

*Press release*

*Karlstad, Sweden, 8 March 2022*

## **Embracer Group completes the acquisition of Asmodee**

**On 15 December 2021, Embracer Group AB ("Embracer") entered into exclusive negotiations to acquire Financière Amuse Topco SAS ("Asmodee") from funds advised or managed by PAI Partners SAS ("PAI") and other shareholders of Asmodee. On 17 January 2022 Embracer, PAI and the other shareholders of Asmodee entered into a share purchase agreement to complete the transaction. Asmodee is a leading international publisher and distributor for board games, trading cards and digital board games. The day one consideration paid amounts to approximately EUR 2.75 billion in total. An additional consideration amounting to approximately EUR 360 million can be paid in B shares of Embracer to certain minority shareholders in the future, subject to fulfillment of certain conditions.**

Asmodee now operates as the ninth operative group of Embracer, moving Embracer towards becoming a leading independent global gaming eco-system. Asmodee's CEO Stéphane Carville together with his management team continues to lead the new operative group. Asmodee will continue to operate as before the transaction and no reorganization is expected as a result of the transaction.

### **Completion of the transaction**

All conditions for the transaction, including regulatory approvals such as merger control clearance, have now been fulfilled and the transaction may be completed.

Embracer has, therefore, today acquired approximately 96 percent of Asmodee's shares from PAI and other minority shareholders who have sold the majority of their shares upfront for cash. These minority shareholders have retained a minority interest of approximately 4 percent of the shares in Asmodee which is subject to put and call options, exercisable in year 2, 5 and 6 after completion.

The day one consideration of approximately EUR 2.75 billion has today been paid through a cash payment of EUR 2.4 billion and through 40,060,091 B shares in Embracer issued to PAI and certain minority shareholders, corresponding to a value of approximately EUR 350 million (the "**Closing Consideration Shares**").

Furthermore, the minority interest of approximately 4 percent of the shares in Asmodee which is subject to put and call options, exercisable in year 2, 5 and 6, entitles certain minority shareholders to potentially receive a maximum of 40,840,363 newly issued Embracer B shares, corresponding to a value of approximately EUR 360 million (the "**Additional Consideration Shares**").

The Closing Consideration Shares are, and the Additional Consideration Shares if issued will be, priced at SEK 89.98, equal to the volume weighted average price at Nasdaq First North Growth Market during the 20 trading days preceding, but not including, 15 December 2021.

### **Share issue and lock-up**

Today, in total 40,060,091 shares have been issued, subscribed for and allotted, which comprise the Closing Consideration Shares and the number of shares and votes have increased correspondingly. The Closing Consideration Shares represent approximately 3.54 percent and 2.31 percent of the total number of shares and votes in Embracer, respectively, on a fully diluted basis. By issuing the Closing Consideration Shares the share capital increases by approximately SEK 55,639.

The Additional Consideration Shares assuming fulfillment of certain conditions and potential exercise of the put and/or call options and when issued would represent 3.61 percent and 2.36 percent of the total number of shares and votes in Embracer, respectively, on a fully diluted basis. If the Additional Consideration Shares would be issued the number of shares and votes would increase by 40,840,363. The share capital would increase by approximately SEK 55,723. The Additional Consideration Shares would be delivered in the future in connection with potential exercise of the put and/or the call options.

In total, the Closing Consideration Shares and the maximum Additional Consideration Shares that would be issued together would represent 6.90 percent and 4.56 percent of the total number of shares and votes in Embracer, respectively, on a fully diluted basis. By issuing the Closing Consideration Shares and potentially all the Additional Consideration Shares the number of shares would increase by 80,900,454 to 1,171,952,493 and the number of votes would increase by 80,900,454 to 1,773,136,959. The share capital would increase by approximately SEK 112,362, from approximately SEK 1,515,350 to approximately SEK 1,627,712.

50 percent of the Closing Consideration Shares are subject to a 12 months lock-up undertaking and 50 percent of the Closing Consideration Shares are subject to a 18 months lock-up undertaking.

For further information on the transaction, reference is made to the press release announced on 15 December 2021 and the presentation about the transaction available at Embracer Group's website.

### **Advisers**

HSBC is acting as sole financial and strategic advisor, Baker McKenzie is acting as legal advisor and EY is acting as financial and tax advisor to Embracer in the transaction.

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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 250 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 88 internal game development studios and is engaging more than 9,500 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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