

Press Release  
Karlstad, Sweden, 29 January 2025

## Embracer Group announces trading update for Q3

**INSIDE INFORMATION:** This trading update covers the period of Q3 FY 2024/25, which ended 31 December 2024. Embracer Group AB (“Embracer”) has experienced a stronger-than-expected performance during this period, based on preliminary figures. Net sales for the quarter are expected to amount to approximately SEK 12.3 billion, driven by a broad topline performance across segments. Adjusted EBIT is expected to amount to approximately SEK 2.1 billion, driven by a stronger-than-expected performance for the PC/Console Games and Tabletop Games (Asmodee) segments. Free cash flow after working capital grew by approximately 43% YoY to approximately SEK 1.7 billion.

On 7 January 2025, the Extra General Meeting of Embracer resolved to distribute all shares held by Embracer in Asmodee Group AB (“Asmodee”) to the shareholders of Embracer. As a result, the segment Tabletop Games, which consists of Asmodee, will be presented as discontinued operation in the upcoming report for the period.

- In Q3 FY 2024/25, net sales for Embracer are estimated to have grown by 2% YoY (10% organic growth) to SEK 12,294 million (12,050), of which SEK 7,365 million is related to continued operations and SEK 4,929 million to discontinued operations[1]. The organic growth for continued operations is estimated at approximately 7%.
  - PC/Console Games: SEK 2,603 million (3,379[2])
  - Mobile Games: SEK 1,669 million (1,642)
  - Tabletop Games: SEK 4,930 million (4,425)
  - Entertainment & Services: SEK 3,093 million (2,604)
- In Q3 FY 2024/25, Adjusted EBIT is estimated to have declined by approximately 1% YoY to SEK 2,123 million (2,150), of which SEK 1,175 million is related to continued operations and SEK 948 million to discontinued operations[1].
  - PC/Console Games: SEK 551 million (469[3])
  - Mobile Games: SEK 400 million (611)
  - Tabletop Games: SEK 948 million (832)
  - Entertainment & Services: SEK 284 million (305)
  - Corporate SEK -60 million (-68)

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- In Q3 FY 2024/25, Free Cash Flow after working capital<sup>[4]</sup> increased by approximately 43% YoY to SEK 1,693 million. SEK 907 million is related to continued operations and SEK 786 million to discontinued operations.
- The stronger-than-expected Adjusted EBIT development is primarily driven by the PC /Console Games segment. Despite limited new releases in Q3 and in the preceding quarters, the underlying development was stable YoY for PC/Console. It is mainly explained by several profitable external development projects and a few newly signed deals with subscription platforms with upfront revenue recognition, as well as a strong high season back catalogue performance. Notably, Coffee Stain had a stronger quarter compared to expectations. In addition, Asmodee delivered a stronger-than-expected performance, positively affected by a more favorable product mix, partly offset by higher investments in marketing, higher royalty costs as well as other costs connected to becoming a stand-alone listed company. The contribution from Entertainment & Services was impacted by a softer-than-expected performance for the theatrical release of *The Lord of the Rings: The War of the Rohirrim*.

[1] Asmodee (Tabletop Games segment) will be treated as discontinued operations in Embracer's Q3 FY 2024/25 report.

[2] This figure includes a contribution of SEK 736 million from divested assets (primarily Saber Interactive and Gearbox Entertainment).

[3] This figure includes an Adjusted EBIT contribution of SEK -117 million from divested assets (primarily Saber Interactive and Gearbox Entertainment).

[4] Cash flow for the period, excluding cash flow from financing activities, acquisitions of subsidiaries including transaction costs, cash impact from personnel costs related to acquisitions and cash effect from items affecting comparability.

*The financial figures presented in this press release are preliminary and unaudited. The full results for the period will be published on 13 February at 07:00 (CET), followed by a presentation at 09:00.*

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**About Embracer Group**

Embracer Group is a global group of creative and entrepreneurial businesses in PC/console, mobile and tabletop games and other related media. The Group has an extensive catalog of 900 owned or controlled franchises. With its head office based in Karlstad, Sweden, Embracer Group has a global presence through its nine operative groups: THQ Nordic, PLAION, Coffee Stain, Amplifier Game Invest, DECA Games, Asmodee, Dark Horse, Freemodde and Crystal Dynamics – Eidos. The Group has 101 internal game development studios and is engaging more than 10,000 employees in more than 40 countries.

Embracer Group's shares are publicly listed on Nasdaq Stockholm under the ticker EMBRAC B.

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*This information is information that Embracer Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation 596/2014. The information was submitted for publication, through the agency of the contact persons set out above, at 2025-01-29 16:47 CET. The persons above may also be contacted for further information.*

**Attachments**

[Embracer Group announces trading update for Q3](#)