adjusted EBIT SEKm**

<table>
<thead>
<tr>
<th>Fiscal Year</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
<th>Q4</th>
<th>Q1</th>
<th>Q2</th>
<th>Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 20/21</td>
<td>27%</td>
<td>37%</td>
<td>37%</td>
<td>30%</td>
<td>22%</td>
<td>20%</td>
<td>19%</td>
<td>22%</td>
<td>17%</td>
</tr>
<tr>
<td>FY 21/22</td>
<td>27%</td>
<td>37%</td>
<td>37%</td>
<td>30%</td>
<td>22%</td>
<td>20%</td>
<td>19%</td>
<td>22%</td>
<td>17%</td>
</tr>
<tr>
<td>FY 22/23</td>
<td>27%</td>
<td>37%</td>
<td>37%</td>
<td>30%</td>
<td>22%</td>
<td>20%</td>
<td>19%</td>
<td>22%</td>
<td>17%</td>
</tr>
</tbody>
</table>

Source: as of 31 December, 2022
Cash flow and investments

<table>
<thead>
<tr>
<th>SEK million</th>
<th>FY22/23 Q3</th>
<th>FY21/22 Q3</th>
<th>TTM Q3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EBITDA</td>
<td>3,005</td>
<td>1,542</td>
<td>9,456</td>
</tr>
<tr>
<td>Cash Tax</td>
<td>-361</td>
<td>-133</td>
<td>-830</td>
</tr>
<tr>
<td>Other items</td>
<td>34</td>
<td>78</td>
<td>312</td>
</tr>
<tr>
<td>Operating Cash flow</td>
<td>2,678</td>
<td>1,487</td>
<td>8,938</td>
</tr>
<tr>
<td>Net investment in intangible assets</td>
<td>-1,413</td>
<td>-969</td>
<td>-5,187</td>
</tr>
<tr>
<td>Net investment in tangible assets</td>
<td>-119</td>
<td>-91</td>
<td>-419</td>
</tr>
<tr>
<td>Net investment in financial assets</td>
<td>-96</td>
<td>-10</td>
<td>-185</td>
</tr>
<tr>
<td>Net Investment</td>
<td>-1,628</td>
<td>-1,070</td>
<td>-5,791</td>
</tr>
</tbody>
</table>

| Free Cash Flow before WC           | 1,051      | 417        | 3,147  |
| Change in working capital         | 671        | -395       | -2,483 |
| Free Cash Flow after WC            | 1,722      | 22         | 664    |
| Cash Flow from financing activities| 318        | 6,098      | 27,391 |
| Net investment in acquired companies| -4,601     | -861       | -37,328|
| Cash Flow for the period           | -2,561     | 5,259      | -9,274 |

• Solid cash flow generation in the quarter driven by reduced inventory and cash inflow from notable customer contracts.
• Actions initiated in previous quarter to focus on working capital reduction are progressing according to plan.
• Management expects to see solid cash conversion in this current quarter.
• At the end of December Net debt amounted to SEK 14.3 bn and available funds amounted to SEK 7.2 bn.
• The internal financial leverage target of 1.0x is expected to be reached by the end of the financial year.
• Embracer Group AB has an agreement on covenants in its credit agreements. The terms for these are 2.5x net debt through Adjusted EBITDA calculated according to agreement with lenders. As per 31 December Embracer has substantial headroom to the covenants.

Cash & credit facilities
SEK 6.0b
by the time of this report

Source: as of 31 December, 2022
Forecast

• For the PC/Console Games segment, we see a continued stable performance for live game services and for our strongest franchises, but also note a more normalized market for certain categories after a strong market in both 2020 and 2021. There are no major game releases expected in the quarter. As previously communicated, a notable range of outcomes from partnership- and licensing deals is expected to be completed and to contribute.

• In the Mobile Games segment, we expect seasonally lower activity and ad prices in Q4, and an adjusted EBIT margin below the year-to-date average. Worth noting, in the comparable period Q4 FY21/22, we had a notable income from one specific partnership deal in the Mobile Games segment.

• In the Tabletop Games segment, we expect the seasonally lowest activity and Adjusted EBIT margin of the financial year, in line with historical patterns.

*The forecast for the financial years 2022/23 and 2023/24 includes all acquisitions announced as of 16 February 2023.
Q&A
Moderated by Simon Jönsson, ABG Sundal Collier, until 10:00 CET
This will be followed by Session 2: Deep Dives & Other Presentations
3. Deep Dives & Other Presentations
We continue to build scalable corporate capabilities at the parent company

Recent new hires

Careen Yapp
Chief Strategic
Partnerships Officer

Arman Teimouri
Head of Public Affairs

Atieh Jardenäs
Head of Governance &
Compliance Legal

Adam Weissbach
Head of Commercial,
Consumer & IP Legal

What do we do?

- Administration
- Brand & Communication
- Business Development
- CISO
- Data meetups
- Knowledge sharing
- ESG / Sustainability
- Corporate Finance
- Games Archive
- Governance
- Group strategy
- Investor Relations
- Legal
- M&A
- Management
- Privacy
- Finance
- Compliance
- Public affairs
- …

Parent Company Team

Global Finance Team

Corporate Finance: 26
Operative Group CFOs: 12
Finance & Accounting: 479

Headcount

2018

2023

9

55
NEW COLLEAGUES AT EMBRACER GROUP AB

Careen Yapp

• Joined Embracer Group as Senior Executive in January 2023
• Based in Los Angeles, California
• +20 years of experience in the industry
• Former senior licensing manager at THQ from 1999 to 2004
• Chairman of the board for Women in Games International and as a board member of the Entertainment Software Association Foundation

• Lead business development at group level
• Drive business synergies and collaborations across the group.
• Help to create new business models,
• Grow partner programs
• Develop partnerships with the biggest business impact

CAREEN YAPP
CHIEF STRATEGIC PARTNERSHIPS OFFICER
EMBRACER GROUP
224 games in the pipeline

Based on local management estimates on 15.02.2023

Source: as of 31 December, 2022 | Release dates can be subjected to change
94 games in the pipeline for FY 23/24

Based on local management estimates on 15.02.2023

Source: as of 31 December, 2022 | Release dates can be subjected to change
31 AAA games in the pipeline up to FY 27/28

Embracer AAA game definition *

1. Above 100 full-time game developers at peak development phase
2. Notable or significant marketing budgets and expected to sell a minimum of two million units
3. If development work is paid by an external partner, Embracer has a notable economic upside

Source: as of 31 December, 2022 | Release dates can be subjected to change | * all three criterias must be fulfilled
Based on reported numbers until 31 December 2022

Sample includes projects with sales above SEK 40 mn or investment above SEK 40 mn (64 projects)

ROI = Contribution / Investment

Contribution = Gross Profit less marketing expenses from release to 31 December 2022.

Investment = Capitalized Development Expenses including follow-on investment.

Average title project data:
Sales 267 SEKm, Contribution 188 SEKm and Investment 77 SEKm.
Asmodee – a proven value accretive M&A strategy

Value-accretive M&A acquisition strategy

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<td>8</td>
<td>2</td>
<td>7</td>
<td>8</td>
<td>3</td>
<td>5</td>
<td>1</td>
</tr>
<tr>
<td>IPs &amp; Studios</td>
<td>✓</td>
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<td>✓</td>
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<td>✓</td>
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<td>Local distribution</td>
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<tr>
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</tbody>
</table>

Dozens of IPs acquired through the acquisition of studios including iconic brands such as:

- CATAN
- Ticket to Ride
- Pandemic
- Exploding Kittens
- BrainBox
- Doodle
- Cortex

2021 Acquisitions: BGA, Plan B, Miniature Market, The Island, Exploding Kittens
Asmodee – pro-forma adjusted results reflect forward looking contribution of the acquired asset

**2021 Statutory Consolidated Net Sales vs Pro-forma Net Sales at Announcement**

- Net Sales - Consolidated Statutory: 1021 m€
- Difference to latest estimate at time of announcement: -39 m€
- Pro-forma 2021 acquisitions: 109 m€
- Latest estimate proforma Net Sales at time of acquisition announcement: 1091 m€

**Statutory Consolidated EBITDA vs Pro-forma Adj. EBITDA at Announcement**

- EBITDA - Consolidated Statutory: 174 m€
- Personnel costs related to acquisitions: 13 m€
- Pro forma 2021 acquisitions: 38 m€
- Non-recurring import duties: 16 m€
- Latest estimate Pro forma Adj EBITDA at time of acquisition announcement: 240 m€

22% EBITDA margin
Ghost Ship Games
Strategy Update

Søren Lundgaard – CEO & Co-founder
Deep Rock Galactic Passes 10 Million Players Thanks To PlayStation Launch

That’s more than double the players on Xbox and PC as of last November.
January 2023

USER ENGAGEMENT

STEAM ONLY

- 42 HRS 45 MINUTES
- 508,923 PLAYERS
- 25,561 YEARS
- 202,324,083 LIFE TIME

PLATFORMS ADDED

- PLAYSTATION 4 & PLAYSTATION 5
- XBOX SERIES X/S
- BOARD GAME

IN-GAME STATS

- THESE ARE THE TOP 5 CAUSES OF DEATH ON HOXXES!
- #1 FALL DAMAGE: 52,329,314
- #2 GPHID GRUNT: 24,607,949
- #3 FRIENDLY FIRE: 20,150,449
- #4 GPHID DREADNOUGHT: 15,847,071
- #5 GPHID PRAETORIAN: 9,822,443

OUT OF THE 278,588,095 TOTAL PLAYER DEATHS IN 2022, YOU HAVE ALSO REVIVED YOUR FELLOW TEAMMATES 226,350,798 TIMES.

WELL DONE, MINERS!

SUPPLY POD-RELATED INCIDENTS ARE STILL A SIGNIFICANT CAUSE OF DEATH FOR DRG EMPLOYEES, CLAIMING 3,950,012 COLLEAGUES IN 2022.

BOSCO ONLY CAUSED 2,241 PLAYER CASUALTIES IN 2022, MAKING HIM ONE OF THE LEAST DANGEROUS ENTITIES TO PLAYERS ON HOXXES.

YOU MANAGED TO MINE 14,854,038,260 CRAFTING MINERALS DURING 2022, MAKING IT THE MOST LUCRATIVE YEAR FOR DEEP ROCK GALACTIC SO FAR.

YOU ALSO MINED 377,873,823 PHYAZYOMITE SINCE ITS INTRODUCTION IN SEASON 02. THAT SHOULD BE YOUR QUOTA A LOT OF RATS.

IN-GAME WORD COUNT: 110,143

(MORE REFERENCE, THE HOBBIT IS A BIT ABOVE 95,000 WORDS)

MISSION CONTROL VOICE ACTORS: 828

DWARVEN VOICE ACTORS: 3669

January 2023

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Ghost Ship Games
Minority investments to support the Danish gaming ecosystem

Ugly Duckling Games
Game-based products for the EdTech sector

Half Past Yellow
Indie-games for Steam and Switch

Bolverk Games
Specialists in VR games – working on Genotype for Quest 2
- ANNOUNCING -

GHOST SHIP PUBLISHING

OPEN DEVELOPMENT
Community Driven
Steam Early Access
Passion & Personal

FLEXIBLE DESIGN
Endlessly Expandable
Worldbuilding
Deep Systems

SOLID BUSINESS
Equal Partnerships
Full Transparency
Consumer-friendly Business Models
Ghost Ship Games
Strategy Update

Søren Lundgaard – CEO & Co-founder
Q&A

Until 11:00 CET