



COMPANY DESCRIPTION FOR ADMISSION TO TRADING OF THE CLASS B SHARES OF COFFEE STAIN GROUP AB (PUBL) ON NASDAQ FIRST NORTH PREMIER GROWTH MARKET

Nasdaq First North Growth Market Disclaimer

Nasdaq First North Growth Market is a registered SME growth market, in accordance with the Directive on Markets in Financial Instruments (EU 2014/65) as implemented in the national legislation of Denmark, Finland, Iceland and Sweden, operated by an exchange within the Nasdaq group. Issuers on Nasdaq First North Growth Market are not subject to all the same rules as issuers on a regulated main market, as defined in EU legislation (as implemented in national law). Instead, they are subject to a less extensive set of rules and regulations adjusted to small growth companies. The risk in investing in an issuer on Nasdaq First North Growth Market may therefore be higher than investing in an issuer on the main market. All issuers with Shares admitted to trading on Nasdaq First North Growth Market have a Certified Adviser who monitors that the rules are followed. The respective Nasdaq exchange approves the application for admission to trading.

IMPORTANT INFORMATION

This company description (the "**Company Description**") has been prepared by the Board of Directors of Coffee Stain Group AB (publ) reg. no. 559280-0014 (in this Company Description, "**Coffee Stain**" or the "**Company**" and together with its subsidiaries the "**Group**" or the "**Coffee Stain Group**") following the resolution at an extraordinary general meeting held by Embracer Group AB (publ) ("**Embracer Group**") on 3 November 2025 to distribute all shares held by Embracer Group in Coffee Stain (the "**Distribution**") and to apply for the admission to trading of the class B shares in Coffee Stain on Nasdaq First North Premier Growth Market in Stockholm ("**Nasdaq First North Premier**") (the "**Listing**"). Skandinaviska Enskilda Banken AB, is acting as Lead Financial Advisor and DNB Carnegie Investment Bank AB (publ), Nordea Bank Abp, filial i Sverige and SBI Markets, filial i Sverige are acting as Financial Advisors in connection with the Distribution and the Listing.

The Company Description has not been prepared in accordance with the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC or the Financial Instruments Trading Act (SFS 1991:980) (Sw. Lag (1991:980) om handel med finansiella instrument). Accordingly, the Company Description does not constitute a prospectus or an offer document in the meaning set out in the foregoing regulations.

The Company Description has been prepared in accordance with Nasdaq First North Growth Market's Rulebook for Issuers of Shares and has been reviewed by Nasdaq Stockholm AB. The Board of Directors of Coffee Stain is responsible for the content of this Company Description. The Company Description has not been approved or registered by the Swedish Financial Supervisory Authority (Sw. *Finansinspektionen*). Any disputes regarding, or arising as a consequence of, the content of this Company Description, or legal circumstances related thereto shall be exclusively determined under the laws of Sweden and by a Swedish court of law whereupon the Stockholm District Court shall constitute the court of first instance.

This Company Description does not constitute an offer to subscribe for or acquire shares in Coffee Stain in Sweden or in any other jurisdiction. The release, publication and distribution of the Company Description is subject to restrictions under applicable law and regulations. The Company Description may not be released, published or distributed in the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa, Switzerland, or any jurisdiction where such measure requires prospectus, registration measures or other measures beyond those required by Swedish law or otherwise in violation of applicable law or regulations in such jurisdiction. Coffee Stain has not, and will not, take any measures to facilitate an offer to the public or otherwise in any jurisdiction. Recipients of the Company Description are obligated to inform themselves of, and comply with, the above-stated restrictions and, in particular, not to release, publish or distribute the Company Description in contravention of applicable legislation and rules. Any action in contravention of the above-stated restrictions may constitute a criminal violation of applicable securities laws.

This Company Description does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to in this Company Description in the United States or to make a public offering of the securities in the United States.

Presentation of financial information

Some of the figures contained in this Company Description have been rounded off. Consequently, certain tables may not appear to be added up correctly. No information contained in the Company Description has been audited or reviewed by the Company's auditors other than as expressly stated.

Forward-looking statements

The Company Description contains certain forward-looking statements and opinions. Forward-looking statements are statements that do not relate to historical facts and events and such statements and opinions pertaining to the future that, by example, contain wording such as "believes", "estimates", "anticipates", "expects", "assumes", "forecasts", "intends", "could", "will", "should", "would", "according to estimates", "is of the opinion", "may", "plans", "potential", "predicts", "projects", "to the knowledge of" or similar expressions, which are intended to identify a statement as forward-looking. Forward-looking statements are based on current estimates and assumptions made according to the best of the Company's knowledge. Such forward-looking statements are subject to risks, uncertainties, and other factors that could cause the actual results, including the Company's cash flow, financial condition and results of operations, to differ materially from the results, or fail to meet expectations expressly or implicitly assumed or described in those statements or to turn out to be less favorable than the results expressly or implicitly assumed or described in those statements. The Company cannot give any assurance regarding the future accuracy of the opinions set forth herein or as to the actual occurrence of any predicted developments. In light of the risks, uncertainties and assumptions associated with forward-looking statements, it is possible that the future events mentioned in the Company Description may not occur. Moreover, the forward-looking estimates and forecasts derived from third-party studies referred to in the Company Description may prove to be inaccurate. Actual results, performance or events may differ materially from those in such statements due to, without limitation, other events or factors than those described in the section Risk Factors. After the date of the Company Description, the Company assumes no obligation, except as required by law or Nasdaq First North Growth Market's Rule Book for Issuers, to update any forward-looking statements or to conform these forward-looking statements to actual events or developments.

Business and market data

This Company Description includes historical market data and industry forecasts for the market in which Coffee Stain operates. The information has been sourced from industry publications, third-party market surveys, and publicly available data. While these publications state that their content is based on information from multiple sources and methods considered reliable, the accuracy and completeness of such information cannot be guaranteed. Industry forecasts are inherently uncertain, and there is no assurance that they will prove correct.

The Company has not independently verified and cannot give any assurances as to the accuracy of industry and market data contained herein that were extracted or derived from such publications or reports. Business and market data are inherently predictive and subject to uncertainty and may not reflect actual market conditions. Such data is based on market research, which itself relies on sampling and subjective judgments by both researchers and respondents, including decisions about what types of products and transactions should be included in the relevant market. Accordingly, the Company does not assume any responsibility for the correctness or completeness of any business or market data included in this Company Description.

This Company Description is dated 8 December 2025.

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IMPORTANT DATES

Event	Date
Last day for trading in the shares of Embracer including the right to receive shares in Coffee Stain:	5 December 2025
First day for trading in the shares of Embracer excluding the right to receive shares in Coffee Stain:	8 December 2025
Record date for receipt of shares in Coffee Stain:	9 December 2025
Estimated first day of trading in the class B shares of Coffee Stain on Nasdaq First North Premier:	11 December 2025

FINANCIAL CALENDAR FOR COFFEE STAIN

Event	Date
Interim Report Q3 (1 April 2025 – 31 December 2025)	4 February 2026
Year-end report 2025/2026 (1 April 2025 – 31 March 2026)	12 May 2026
Annual report 2025/2026	8 June 2026
Annual General Meeting	17 September 2026

OTHER INFORMATION

Type	Details
Short name (ticker)	COFFEE B
ISIN code class B shares	SE0026599557
LEI code	636700R8GB3NJ2J6DG90

INFORMATION REGARDING THE DISTRIBUTION OF COFFEE STAIN

DISTRIBUTION OF THE SHARES IN COFFEE STAIN

Embracer Group's shareholders resolved at the extraordinary general meeting held on 3 November 2025, in accordance with the Board of Director's proposal, to distribute all shares held by Embracer Group in its subsidiary Coffee Stain to the shareholders of Embracer Group.

The Board of Directors of Coffee Stain has applied for the listing of the Company's class B shares on Nasdaq First North Premier. Nasdaq Stockholm AB resolved on 12 November 2025 to approve the application provided that certain customary conditions are fulfilled. The first day of trading is expected to be on 11 December 2025. Coffee Stain's class B share will trade under the ticker COFFEE B on Nasdaq First North Premier. The ISIN code for Coffee Stain's class B share is SE0026599557.

DISTRIBUTION RATIO

One (1) class A share in Embracer Group will entitle the holder to receive one (1) class A share in Coffee Stain. One (1) class B share in Embracer Group will entitle the holder to receive one (1) class B share in Coffee Stain. A total of 223,197,671 shares in Coffee Stain will be distributed, divided among 9,000,000 class A shares and 214,197,671 class B shares.

No brokerage fee will be charged in connection with the Distribution.

For further information regarding the shares in Coffee Stain, refer to the section "*Share capital and ownership structure*".

RECORD DATE

In order to be entitled to receive shares in Coffee Stain, the investor must be registered as a shareholder in Embracer Group on the record date 9 December 2025. The last day of trading in Embracer Group's class B shares on Nasdaq Stockholm, including entitlement to the Distribution, is 5 December 2025. The first day of trading in Embracer Group's class B shares on Nasdaq Stockholm, excluding entitlement to the Distribution is 8 December 2025.

RECEIPT OF THE SHARES IN COFFEE STAIN

No actions are required by Embracer Group's shareholders in order to receive shares in Coffee Stain, *provided* that the shareholder is registered as a shareholder on the record date for the Distribution (directly registered or nominee-registered).

Shares in Coffee Stain will be available on the securities account of those shareholders who are entitled to receive shares in the Distribution (or the securities account belonging to the party who is otherwise entitled to receive shares in the Distribution) no later than two banking days after the record date. Thereafter, Euroclear Sweden will send out a statement containing information on the number of shares registered on the securities account of the recipient. Shareholders whose shares in Embracer Group are registered in the name of a nominee (i.e., a bank or other nominee) on the record date for the Distribution, will not receive a statement from Euroclear Sweden. Notification and the crediting of shares in Coffee Stain to the accounts of nominee-registered shareholders will instead be carried out in accordance with the procedures of the respective nominee.

TAX CONSIDERATIONS

The Distribution is expected to fulfill the requirements set out in Chapter 42 of the Swedish Income Tax Act (Sw. *Inkomstskattelag (1999:1229)*) (the so called "Lex Asea" rules) and the Distribution will therefore not be immediately taxable for individuals and limited liability companies that are Swedish tax residents.

Furthermore, investors should note that tax legislation in Sweden, or in any other jurisdiction to which the investor has a connection, or in which the investor is a tax resident, can impact how income from securities is taxed. Each shareholder should seek individual advice to ensure the tax consequences which may arise based on the shareholder's specific situation, including the applicability and effect of foreign rules, agreements and treaties.

RISK FACTORS

An investment in the Company's shares is associated with various risks. A number of factors impact, or may impact, the Company's operations and financial position directly and indirectly, both prior to and after the listing of the Company's class B shares on Nasdaq First North Premier. The risk factors and circumstances of major importance, which are considered as material to the Company's operations and future development are described below without any particular order of importance or claim to be exhaustive. The risks described below are not the only risks to which the Company's and its shareholders may be exposed. There are other risks that are unknown to the Company as of the date of the Company Description, or which the Company, as of the date of the Company Description, does not consider to be material, but that may also adversely impact the Company's operations, financial position or earnings. If any of the risks described below, or another risk of which the Company is not aware, were actually to occur, the Company's business operations, financial position and earnings could be materially adversely impacted. Such risks may also cause a considerable decline in the price of the Company's shares and investors risk losing part or all of their investment. In addition to carefully considering this section, investors should also take into consideration other information contained in the Company Description and, prior to any investment decision regarding the shares, consult their own financial, legal and tax advisers to make a careful assessment of the risks attributable to an investment in the shares and consider such an investment decision on the basis of their personal circumstances.

The Company Description contains forward-looking statements that could be affected by future events, risks and uncertainties. The Company's actual results may differ materially from the results referred to in these forward-looking statements due to a number of factors, some of which are beyond the Company's control.

RISKS RELATED TO COFFEE STAIN'S OPERATIONS AND INDUSTRY

Coffee Stain may be adversely affected by risks related to the development of new games and improvement of existing games

Coffee Stain's continued growth depends, among other things, on Coffee Stain's ability to develop new game content and improve existing games in a way that enhances the gaming experience. Coffee Stain's industry is characterized by rapid developments of new products and hardware and software technologies, but also by end user expectations of the user experience. Gamer preferences evolve over time and may depend on factors such as general developments in society. A game that has taken a long time to develop may be perceived as outdated compared to current attitudes towards specific issues in society, such as diversity and inclusion or other ethical matters.

Accordingly, it is important that Coffee Stain continuously updates and develops new content and new games in line with prevailing trends, as well as with technological advancements in the various hardware and software that Coffee Stain's games are based on. The widespread introduction of new technology (including AI technology), new hardware and software, new types of game consoles and higher standards may require that Coffee Stain must make significant investments to replace, upgrade, change or modify existing or future games. Some of Coffee Stain's game titles take several years to develop and new hardware and software may be launched during that time, requiring Coffee Stain to adapt its games accordingly, which may result in increased development costs and delays to the launch of the game.

Rapid technological advances also mean that some technologies will not gain any traction in the market or are outcompeted by other solutions. There is a risk that Coffee Stain invests significant financial and personnel resources in modifying its offering to technology that does not become as successful as Coffee Stain had expected. If the development model of the game in question ceases to be effective, current development costs may increase and operating profit may thus be adversely affected. There is a risk that none or only a small number of future games are successful or generate significant revenue. If Coffee Stain fails to develop new or to improve existing games that generate significant revenue, it could have a material adverse impact on Coffee Stain's operations, cash flow, financial position and earnings.

Coffee Stain is dependent on a number of key titles

Coffee Stain's operations are largely dependent on a number of games, including *Goat Simulator*, *Satisfactory*, *Deep Rock Galactic*, *Valheim*¹⁾, *Teardown* and *Welcome to Bloxburg*. Approximately 90% of the Company's total revenue for the financial year 2024/2025 were generated from the Company's largest six titles. This concentration entails a business risk. If one or several key franchises underperform, are discontinued, or lose relevance, the Company's future development could be severely impacted. The gaming industry is characterized by rapid evolution and intense competition. Games that are popular today may quickly lose market share to new entrants or emerging genres.

If Coffee Stain's leading titles becomes outdated or fail to capture new audiences, the Company's financial performance could be negatively impacted. If this risk were to materialize, it could have a chain reaction of negative

¹⁾ IP owned by Iron Gate AB, partly owned (30%) by Coffee Stain.

effects. Firstly, it could have a negative impact on the Company's cash flows, which in turn could negatively affect daily operations. Further, if this risk occurs, it may have a negative impact on the Company's financial stability, operational efficiency and future prospects.

Coffee Stain is exposed to risks related to game content development

Coffee Stain allocates a substantial proportion of its operating expenditure to the creations of new content and games. Development is undertaken by compact, cross-functional teams that employ short, iterative sprints and early player-testing loops with the objective of reducing both time-to-market and capital intensity.

Each development project is exposed to risks that may cause budget overruns, or cancellation, including but not limited to:

- Quality defects when developing new content and games. Coffee Stain requires that the launch of content and titles be postponed in cases when the Company believes that output does not meet the Company's own quality requirements, and/or if the content or title does not meet the assessed expectations of the players.
- There is also a risk that Coffee Stain will discontinue the development of a title if it fails to meet the Company's internal quality or creative standards, or if shifts in market preferences reduce its commercial potential.

If a project exceeds its budget, the Company may be unable to recover the invested resources, resulting in reduced profitability. If a development project is discontinued, anticipated revenues from the planned title will not materialize, which could negatively affect the Company's overall financial performance. Budget overruns, delays or discontinuation of game projects may, therefore, have a material adverse effect on the Group's cash flow, revenue and operating profit.

Coffee Stain may be adversely affected by changes in the games market and preferences among game reviewers and customers

Developments in the games industry are largely driven by preferences in the games market, which in turn are driven by customers who play the games. When new game titles or updates of existing games are launched, there is a risk that these are not positively received by the market due to, inter alia, an expectation gap in terms of quality, changed consumer preferences or technological modifications. This means that Coffee Stain must constantly offer new, well-developed and technologically enhanced products in order to attract and retain a wide range of customers.

The evaluation and rating of the Company's existing and future games or updates take place through discussions between players in game communities, through game reviewers and on game ranking pages on, for example, OpenCritic, Metacritic, IGN and TechRadar or through gaming influencers on YouTube and Twitch. There is a risk that players or game reviewers consider that Coffee Stain's existing and future games or updates do not meet the requirements or expectations they have for the game and that circumstances, directly or indirectly, that are beyond the control of the Company, such as the perception of a

game from players or game reviewers, can lead to negative reviews of the games. There may also be individuals who spread inaccurate and discrediting rumors or reviews about Coffee Stain or Coffee Stain's games. Dissatisfied players, a low rating or poor reviews from the gamer community or from game reviewers may affect Coffee Stain's ability to retain and attract new players to existing and future games and result in damage to its reputation among players and other game developers. This could also cause difficulties for Coffee Stain to successfully build on the game with new upgrades or sequels if the game has lost credibility among the gamer base. In the event that a specific studio on one or more occasions has unsuccessful launches, there is also a risk that the game studio will suffer from reputational damage that over time can create reluctance among players to purchase new games from the game studio concerned and ultimately from Coffee Stain in general.

If Coffee Stain fails to retain its existing gamer base, or to attract new players, and cannot retain current and future collaborations with other game developers, this may result in falling revenue due to decreased sales, which could lead to lower cash flows and operating results. This applies to both self-financed projects and games where the Company acts as publisher and is responsible for a significant portion of the financing.

Coffee Stain is exposed to risks related to hacking, viruses and other cybercrime as well as outages in IT systems and disruptions

Coffee Stain has a decentralized IT environment, whereby each subgroup is responsible for providing and maintaining its own IT systems and the various IT systems across subgroups are not integrated with each other. Coffee Stain's subgroups are exposed to risks pertaining to hacking, phishing attempts computer viruses, ransomware and other forms of cybercrime or harmful conduct. Such activities could disrupt websites, cause system errors and business interruptions and may damage computers or other electronic equipment. If Coffee Stain or any subgroup fails to effectively protect its IT systems from such attacks, the impact of such actions could lead to a loss of confidence in Coffee Stain. Hacking can lead to a significant loss of revenue due to a decline in the number of users, a reduction in the number of purchases of the Group's games and falling revenue from in-game or in-app purchases during the period the affected games are unavailable while Coffee Stain rectifies the disruption or damage. Hacker attacks could lead to questions concerning IT privacy and security (particularly relevant for online games) and reduce interest in the games when they are launched resulting in lower sales revenue.

The Company also faces increasing risks associated with the unauthorized or unregulated use of artificial intelligence ("AI") technologies by employees, commonly referred to as "shadow AI". These risks arise when employees independently adopt AI tools or platforms, such as generative AI, chatbots, or automated decision systems, without formal approval, oversight, or integration into the Company's governance and compliance frameworks. Despite internal policies and training efforts, the accessibility of AI tools increases the likelihood of shadow AI incidents. For example, if employees inadvertently input

sensitive or proprietary data into external AI platforms, it increases the risk of exposure of confidential information and violating data protection laws. In addition, AI tools may introduce cybersecurity risks, including exposure to malicious code, data exfiltration, or unauthorized access to internal systems. If such incidents occur, they may materially and adversely affect the Company's operations, financial condition, and reputation.

Coffee Stain is dependent on the effective and uninterrupted operation of internal and external IT systems to conduct its day-to-day business, including game development, sales and distribution. An extensive crash or other disruption in an IT system at a subgroup could impact the subgroup's ability to conduct effective sales, develop products, or invoice and deliver products and services to customers. In the event that one of Coffee Stain's subgroups fails to provide its customers with products and services, Coffee Stain may incur liability.

Furthermore, Coffee Stain holds a variety of personal data pertaining to its customers that is protected in accordance with local data protection provisions. If such information is obtained by unauthorized parties or if Coffee Stain does not report the intrusion to the respective supervisory authority within the stipulated time limit, the Group may be subject to claims from customers and supervisory authorities, which can in turn result in substantial costs in the form of fines, penalties or measures to restore Coffee Stain's IT systems or to improve IT security. For further information about the risks and consequences linked to deficiencies in processing personal data, refer also to the risk "*Coffee Stain may incorrectly process personal data*". If the above risks are realized, they could have a material adverse impact on Coffee Stain's operations, reputation and the success of individual game titles.

Coffee Stain is dependent on the ability to retain, motivate and recruit key personnel

Coffee Stain operates through a decentralized model with entrepreneurial subgroups. The subgroups are managed by and depend on individuals with significant knowledge of their respective businesses and markets. In a number of cases, it would most likely be difficult to replace these key individuals in their positions in each subgroup without having a negative impact on the subgroup's operations. These key individuals possess considerable knowledge and experience of the business conducted within subgroups and their respective markets. The Company is dependent on retaining the expertise and experience these key people possess to successfully grow and develop the Group in line with the business strategy, or alternatively to replace such people with new employees with at least the equivalent expertise and experience. The loss of such personnel, or the inability to recruit individuals with comparable expertise, could adversely affect the Company's operations and growth prospects.

The motivation of key personnel is partly linked to incentive structures. In connection with certain acquisitions, share transfer agreements include earn-out mechanisms tied to performance targets, such as the completion of a project by a specified date or the achievement of defined financial

results. There is a risk that the motivation of key personnel declines, or that they leave the Company, after the settlement of such earn-outs, which could negatively impact the Company's long-term growth opportunities.

Coffee Stain may be affected by negative publicity surrounding the Company or industries in which the Company operates

Coffee Stain operates in industries that are periodically subject to public negative attention and debate. For example, there are accusations that the gaming industry exposes people, particularly those of a young age, to violent content, excessive time spent gaming, and possible social exclusion that contributes to unhealthy gaming behavior. Furthermore, there is criticism against the exposure, in particular to younger players, to in-game purchases and interaction in game chats. Negative publicity about the industries in which Coffee Stain operates, in general, and particularly in relation to Coffee Stain, could have a negative impact on Coffee Stain's reputation and make it more difficult for the Group to retain and attract new gamers and customers as well as to recruit and retain qualified employees. For the same reason, customers could become less likely to make online payments in general and while playing and in-game purchases. A national or global negative perception of industries in which Coffee Stain operates could also lead to political pressure and ultimately increased regulation, which could, for example, lead to fewer channels for potential revenue generation and increased costs for the Company with respect to regulatory compliance, for instance. If these risks were to materialize, they could have a negative impact on Coffee Stain's revenue, cash flow and earnings.

Coffee Stain is dependent on digital distributors of games

Coffee Stain's sales of digital game titles for PC and consoles mainly take place through a small number of key distributors, such as Steam (Valve), Microsoft Store and PlayStation Store (Sony). Coffee Stain is also dependent on Apple Store and Google Store for the distribution of its mobile games. The ability of the distributors to keep on providing the digital distribution channels is a prerequisite for Coffee Stain to continue generating revenue from the sale of games. There is a risk that the digital distributors choose to distribute and market the Company's games in a manner that is unfavorable for Coffee Stain, or that the digital distributors choose another direction for distribution and marketing. There is a risk that one of the distributors chooses to end the cooperation and thus that the Group's games are removed from the gaming platform or during renegotiations demands a larger share of sales revenue, which can impact Coffee Stain's margins from the sale of games. In addition, there is a risk that a digital distributor could close its platform on grounds that are beyond the Company's control.

Coffee Stain may fail to identify or successfully manage risks in acquisitions

Coffee Stain has acquired and invested in a number of studios, such as Ghost Ship Games and the Welcome to Bloxburg creator. From the date Coffee Stain was founded

until the date of the Company Description, the Company has completed eleven²⁾ acquisitions and the Company may conduct additional acquisitions in the future as part of the Company's growth strategy. In case of additional acquisitions, the objective is that the acquired companies should work in a decentralized manner and that the entrepreneurs should have freedom to work with their projects with support, as needed, from the management of the Group. As of 30 September 2025, the Group had 13 internal studios and approximately 250 individuals.

Successful growth through acquisitions is dependent on the Company's ability to identify suitable acquisition targets, conduct adequate due diligence of the target companies or assets, such as intellectual property rights, negotiate and conclude transactions on favorable terms, and secure funding and relevant permits, such as from competition authorities. There is a risk that the Company, when performing due diligence, does not detect deficiencies in the target companies that would have affected the purchase consideration, for example hidden liabilities, tax risks, ongoing disputes, inadequate regulatory compliance, unfavorable supplier agreements or other negative circumstances. Under such conditions, there is a risk that the Company may undertake the acquisition on terms that are unfavorable to the Company.

Coffee Stain may be unsuccessful in realizing the expected value from acquired companies

Coffee Stain operates through a decentralized model and there is a risk that entrepreneurs working within the acquired subsidiaries of the Group are unsuccessful in their leadership and fail to contribute long-term profitability to the Group. It is important for Coffee Stain to maintain good relationships with the acquired companies' entrepreneurs and other key personnel. The Company and entrepreneurs within the Group may have different views of how operations are to be conducted, which may result in the cooperation not being successful or that the entrepreneur chooses to leave the Group.

In conjunction with an acquisition, the Company also makes certain assumptions and forecasts based on the acquired company's business plan pertaining to, for example, future sales levels related to game titles and costs, and these assumptions and forecasts are associated with a number of uncertainties. The Company's assumptions and forecasts about the acquisition target, including the acquisition target's own business plan, may prove to be incorrect or incomplete, which could mean the acquisition, in both the short and long term, does not result in the operating and financial benefits assumed by Coffee Stain. If any of these risks were to materialize, this could have a material adverse impact on Coffee Stain's cash flow, earnings and financial position.

LEGAL RISKS

Coffee Stain is dependent on obtaining and maintaining protection for its intellectual property rights

Intellectual property rights represent, as is the case for other companies active in the gaming industry, a significant proportion of Coffee Stain's assets. Approximately 90% of the Company's total revenue for the financial year 2024/2025 were generated from the Company's largest six titles of where the intellectual property rights to five of those titles are fully owned within the Group. Coffee Stain's continued growth and its ability to effectively compete are dependent on obtaining intellectual property rights and that these are then adequately protected. The Company's intellectual property rights are primarily protected through copyright protection, trademarks, and legislation to protect trade secrets and/or agreements. In conjunction with acquisitions, checks are usually carried out to ensure that acquired intellectual property rights are transferred to the Group in accordance with the terms of the acquisition agreement. The due diligence carried out in conjunction with an acquisition, normally with assistance by a legal adviser, may however be subject to limitations linked to, for example, time span for the due diligence or certain materiality thresholds. Accordingly, circumstances may exist, or are later discovered to be, linked to a specific intellectual property right that results in the right(s) not being transferred to the Group as stipulated in the acquisition agreement. If the products held, developed or acquired in the future by the Company do not receive the requisite intellectual property rights protection, or if the existing intellectual property rights protection cannot be retained or if the existing intellectual property rights protection proves to be insufficient to safeguard the Company's rights and market position, the Company's ability to conduct operations, its financial position and earnings could be adversely affected. In addition, the Company's operations, financial position and earnings may be adversely affected in the event that the Company's intellectual property rights are encroached upon or if it is considered in breach of a third party's intellectual property right.

There is also a risk that third parties will register or develop intellectual property rights that could limit the Company's ability to continue with its current or future operations or that could replace or circumvent the Group's intellectual property rights. Moreover, authorities may refuse an application to protect intellectual property rights submitted by the Company. In addition, there is a risk that employees could develop intellectual property rights and that such intellectual property rights could be deemed to belong to the employee under applicable local legislation.

2) Ownership >50%. Includes five internal transfers from Embracer Group in FY 25/26.

Coffee Stain may incorrectly process personal data

Coffee Stain, through its subgroups, processes and stores a variety of personal data in its IT systems, mostly concerning employees. Coffee Stain's authority to collect, store, share and process customer data is governed by the EU's General Data Protection Regulation (EU) 2016/679 ("GDPR"), and other national data protection laws within and outside the EU where Coffee Stain operates. GDPR places high demands on Coffee Stain to ensure that the collected personal data must be correct, relevant and limited to the purposes for which it has been collected and that it may not be saved for longer than necessary taking into account the purpose of its collection. Equivalent legislation is generally present in the other jurisdictions in which Coffee Stain operates and, in a number of countries with less developed legislation, legislative work is in progress in the area of data protection, frequently inspired by the GDPR.

The interpretations by authorities concerning several aspects of the GDPR and other national legislation outside the EU are associated with uncertainty and may be subject to change, for example, as a result of decisions by the European Court, other national courts or authorities. There is no guarantee that the Company's interpretations and application of the GDPR and other applicable laws are correct or in line with the interpretations of relevant authorities.

There is a risk that the Company's processes and methods for processing personal data are or have been insufficient and in contravention of applicable data protection laws. If the Company within the context of an audit or government agency, legal or administrative proceedings is deemed to breach or have breached the GDPR or other applicable laws or regulations linked to personal data processing, this may lead to a restriction in the Company's data processing and competent authorities may resolve on administrative fines for inadequate compliance in an amount of, for example under the GDPR, up to EUR 20 million. The GDPR also provides data subjects with the right to compensation should any breach of the GDPR lead to material damage. In Coffee Stain's other key markets, such as the US, there is a broadly equivalent sanction system available for government authorities, which can also vary between states. Non-compliance with the GDPR or other applicable data protection legislation may also lead to legal action. The Company's continued compliance with data protection laws requires continuous and significant investment in systems, processes, policies and personnel.

If any of the aforementioned risks were to materialize, this could have a negative impact on the Company's operations, reputation and extra costs for regulatory compliance, which in turn would have a negative impact on the Company's financial position and earnings.

FINANCIAL RISKS

Coffee Stain is subject to risks related to impairment of goodwill

The Group reports values for goodwill that have arisen in connection with Coffee Stain's acquisitions. The Group's reported goodwill on 30 September 2025 amounted to SEK 2,042 million, corresponding to approximately 57% of the Company's total assets.

Annually, Coffee Stain tests goodwill for impairment. Evaluations are carried out in connection with impairment tests and are based on estimates and assumptions. The critical assumptions underlying these evaluations are the growth rate, free cash flow and discount rates. Estimates that deviate from the management's assessment may yield different results for the business and a different financial position. To determine whether the value of goodwill has decreased, the cash-generating units to which goodwill is attributed are valued, which is done by discounting the cash-generating unit's cash flow. In applying this approach, Coffee Stain relies on historical statistics and other assumptions, including results achieved, business plans, economic forecasts, and market data. Changes in the conditions underlying these assumptions and estimates could have a material effect on the value of goodwill. Significant deviations and major impairment of goodwill could have a material negative impact on Coffee Stain's financial position and earnings.

Coffee Stain may need to impair capitalized development expenditure

Coffee Stain continuously invests in game development and capitalizes its development expenditure in accordance with IFRS. As of 30 September 2025, projects in progress and advances for intangible assets amounted to SEK 266 million. Coffee Stain capitalizes certain development expenditure as intangible assets in its statement of financial position, primarily relating to game development. Capitalization of development expenditure is based, among other things, on the assessment that future economic benefits will be generated by the asset and that it is technically feasible to complete the asset. The Group must make significant assessments regarding the timing of the start of the capitalization. The Group's expenditure related to game development is capitalized when games are sufficiently developed from a technological perspective to enable evaluation of their commercial potential. The judgement of commercial ability and returns is based on experience from previous games. Ongoing development for which the Group has not started to amortize capitalized development costs (since the game is not ready for use) is tested annually for impairment. There is a risk that the Company's assumptions for these estimates may change and that the Company impairs the capitalized development expenditure. If the Company impairs projects in progress and advances for intangible assets, it will negatively impact the Company's balance sheet, earnings and financial position.

Coffee Stain may be exposed to the risk of currency fluctuations

Currency fluctuations can affect Coffee Stain's financial results. Coffee Stain's revenue is settled in USD through digital distribution platforms and Coffee Stain's presentation currency is SEK. This creates direct exposure to movements in the USD/SEK exchange rate, which may materially affect the Company's reported revenue and cash flows.

Further, as the platforms globally conduct sales in multiple local currencies and convert these into USD before settling with Coffee Stain, the Company is also indirectly exposed to fluctuations in a number of different currencies. Changes in non-USD currencies relative to USD can influence the platforms' pricing and consumer demand across markets. This indirect exposure may result in volatility in the Company's USD-denominated revenues, independent of underlying unit sales.

Coffee Stain does not hedge the exposure to currency exchange rate, meaning that any currency fluctuations could have an adverse impact on Coffee Stain's business, financial condition and results of operations.

A change in USD of +/- 10% against the SEK in the 2024/2025 financial year would have entailed an impact on net sales of SEK +/- 102 million, respectively. The sensitivity analysis is based on the assumption that all other factors, such as exchange rates, remain unchanged.

RISKS RELATED TO THE COMPANY'S SHARES

The share price of Coffee Stain's class B shares may be volatile, and the shares may become illiquid

Coffee Stain's shares have not previously been traded on a trading venue. The amount of trading in and the interest that may be shown for the class B shares on Nasdaq First North Premier are therefore difficult factors to predict. The price of the class B shares will be affected by a number of factors, some of which are specific to Coffee Stain and its business, while others are more general in nature and affect listed companies generally and are outside Coffee Stain's control. The price at which the shares are traded may be volatile, particularly in the days and weeks immediately following the Distribution. The initial trading will not necessarily reflect the price at which investors in the market will be willing or able to buy and sell the shares in a longer perspective.

Moreover, if there is a significant sell pressure in the share, either due to a large number of shareholders wishing to sell shares or if significant shareholders sell substantial portions of their holdings, it will likely create a downward pressure on the share price if there is not a corresponding buy pressure to offset this effect. Such risk is not only relevant in connection with the admission to trading of Coffee Stain's class B shares on Nasdaq First North Premier, but throughout its life as a listed company. Furthermore, the admission to trading of Coffee Stain's class B shares on Nasdaq First North Premier should not be interpreted as meaning that there will be a liquid market for the class B shares at all times. Investors should note that the liquidity in Embracer Group's class B shares is not indicative for the liquidity in Coffee Stain's class B shares. There is a risk that the price of the Company's class B shares will be highly volatile in connection with the admission to trading, and if active and liquid trading does not develop, this could make it difficult for shareholders to sell their class B shares.

Major shareholders' influence and divestment of shares in the Company

Lars Wingefors AB is the largest shareholder of Embracer Group and as of 30 November 2025, Lars Wingefors AB held approximately 20% of the shares and approximately 41% of the votes in Embracer Group. As a result of the Distribution, Lars Wingefors AB will become the largest shareholder of Coffee Stain. Lars Wingefors AB is controlled by Lars Wingefors who is also a board member of Coffee Stain. Accordingly, Lars Wingefors AB will be able to exercise significant influence in all matters on which shareholders can vote, for example, the appointment of board members, decisions on dividends, decisions on new share issues and authorizations for the Board of Directors to carry out share issues, amendments to the articles of association and other important matters. The interests of Lars Wingefors AB may differ from the interests of other shareholders in Coffee Stain, for example, regarding short-term dividends, and Lars Wingefors AB could exercise its influence over Coffee Stain in a way that does not best promote the interests of the other shareholders.

Furthermore, divestments of shares in the Company made by Lars Wingefors AB or other major shareholders or board members and senior executives of the Company, or the belief that such a sale will take place may have a material negative impact on the price of the Company's class B shares.

United States shareholders or shareholders of countries outside of Sweden may not be able to participate in potential future new share issues

Should the Company, following completion of the Distribution, resolve to issue new shares with preferential rights for existing shareholders, shareholders in some countries may be subject to restrictions entailing that they are unable to participate in such rights issues, or that their participation is otherwise obstructed or restricted. For example, shareholders in the United States may not be permitted to exercise their rights to subscribe for shares unless the shares are registered in accordance with the U.S. Securities Act or an exemption from the registration requirements under the U.S. Securities Act is available. Shareholders in other jurisdictions outside Sweden may be similarly affected. Coffee Stain has no obligation to file registration documents in accordance with the U.S. Securities Act or to seek similar approval or relevant exemptions in accordance with legislation in any jurisdiction outside Sweden, as these actions may be associated with practical significant difficulties and costs. As far as Coffee Stain's shareholders in jurisdictions outside Sweden are not able to exercise their rights to subscribe for new shares in any future rights issues, their proportional interests in the Company will be reduced. Such rights issues may therefore result in certain existing shareholders seeing their share of the Company's share capital diluted.

Share dividends may not be paid

Under Swedish law, decisions regarding dividends are made by the general meeting of shareholders, typically following a proposal thereon by the Board of Directors. A dividend may only be paid where, after payment of the dividend, there is sufficient coverage for the Company's restricted equity. The calculation shall be based on the most recently adopted balance sheet, taking into consideration changes in restricted shareholders' equity which have occurred after the balance sheet date. Additionally, a dividend may only be paid provided that the dividend can be justified when considering the demands placed on the size of shareholders' equity due to the nature, scope and risks associated with the Group's operations, and considering the Group's need to strengthen its balance sheet, liquidity and financial position in general.

There is a risk that the Company may not have sufficient distributable funds in the future. Even if distributable funds exist, the Board of Director's assessments of the compatibility of the dividend with Swedish law may mean that the dividend cannot be paid, for example as a result of high debt levels which may restrain the Company's ability to pay dividends. Also, the Company's shareholders may prioritize that distributable funds are reinvested in the operations. Accordingly, investors should be aware of the risk that Coffee Stain may not pay dividends to its shareholders following the admission to trading of the class B shares on Nasdaq First North Premier.

Future equity capital raises could dilute investors' holdings and impact the price of the shares

Coffee Stain may need to raise additional capital in the future to finance acquisitions or to make additional investments or for other reasons. Such financing may be secured through new share issues, warrants, other share-based securities or convertible debentures, which could entail differing levels of dilution of existing shareholders' participation in the Company, depending on the type and amount of capital raised.

BACKGROUND AND REASONS

On 22 May 2025, Embracer Group announced its intention to spin-off the Coffee Stain Group into a standalone group of community-driven game developers and publishers by way of distribution of all shares held by Embracer Group in Coffee Stain. After the Distribution, the Group will consist of around 250 passionate individuals, focused on creating unique and engaging game experiences. The Group will include Coffee Stain, Ghost Ship and Tuxedo Labs as well as a number of small creative indie-studios, all based in Scandinavia.

The purpose with the Distribution is to enable each entity to focus on their respective core strategies and offer more differentiated and distinct equity stories for existing and new shareholders.

The Distribution and Listing will allow the Coffee Stain Group to focus on its core strengths, delivering high quality community-driven experiences, focused capital allocation and creating opportunities to attract and enable partnerships with like-minded independent game developers and talents.

The shareholders of Embracer Group resolved at the extraordinary general meeting on 3 November 2025 to distribute all shares held by Embracer Group in Coffee Stain to Embracer Group's shareholders. The first day of trading in the class B shares of Coffee Stain on Nasdaq First North Premier is expected to be on 11 December 2025.

We declare that, to the best of our knowledge, the information provided in the Company Description is accurate and that, to the best of our knowledge, the Company Description is not subject to any omissions that may serve to distort the picture the Company Description is to provide, and that all relevant information in the minutes of Board meetings, auditors' records and other internal documents is included in the Company Description.

Karlstad 8 December 2025

The Board of Directors of the Company

MARKET OVERVIEW

This Company Description includes historical market data and industry forecasts for the market in which Coffee Stain operates. The information has been sourced from industry publications, third-party market surveys, and publicly available data. While these publications state that their content is based on information from multiple sources and methods considered reliable, the accuracy and completeness of such information cannot be guaranteed. Industry forecasts are inherently uncertain, and there is no assurance that they will prove correct.

The Company has not independently verified and cannot give any assurances as to the accuracy of industry and market data contained herein that were extracted or derived from such publications or reports. Business and market data are inherently predictive and subject to uncertainty and may not reflect actual market conditions. Such data is based on market research, which itself relies on sampling and subjective judgments by both researchers and respondents, including decisions about what types of products and transactions should be included in the relevant market. Accordingly, the Company does not assume any responsibility for the correctness or completeness of any business or market data included in this Company Description.

This Company Description also contains forward-looking statements reflecting the Board of Directors' current views on future events and the Company's operational and financial performance. Although the Board of Directors considers these expectations reasonable, there is no guarantee they will materialize. Forward-looking statements represent the Board of Director's assessments and assumptions as of the date of publication. The Board of Directors undertakes no obligation to update or revise such statements due to new information, future events, or other circumstances, except as required by applicable securities laws, regulations, or stock exchange rules.

Prospective investors should review all information in this Company Description and consider that the Company's future results and performance may differ materially from the Board of Director's expectations. The section "Risk factors" describes factors, though not exhaustively, that may cause actual outcomes to differ significantly from forward-looking statements.

INTRODUCTION

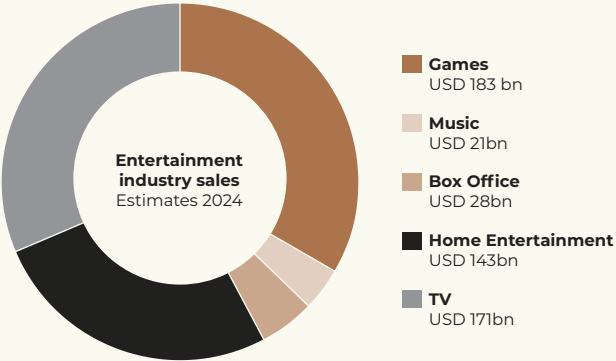
The global gaming industry is one of the largest segments within entertainment. Over the past decade, gaming has expanded, reaching a broad audience ranging from casual players to dedicated enthusiasts. The total market can be divided into three primary platforms: PC, Console, and Mobile, each with its own trends and drivers. Small-scale and indie developers have in recent years contributed at a large scale to innovation and diversity to the overall offering with their impact ranging from hobbyist creators experimenting with unique ideas to larger studios delivering near-AAA quality productions. This spectrum of approaches highlights how indie studios not only enrich the cultural and artistic fabric of gaming, but also increasingly influence their commercial growth and long-term market dynamics.

GAMING MARKET OVERVIEW

Gaming has been established as a natural part of the broader entertainment industry, and as of 2025, 44%¹⁾ of the global population play games. This widespread participation highlights gaming's transformation from a niche hobby to a mainstream cultural phenomenon. The accessibility of gaming has contributed significantly to its growth.

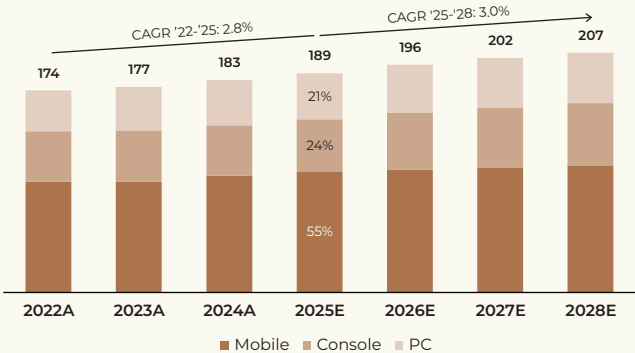
¹⁾ Newzoo Global Games Market Report August 2025 and World Bank Population Estimates and Projections, DataBank.

Entertainment industry sales, estimates 2024²



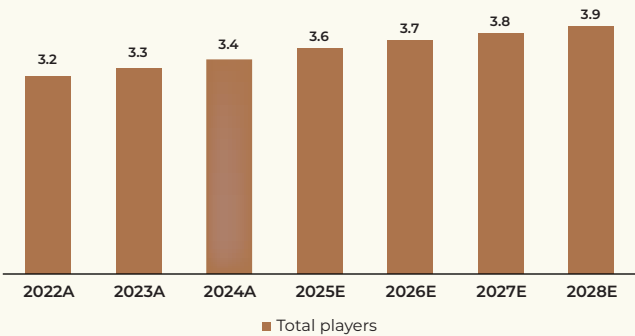
In 2024, the global gaming market was estimated to be the largest entertainment industry in the world, surpassing traditional media segments such as music, television and home entertainment in terms of market size. This highlights gaming as a mainstream phenomenon and as a central pillar in how people consume content and interact with each other. At the back of strong growth, the market has seen increasing competition, both from other entertainment industries and between games, both for spending and time.³ Gaming has expanded since 2022 and attracted a broad audience from casual players to dedicated enthusiasts.

Total market size, USD billion⁴



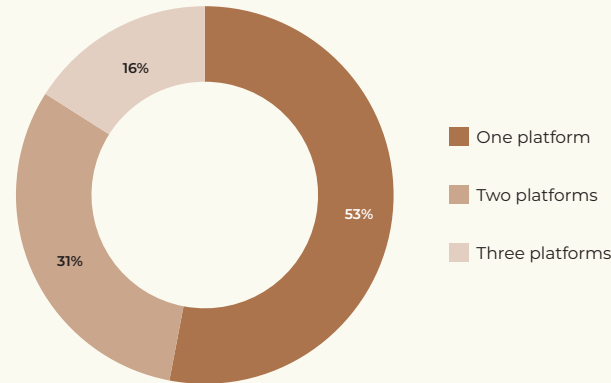
The global gaming market is projected to reach USD 189 billion in 2025, segmented across three primary platforms - PC, Console and Mobile. The number of players is expected to grow to 3.6 billion in 2025, representing approximately 61.5% of the global population with internet access, with the majority engaging through mobile devices. The proportion of players relative to the online population is anticipated to remain stable. Despite this plateau in penetration, average spending per player continues to expand, with global willingness to pay growing at a faster pace than overall player growth.⁵

Total number of players globally, bn⁶



The global gaming market is projected to reach 3.6 billion players in 2025, reflecting a 4.4% year-on-year increase. By platform, mobile devices will dominate with approximately 3.0 billion players (83%), followed by 0.9 billion PC players (26%) and 0.6 billion console players (18%). Growth is expected to moderate beyond 2025, highlighting the sector's maturity and the importance of monetization strategies. The number of players is expected to continue growing each year by similar levels, reaching 3.9 billion in 2028.⁷

Player distribution by platform estimated 2025⁸



2) Embracer Group AB, Annual General Meeting Presentation, 18 September 2025.
3) Embracer Group AB, Annual General Meeting Presentation, 18 September 2025.
4) Newzoo, Global Games Market Report August 2025.
5) Newzoo, Global Games Market Report August 2025.
6) Newzoo, Global Games Market Report August 2025.
7) Newzoo, Global Games Market Report August 2025.
8) Market information included in the annual report of Embracer Group AB for the financial year ending 31 March 2025.

In 2025, while 53% of players are expected to engage on a single platform, a significant share already spans multiple ecosystems, with 31% playing on two platforms and 16% on all three. This demonstrates a clear trend toward multi-platform gaming, reflecting increasing consumer flexibility and broader engagement across PC, Console and Mobile.⁹

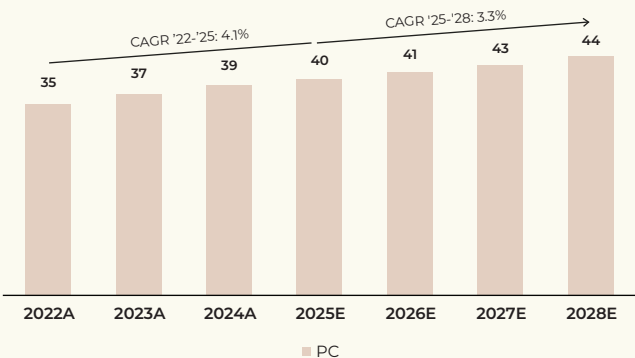
Communities have emerged as increasingly central to sustaining engagement and generating long-term value. According to Newzoo, early access, which is a playable pre-release version of a game, is no longer just a pre-launch tool but a way to involve players early, shaping development and building loyalty before full release. Post-launch content has also grown in importance and strategies now rely heavily on maintaining active communities through updates, events and re-engagement campaigns, ensuring that titles remain relevant well beyond their initial sales window. Platforms like Roblox also illustrate how native developers leverage deep community ties to drive success, showing that cultural alignment and direct interaction with players are critical differentiators in today's crowded market.¹⁰

In recent years, AI has become a common tool in game development, with nearly nine out of ten developers using it in some capacity.¹¹ These tools primarily support production efficiency, helping teams streamline workflows and handle repetitive tasks, while also assisting in content creation and the design process.¹²

MARKET SIZE AND DEVELOPMENT PER PLATFORM

PC market

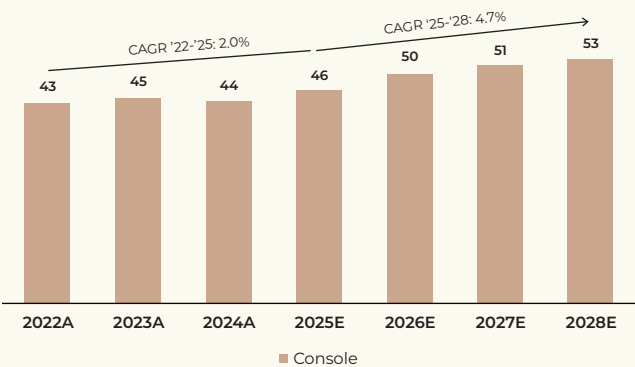
PC market size, USD billion¹³



The global PC games market is projected to reach USD 40 billion in 2025, accounting for 21% of the total gaming market. Growth is fueled by expanding Steam adoption in China and Japan as well as a strong release slate. Western markets also benefit from high-profile launches, while esports engagement remains an additional driver. Looking ahead, momentum will be supported by rising Gen Z and Gen Alpha enthusiasm, higher average sales prices and the anticipated PC release of Grand Theft Auto VI in 2027, although growth in mature Western markets is expected to remain limited.¹⁴

Console market

Console market size, USD billion¹⁵

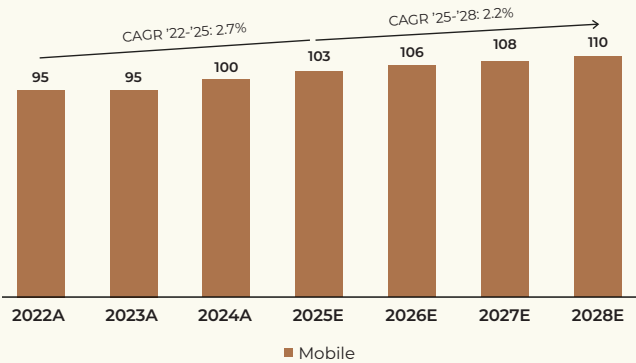


The global Console games market is expected to generate USD 46 billion in 2025, accounting for 24% of the total gaming market. Growth is led by the launch of the Nintendo Switch 2, higher average software prices and a slate of major releases. Asia-Pacific, particularly Japan, drives the fastest growth, while North America remains the largest market by share. The upcoming release of Grand Theft Auto VI is expected to set sales records and accelerate Gen-9 console adoption. Despite stagnating player growth in mature markets, revenues are supported by content quality, subscription services and premium pricing strategies.¹⁶

9) Market information included in the annual report of Embracer Group AB for the financial year ending 31 March 2025.
10) Newzoo, Global Games Market Report August 2025.
11) Google, AI meets the games industry.
12) BCG, Could GenAI be Gaming's Ultimate Power-Up?
13) Newzoo, Global Games Market Report August 2025.
14) Newzoo, Global Games Market Report August 2025.
15) Newzoo, Global Games Market Report August 2025.
16) Newzoo, Global Games market Report August 2025.

Mobile market

Mobile market size, USD billion¹⁷



The global Mobile games market is forecasted to reach USD 103 billion in 2025, accounting for 55% of the total gaming market, however it is expected to have the lowest growth of all primary platforms. Growth is sustained by the strong performance of 2024’s top-grossing titles and continued expansion of Roblox. Structural drivers include rising smartphone penetration, improved mobile internet infrastructure and a growing middle class in emerging markets. At the same time, the accelerating shift toward direct-to-consumer distribution and alternative app stores reshapes monetization, expanding off-app store revenues and giving developers greater control player relationships and therefore costs. Some challenges on the global games market include the discoverability of individual games, new regulations impacting game publishing, and increased costs resulting from the growing D2C trend.¹⁸

INDIE GAMES MARKET OVERVIEW

The market can also be segmented by studio type, based on their scale and operating model. The indie games market consists of titles developed by independent studios, i.e. without financial or creative control from publishers, typically with smaller teams and budgets than major developers. Unlike large-scale AAA productions, indie games emphasize creativity, innovation, and niche appeal. The segment serves as an important source of experimentation within the broader global gaming industry.

The indie games market has experienced rapid expansion over the last years, even as the broader industry has slowed. Revenues have more than doubled since 2018, with indie titles on Steam now generating levels of income comparable to AA and AAA productions. However, the definition of “indie” has blurred, and market segmentation shows a spectrum ranging from small-scale hobby projects, releasing smaller creative projects, to well-funded studios capable of delivering AAA-level quality. The larger end of indie games has seen the strongest growth.¹⁹

Growth has also been fueled by increasing professionalization across the sector. More studios are releasing second or third games, which consistently outperform debut titles, showing that experience strongly improves commercial outcomes. While smaller teams still play an important role in innovation, the revenue distribution is increasingly concentrated at the top end of the market, highlighting both the opportunities and the competitive challenges within the indie space.²⁰

17) Newzoo, Global Games market Report August 2025.
18) Newzoo, Global Games market Report August 2025.
19) VG Insights, Global Indie Games Market Report 2024.
20) VG Insights, Global Indie Games Market Report 2024.

BUSINESS DESCRIPTION

INTRODUCTION TO COFFEE STAIN

Coffee Stain Group is a Scandinavian game developer and publisher, founded in 2010 with a portfolio of community-driven games primarily for PC and console, and with a proven track record of building successful intellectual properties including *Goat Simulator*, *Satisfactory*, *Deep Rock Galactic*, *Valheim*, *Teardown* and *Welcome to Bloxburg*. The Group consists of around 250 passionate individuals spread over 13 game studios including Coffee Stain, Ghost Ship and Tuxedo Labs - all united by the aspiration of "small teams making big games for huge audiences".

COFFEE STAIN'S HISTORY

Coffee Stain was founded in Skövde, Sweden, in 2010 with the goal to create innovative, player-centric games. The Company first gained international recognition with the launch of *Goat Simulator* (2014), which became a cultural phenomenon and established Coffee Stain's reputation for creativity and originality.

In the years that followed, Coffee Stain expanded its portfolio and publishing activities, supporting titles such as *Deep Rock Galactic* (2018), *Satisfactory* (2019) and *Valheim* (2021), which each achieved global reach and built highly engaged communities. The Group further broadened its capabilities through the integration of studios such as Ghost Ship Games (2021) and Tuxedo Labs (2025).

The upcoming spin-off enables Coffee Stain to operate with greater strategic focus and independence - allowing a culturally aligned group of studios to grow with autonomy and build lasting IPs over time. In line with this direction, Tuxedo Labs, Kavalri Games, Frame Break, Invisible Walls, and A Creative Endeavor was transferred from Embracer Group - all sharing Coffee Stain's development philosophy of lean teams, creative ownership, and long-term product thinking.

Over the past 15 years, Coffee Stain has grown into a group of 13 small independent studios with a strong portfolio of durable IPs, consistent profitability and a robust pipeline of future content.

The below table describes the most notable events and milestones for Coffee Stain since its foundation in 2010 up until the date of the Company Description.

Year	Key events
2010	<ul style="list-style-type: none">Coffee Stain was founded in Skövde, Sweden by the Group's current CEO Anton Westbergh and eight co-founders
2014	<ul style="list-style-type: none">Coffee Stain's initial release of <i>Goat Simulator</i>
2017	<ul style="list-style-type: none">Started Coffee Stain PublishingAcquired 30% of Danish studio Ghost Ship Games (creator of <i>Deep Rock Galactic</i>)Acquired 60% of Lavapotion (creator of <i>Songs of Conquest</i>)
2018	<ul style="list-style-type: none">Coffee Stain was acquired by THQ Nordic AB (currently Embracer Group)Coffee Stain published <i>Deep Rock Galactic</i> - created by Ghost Ship GamesAcquired 60% of Coffee Stain North (formerly Gone North Games)
2019	<ul style="list-style-type: none"><i>Satisfactory</i> released in early accessAcquired 30% of Iron Gate (creator of <i>Valheim</i>)
2020	<ul style="list-style-type: none">Acquired 70% of Box Dragon (creator of <i>As We Descend</i>)Acquired remaining 40% in Coffee Stain North
2021	<ul style="list-style-type: none">Coffee Stain published <i>Valheim</i>, created by Iron GateEmbracer Group acquired the remaining 70% of Ghost Ship Games and Easy Trigger, putting them both under the Coffee Stain umbrella
2022	<ul style="list-style-type: none">Embracer Group acquired Shortcake AB, a Roblox game developer which developed <i>Welcome to Bloxburg</i> (released in 2016¹⁾ and included the company under the Coffee Stain umbrella<i>Goat Simulator 3</i> released (created by Coffee Stain North)
2025	<ul style="list-style-type: none">Embracer Group announced the spin-off of Coffee Stain<i>Teardown</i> (released 2020²⁾ creator Tuxedo Labs joined the Group from Embracer Group, which acquired the company in 2022Kavalri Games, Frame Break, Invisible Walls and A Creative Endeavor joined Coffee Stain in internal transfers from Embracer GroupEmbracer Group transferred publishing rights for <i>Fellowship</i> to Coffee Stain

1) Closed beta in 2014 and open beta in 2016.

2) Early access release in 2020 and full release in 2022.

COFFEE STAIN’S OPERATIONS

Coffee Stain consists of 13 studios based across Scandinavia that operate under a decentralized model with lean teams of approximately 5-30 team members. The structure creates a capital-efficient ecosystem of autonomous studios that hold full accountability for development and continuous content updates, while the small central organization provides strategic and publishing support. As a developer driven by ideas, the Company regards its people as its most valuable assets. Attracting best-in-class talent and empowering teams to take full creative responsibility are key to sustaining long-term success.

Coffee Stain develops and publishes a diversified portfolio of games across PC, Console and Mobile platforms, combining internal development with a selective partnership strategy. Its philosophy prioritizes gameplay quality and long-term community engagement, supported by early access, user-generated content and continuous updates. This approach has enabled the creation of enduring IPs, including six genre-leading titles with deeply engaged player communities.

The Company further operates as a strategic partner by identifying high-potential external projects at an early stage and fostering long-term business relationships. This partnership model broadens the pipeline, enhances scalability and leverages the Group’s industry expertise to drive sustainable growth.

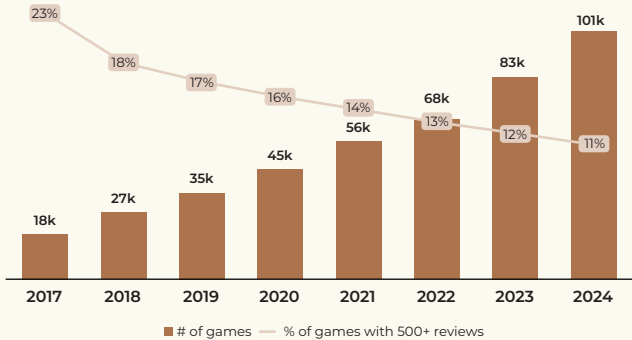
Coffee Stain combines central oversight with decentralized studio responsibility. The Group sets the overall roadmap and strategy, facilitates knowledge sharing, and provides administrative support in areas such as finance, IT, legal, and HR while each studio is responsible for its own financial performance and for developing and executing game concepts. Functions that benefit from coordination, including marketing, player insights, and the dissemination of best practices, are handled jointly to create alignment and efficiency across the organization.

The developers within the Group are actively exploring various new tools, including AI. Being decentralized, Coffee Stain values independence but also encourages knowledge sharing, meaning no single set of tools or workflows are imposed. The different teams are encouraged to experiment and identify responsible, practical uses of new tools, including AI, to work more efficiently to improve games and community engagement. The approach prioritizes curiosity and flexibility over rigid rules, while remaining attentive to player perception and adjusting practices accordingly.

Finally, the Group is committed to ESG and operates with a solid governance framework and a responsible approach to ESG. Having been part of a main-market listed group, the Company follows transparent, risk-based governance practices. Employee well-being is prioritized, with a focus on developing safe games and fostering meaningful connections with communities. By the nature of its business, Coffee Stain has a limited environmental footprint, while continuing to emphasize sustainable long-term value creation.

COFFEE STAIN IN THE MARKET

Total number of games on Steam³



The number of games released each year continues to rise, making it harder for individual titles to capture attention and achieve meaningful visibility. Despite this crowded landscape, Coffee Stain has consistently managed to break through, with its portfolio recognized for strong community reception and highly positive reviews. This ability to stand out demonstrates Coffee Stain’s strength in delivering games that resonate with players and sustain engagement over time. Within the portfolio, 15 games have more than 500 reviews on Steam, five have over 50k reviews, and the average across all titles on Steam exceeds 75k reviews, led by Valheim with 510k, followed by Deep Rock Galactic with 354k and Satisfactory with 246k.⁴

In terms of market position, Coffee Stain’s development approach shares several traits with the indie segment, particularly the emphasis on small, agile teams, iterative development, conservative resource allocation and strong reliance on player feedback throughout the process. Like many independent studios, the focus is on creativity, innovation and cultivating close relationships with communities. However, Coffee Stain differs from traditional indie developers through its scale, structure and financial discipline. The Group combines the flexibility and innovation of indie studios with the resources, publishing capabilities and long-term IP management, which are more typical of established developers and publishers. The Company’s smaller scale compared to AAA developers enables rapid pivots, efficient prototyping, and the pursuit of creative ideas that larger studios often avoid, resulting in a clear competitive advantage. This enables Coffee Stain to achieve global reach, sustain industry-leading profitability, and extend the commercial lifecycles of its titles well beyond what is common in the broader indie market. This has rendered in a unique brand identity, giving Coffee Stain a distinct niche in the market.

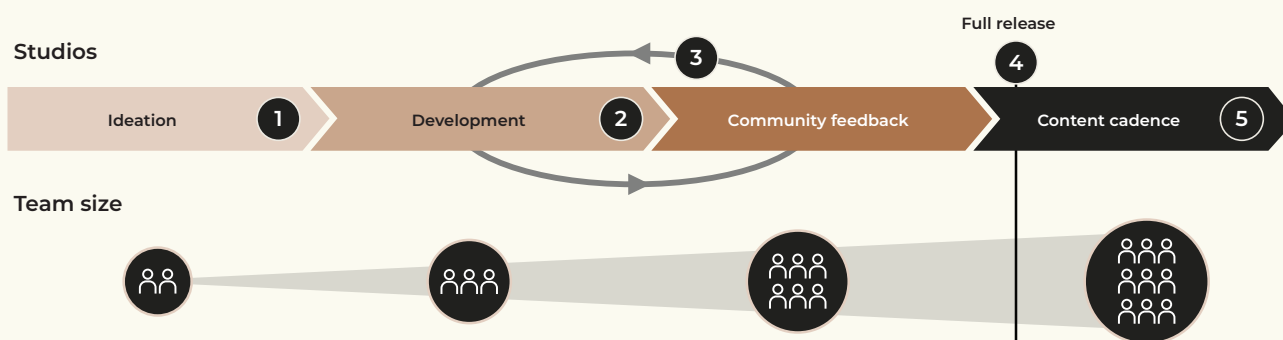
3) SteamDB, as of October 2025.
4) Steam, as of October 2025.

HOW COFFEE STAIN DEVELOPS GAMES WITH A LONG-TERM VIEW

Coffee Stain operates under a decentralized model, where agile teams in smaller studios are fully accountable for design, development and continuous updates, further supported by Coffee Stain's strategic guidance and publishing capabilities. This structure is reinforced by a "gameplay first" philosophy, which prioritizes content, quality and depth to deliver long-lasting novelty-driven and system-driven player experiences. It also entails that investments are focused on game content, instead of other costs, e.g. marketing, as Coffee Stain firmly believes that success will follow with great and unique games.

The development of games is conducted through an iterative process where lean teams in independent studios drive ideas with accountability for quality, delivery and profitability. The Group supports with strategy, knowledge sharing and publishing, while community feedback is integrated throughout development. This structure ensures that games are continuously refined, supported with updates and sustained over time.

Development to publishing phases for Coffee Stain and studios



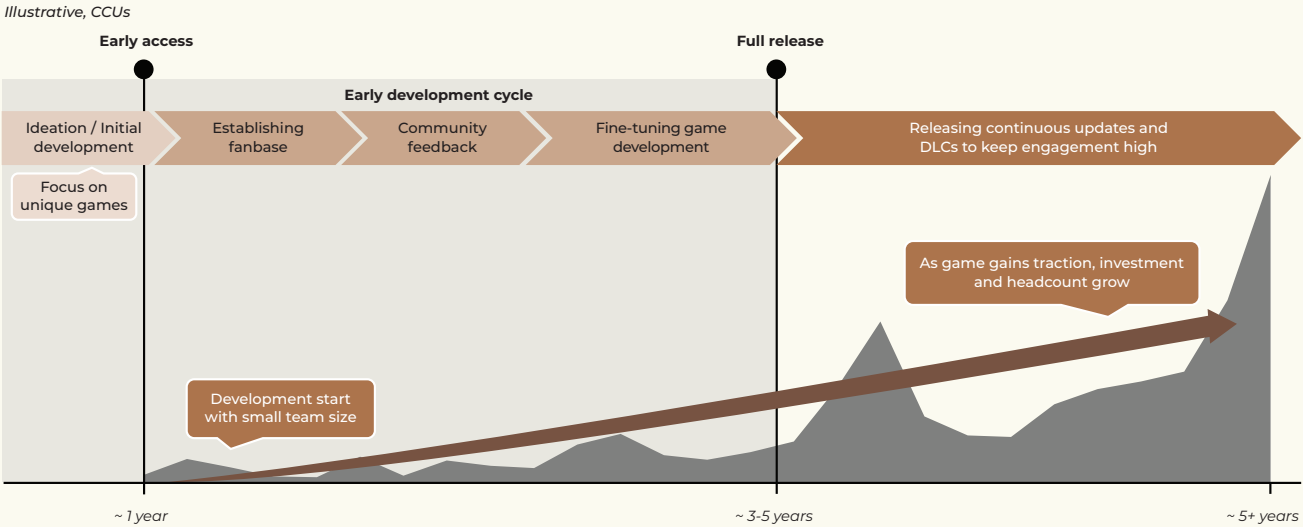
1. Studios are entrusted to pursue creative ideas
2. Each studio develops its games independently
3. Games are iteratively refined based on feedback from communities
4. Games are released, with support from Coffee Stain
5. Studios maintain responsible for post-launch updates, Downloadable Content (DLC) as well as overall game profitability

The development model allows Coffee Stain to pursue numerous ideas with limited risk. To discover bold and original game concepts, Coffee Stain fosters creativity by granting studios and teams autonomy, providing support to bring ideas to life and embracing unique concepts. This approach enables Coffee Stain to identify new niches and develop games ahead of player demand.

Coffee Stain also typically involves the community in early development, for example through features like Steam early access, which enables the integration of player feedback directly into the development cycle, building trust and community engagement well ahead of full release. Launching into an established fanbase reduces marketing spending, demonstrates proof of concept, and mitigates release volatility. After full release, titles continue to grow through updates and DLCs, securing long-term relevance and ability to turn quirky concepts into commercially viable IPs.

Leveraging its portfolio, brand, and proven track record, Coffee Stain believes it stands out as a compelling partner with an approach that differentiates it from other publishers. Coffee Stain exclusively publishes titles in which it has strong conviction - both in the quality of the game itself and its potential to foster enduring partnerships. By proactively identifying innovative and engaging games early on and applying a selective evaluation process for which games to support and potentially invest in, Coffee Stain creates mutually beneficial partnership models. Notably, Ghost Ship Games began as a partnership before being fully acquired by Coffee Stain, while Iron Gate remains a key partner today.

Graph over development phases to build up Concurrent users (CCUs)



With this development model, Coffee Stain's focus goes beyond the impact of single releases and quarterly fluctuations. Satisfactory clearly illustrates Coffee Stain's development cycle, where an initial idea was shaped through community involvement and early access. Since its release, the game has been continuously updated with input from its player base, including new features, optimizations and user-generated content support. With almost five years in active development during early access, thousands of reviews, and a growing modding ecosystem, the title demonstrates how iteration, transparency and feedback integration result in a well-received product. Sustained player activity, reflected in CCU levels, drives sales performance, making continuous community engagement a key driver of commercial success.

ENGAGED COMMUNITIES

Coffee Stain places strong emphasis on engaged player communities, integrating them directly into the development process through early gameplay access where continuous feedback shapes game design. This close dialogue fosters trust, loyalty and alignment with community expectations, ultimately creating self-sustaining ecosystems that support long-term engagement and the commercial success of its titles. The same philosophy underpins a community-led marketing approach, which departs from traditional high-spend models by leveraging early access, social platforms and modding communities to drive organic growth, minimize upfront marketing costs and maximize word-of-mouth adoption.

Overview of number of members/followers on Twitch, Discord, Steam, Reddit and Roblox⁵

		Goat Simulator Goat Simulator	SATISFACTORY	DEEP ROCK GALACTIC	TEARDOWN	Welcome to Bloxburg	VALHEIM
COMMUNITIES ⁵⁾	Followers	94K	295K	136K	30K	N.A.	432K
	Members	36K	242K	628K	33K	141K	150K
	Followers	129K	394K	2.8M	210K	4.9M ⁱⁱ⁾	505K
	Members	12K	392K	408K	28K	58K	542K

5) i) Data as of October 2025, ii) Data on Welcome to Bloxburg: Fan Club.

STRENGTHS AND COMPETITIVE ADVANTAGES

Coffee Stain’s past performance as well as its ability to achieve its objectives is based on the following strengths, competitive advantages and opportunities.

Long track record with successful intellectual property combined with growth potential

For over more than a decade, the Group has created and scaled multiple globally recognized IPs. Its track record demonstrates the ability to consistently deliver innovative games that achieve long-term commercial success and cultural relevance. The Group’s portfolio is anchored in durable, community-driven franchises such as *Goat Simulator*, *Satisfactory*, *Deep Rock Galactic*, *Valheim*, *Teardown* and *Welcome to Bloxburg*. Approximately 90% of sales⁶ are generated by the Group’s six largest titles, with an average age of more than seven years, illustrating the titles’ long lifecycles and sustained player engagement. The Group’s existing franchises offer significant potential for sequels, DLCs and further platform expansion. Combined with a pipeline of new IPs, Coffee Stain is well positioned to capture long-term growth opportunities in the global gaming market.

Community driven model

Coffee Stain, with few exceptions, develops games by applying a long early access phase, enabling players to engage early in the process to drive community engagement. Feedback is incorporated continuously, which not only improves quality and reduces release risk but also allows

monetization to begin ahead of full release. Communities grow organically during development, building strong loyalty and long-term engagement that carries into the lifecycle of the full release. This creates a foundation for extended revenues through updates, DLCs and expansions. Coffee Stain’s approach, emphasizing early access, modding and user-generated content, creates strong feedback loops and resilient communities around each franchise.
















Capital-efficient operating model

The Group’s strategy of small, multi-skilled teams, early testing and iterative development keeps upfront costs low while enabling rapid innovation. This capital-light approach combines creative freedom with financial responsibility, which has enabled the Group to sustain industry-leading profitability and strong free cash flow generation.

PORTFOLIO OVERVIEW AND CORE GAMES

Currently, the core game portfolio consists of six games, representing a blend of in-house development and some through the partnership model. Covering a wide range of genres, from sandbox simulation to cooperative action, and most of them offer gameplay that can be enjoyed long-term. With several announced upcoming releases for the different games, Coffee Stain shows a strong commitment for these IPs in the future. Titles in the core portfolio have all achieved significant success, complemented by a broader selection of other titles that expand the Group’s reach and diversify its offering.

Overview of core portfolio⁷

	Core owned & operated portfolio					Core partnership		
Franchise					 <i>Acquired in Aug-22</i>		94% <i>Steam reviews</i>	2,000m <i>Lifetime net sales, SEK</i>
Years in market	11+	6+	7+	5+	9+			
Lifetime Net sales, SEK ^(vi)	1,400m	1,100m	1,250m	450m	1,350m ^(v)			
Steam / Metacritic reviews	98% / 	97% / 	97% / 	96% / 	88% ⁽ⁱⁱ⁾			
Avg. playtime ^(vii)	21H ^(viii)	96H	55H	29H	N.A.			
Team size ^(ix)	32	31	37	15	17			
Platforms								

6) Per FY 24/25.

7) Company information, Steam and Metacritic as of October 2025, Net sales equals Gross sales less Platform fees, i) Reviews based on Goat Simulator 3, ii) Data applicable for Deep Rock Galactic, iii) Deep Rock Galactic Survivor is developed by a third-party but Coffee Stain owns the IP, iv) As of August 2025, v) Approximate number as the game was acquired in August 2022, vi) Positive Roblox reviews, vii) Data from Steam, viii) Sum of the average playtime for all Goat Simulator titles, ix) Internal FTEs working on the franchise as of October 2025.

Announced upcoming releases

- Deep Rock Galactic: Rogue Core
- Teardown multiplayer
- Valheim on PS5

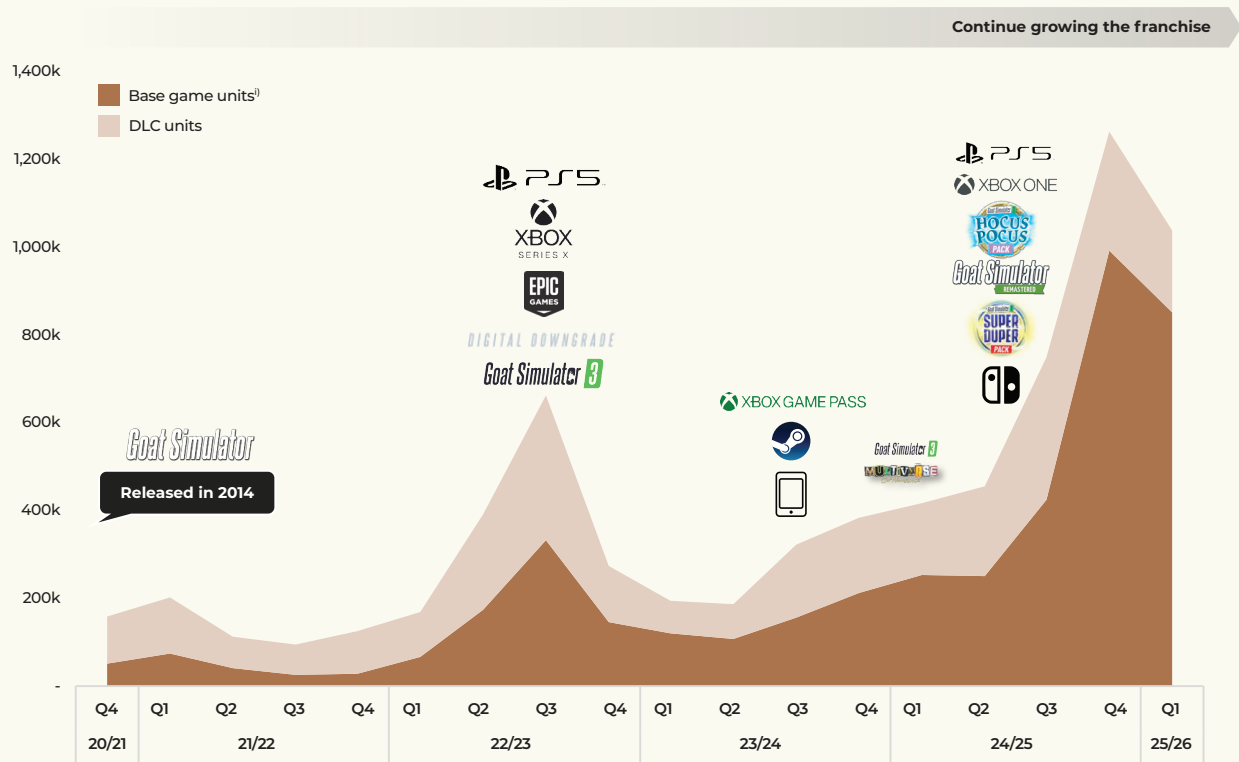


Goat Simulator

Developed by Coffee Stain Studios and first released in April 2014, Goat Simulator is a third-person sandbox game that began as a small parody project and unexpectedly grew into a global phenomenon. Presented as a tongue-in-cheek take on traditional simulation games, it lets players control a goat and wreak havoc in open environments with intentionally absurd physics and unpredictable outcomes. The game deliberately embraces bugs, slapstick chaos and emergent gameplay over structured goals, inviting players to experiment, explore and create their own fun.

What began as a joke release has grown into a full franchise with multiple spin-offs. With the sequel Goat Simulator 3, developed by Coffee Stain North and released in 2022, eight years after the original, the series has secured its place as one of the most recognized and viral games ever. As a natural part of the core portfolio, there are several initiatives to continue developing the franchise with new content.

Units⁸ sold per quarter⁹



Goat Simulator continues to grow, both in base-game and DLC units sold, confirming that the franchise will remain an important part of the Coffee Stain portfolio in the coming years. With a clear strategy to keep releasing DLCs, patches and updates, porting to additional platforms, and utilizing platform deals, Coffee Stain aims to take the franchise beyond the video game space through collaborations and licensing.

Goat Simulator demonstrates what can be achieved with innovation and creativity as Coffee Stain North continues to push boundaries. Recently, the DLC Goat Simulator Baadlands: Furry Road was released, offering the next adventure for players.

8) Base + DLCs for Goat Simulator, Goat Simulator Remastered and Goat Simulator 3.
9) Company information, i) Base games include Goat Simulator, Goat Simulator Remastered and Goat Simulator 3.



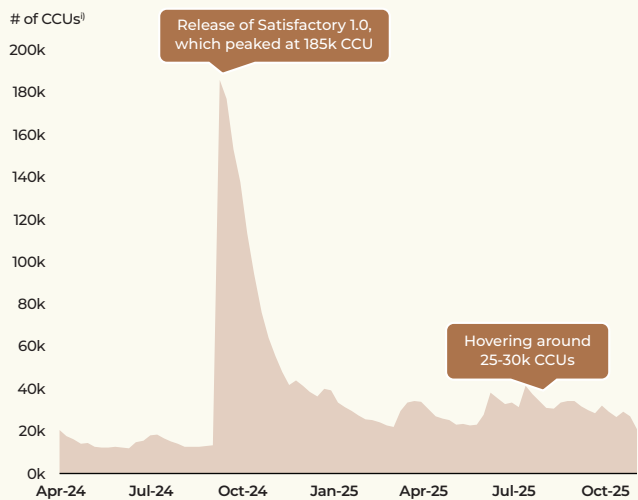
Satisfactory

Developed by Coffee Stain Studios and first released in March 2019 (early access), Satisfactory is a first-person factory-building and automation game set on a vast alien planet. Players gather resources, design intricate production lines and build sprawling industrial complexes that scale from small outposts to massive, planet-spanning factory systems.

The game blends engineering challenges with creative freedom, requiring players to optimize logistics, balance power systems and explore hostile environments to unlock new technologies. Its combination of open-world exploration, cooperative multiplayer and limitless construction possibilities has made Satisfactory one of the most celebrated modern factory sims, with an enduring community of players continuously pushing the boundaries of efficiency and creativity.

Coffee Stain Studios continuously releases new updates, and by October 2025, ten updates had been released. The game fits well into Coffee Stain's operating model, built around a unique concept developed over a long period by a lean team with continuous community feedback. The game includes 1,000+ mods and 100+ hours of content.

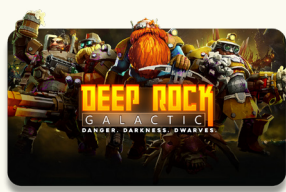
Satisfactory CCUs¹⁰



Satisfactory achieved a stable CCU base in early access, with a peak of 185k CCUs just after the 1.0 release. The game continues to be shaped hand-in-hand with its loyal fan base, resulting in strong player activity and steady engagement with CCU around 25–30k in recent months. Regular updates, quality-of-life improvements and community mods have all helped keep the game fresh and relevant.

Looking ahead, Coffee Stain will continue to support Satisfactory after the 1.0 release. The game launched on console on 4 November 2025, and early reviews are already as strong as they were when the game first launched on PC. With ongoing community feedback through experimental releases on PC, the game is expected to further expand its large and loyal community base.

10) Steam as of November 2025; i) CCU data on weekly peak over period.



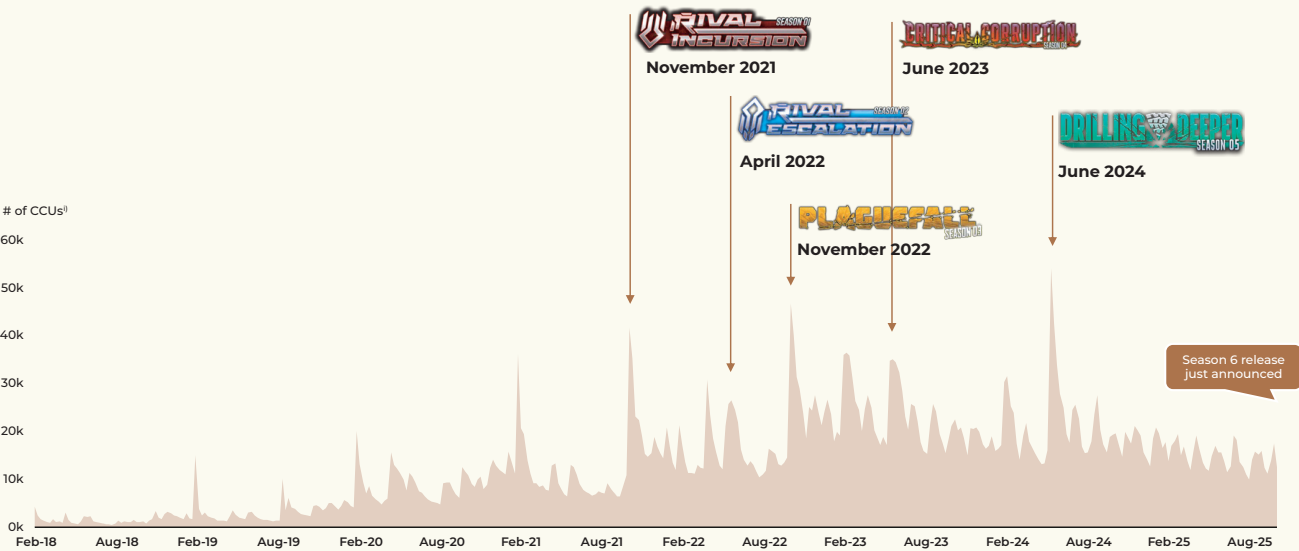
Deep Rock Galactic

Developed by Ghost Ship Games and released 2018¹¹, Deep Rock Galactic is a cooperative first-person shooter built around mining, exploration and teamwork. Players take on the roles of space-faring dwarves working for an interstellar mining corporation, descending into procedurally generated cave systems filled with hostile alien creatures and valuable resources.

The game combines class-based abilities, fully destructible environments and mission-based objectives, making every expedition a mix of intense combat, resource management and coordinated strategy. Over time, Deep Rock Galactic has grown into a beloved live-service title with an active community, praised for its humor, replayability and dedication to player-driven updates and expansions.

Ghost Ship Games, now a 47-person studio, partnered with Coffee Stain as a publisher and later became part of the Coffee Stain Group. They developed Deep Rock Galactic with an emphasis on co-op gameplay and open development, inviting community involvement to improve the game. This approach built a devoted fanbase that helps identify bugs, suggest improvements and translated the game into 30 languages, reflecting Coffee Stain’s core values.

Deep Rock Galactic CCUs¹²



Since its initial release and with 11 million units sold, the game has received over 30 updates prior to Ghost Ship’s introduction of seasonal content, which consistently has led to temporary increases in concurrent users. The latest released season, season 5, launched 2024 and broke all records again and brought many new players to the universe. Season 6 is anticipated for release in Q4 of Coffee Stain’s financial year 2025/2026 after the studio put the main game on hold to prioritize other projects. During this time, the franchise has expanded significantly, including a

board game that secured approximately 20k backers and EUR 2.5 million on Kickstarter. Ghost ship also developed a spin-off called Deep Rock Galactic Survivor, which has sold approximately 2 million units and reached a peak of approximately 57k CCUs. Currently available on Steam, Xbox and mobile, the Company now aims to bring the title to additional platforms. Moreover, the studio is currently developing Deep Rock Galactic Rogue Core, ranked #39 among most wished games on Steam and is expected to launch in Q1 of Coffee Stain’s financial year 2026/2027.

11) Early access in 2018 and full release in 2020.
12) Steam as of November 2025, i) CCU data on weekly peak over period.



Teardown

Developed by Tuxedo Labs and released in 2020¹³, Teardown is a physics-driven sandbox game centered on creative destruction and problem-solving. Built entirely on a proprietary voxel-based engine, it allows players to interact with fully destructible environments where every wall, object, and structure can be dismantled.

The game's campaign revolves around heist-style missions, where players must carefully plan and improvise their approaches whether by demolishing buildings, creating shortcuts, or constructing elaborate escape routes. Beyond its single-player experience, Teardown has become a platform for creativity through modding, user-generated content, and ongoing expansions, including DLCs and upcoming multiplayer functionality. Its groundbreaking destruction technology and commitment to long-term support have cemented it as a standout example of how technical innovation fuels player-driven gameplay.

Having been integrated into Coffee Stain in 2025, Tuxedo Labs brought a distinct technology-driven approach to game development. By building their own engine from the ground up, they unlocked creative possibilities that set their projects apart, uniquely combining blocky voxel environments with real-time ray-tracing lighting. This technical foundation supports a thriving modding community, with 10,000+ user-created mods and rapidly growing.

Highlighting the strength of the modding community, players have even begun creating multiplayer mods despite the feature not being officially released. Since launch, Teardown has received 20 major feature updates, adding new platforms, DLCs and an expanded campaign. Looking ahead, Tuxedo Labs remains committed to evolving Teardown alongside its players, with several initiatives currently being explored.

¹³) Early access in 2020 and full release in 2022.



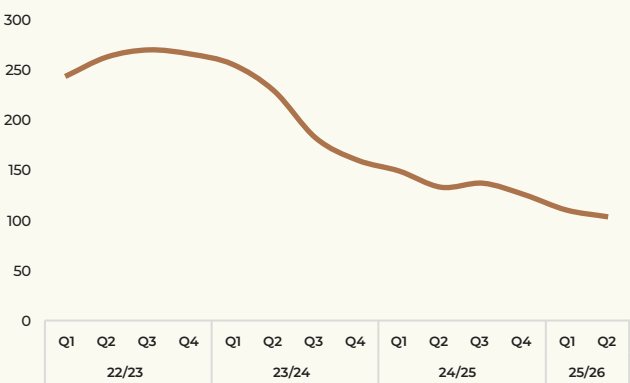
Welcome to Bloxburg

Fully released in 2016¹⁴, Welcome to Bloxburg is a life-simulation sandbox RPG created within the Roblox platform. It gives players the freedom to build and customize houses, take on jobs, earn in-game currency and roleplay in a persistent online city.

The game emphasizes creativity, social interaction and long-term engagement, with millions of players designing unique homes, forming communities and crafting personal stories with a catalog including approximately 4,000 unique items. Over the years, Welcome to Bloxburg has become one of Roblox's most iconic experiences, blending user-driven content with sandbox systems that encourage both casual play and deep immersion in its vibrant social world.

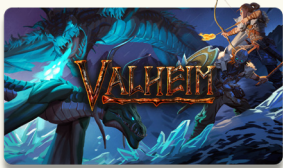
Since beginning as a solo project, Welcome to Bloxburg has grown into a team of 17 people, partnered with Coffee Stain and transitioned to free-to-play in 2024. It has reached 9.7 billion visits¹⁵ on its Roblox page, averages 10.5m MAU and 791k DAU, and has won multiple Roblox innovation awards. Bloxburg remains a top-earning Roblox game, relying on gameplay, without pay-to-win systems or random-chance mechanics such as loot boxes, to generate currency. However, in recent years, Welcome to Bloxburg has experienced a decline in both players and revenues.

Net sales LTM quarterly (SEK million)¹⁶



Identified key issues include increased competition, paid access impacting KPIs and discoverability, shifting player expectations and diminished trust due to previous design and economic changes. The new strategy focuses on rebuilding player trust with a switch to free-to-play, a major map update, management changes, greater transparency, streamlined production for faster content and updated core gameplay.

14) Closed beta in 2014 and open beta in 2016.
15) Roblox names play sessions as site visits.
16) Company information, as of October 2025.

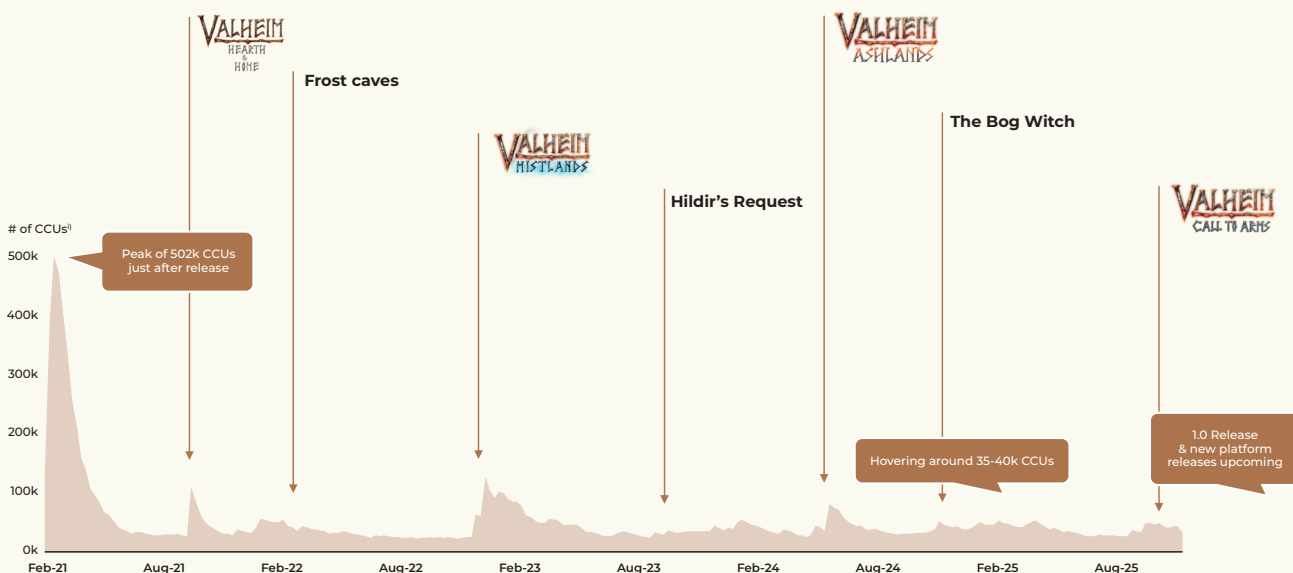


Valheim - Through partnership model

Developed by Iron Gate Studio and released in February 2021, Valheim is a survival and exploration game inspired by Norse mythology. Players awake in a procedurally generated world where they must gather resources, craft tools and weapons, build settlements, and face mythological beasts. Progression is tied to defeating powerful bosses, which unlock new tiers of technology and challenges.

Supporting both single-player and cooperative multiplayer, Valheim strikes a balance between combat, exploration, construction and survival, giving players the freedom to carve their own path in a hostile but beautiful world. The game has become one of the most successful indie titles of its generation, selling 16 million copies worldwide with an average playtime of 66 hours and winning multiple awards like the 2021 Game of the Year from PC Gamer. Currently available on Steam, Windows and Xbox, a PlayStation release is planned for 2026.

Valheim CCUs¹⁷



Launching with a bang in early access and shattering all Company goals, Valheim peaked at 502k CCUs and has since stabilized around 35-40k CCUs, with temporary increases after major updates. The game also features cross-play which allows players to enjoy it across different systems, and a dedicated server software that allows players to set up their own worlds that can run at all times. The upcoming 1.0 and PS5 releases are expected to expand the game's reach and solidify its market position.

Valheim is also a leading example of Coffee Stain's partnership model: Coffee Stain holds a 30% ownership stake (approximately 50% economics¹⁸ as an effect of the ownership combined with publishing) in Iron Gate Studio, while Iron Gate retains full control of intellectual property and creative vision. Through this partnership, Coffee Stain provides publishing expertise and long-term support, helping the title reach its full potential while enabling the developer to remain independent.

¹⁷) Steam as of November 2025, i) CCU data on weekly peak over period.



¹⁸) 30% of Iron Gate AB's net profit after tax recognised as share of profit of an associate in PNL.

SUPPORTING IPS

Coffee Stain owns more IPs than those in its core portfolio. The core titles generate a large share of revenue but also create the stability needed to invest in new and emerging studios. The operating model focuses on supporting lean, promising teams over long periods, with the understanding that the first releases rarely become major successes and that predicting when a breakout hit will occur is difficult. Coffee Stain's own history demonstrates this, having produced several modest titles before releases of breakthrough titles.

Supporting IPs, often created by teams working on their first or second game, may have a limited commercial impact today but are high-quality projects with strong community reception. A key part of the model is to give these teams a high degree of autonomy while scaling budgets and team sizes in line with actual success. This ensures disciplined capital allocation while preserving the opportunity for future breakout hits.

Overview of selected other titles¹⁹

Selected other titles					
	Steam reviews 95%		Steam reviews 86%		Steam reviews 86%
	92%		84%	+ Others	
	90%		77%		

FELLOWSHIP

Following a transfer from Arc Games which was divested from Embracer Group on 26 November 2025, the publishing rights for the multiplayer online game Fellowship was transferred to Coffee Stain Group on 30 November 2025. The value of the intangible asset transfer amounts to USD 18 million and will be transferred in an entirely non-cash transaction. Coffee Stain Group expects a neutral Cash EBIT impact until the full version of the game.



Fellowship was released as early access on PC on 16 October 2025 and is developed by the Stockholm-based game studio Chief Rebel. Chief Rebel will continue as the developer, with a team of 35 people working toward the full version of the game.

Fellowship has sold 340k²⁰ copies globally and shortly following release, it reached the Steam top list over the most sold games.

Fellowship fits well into the Coffee Stain Group as a unique game developed with a gameplay first mindset and with a strong emphasis on the community focus. Following a strong release, offering a solid foundation to build on with early traction, Coffee Stain sees potential in scaling the product and enhancing community engagement.

Fellowship is a multiplayer dungeon adventure game set in an engaging fantasy world with endlessly scaling dungeon runs. The game centers on four-player parties tackling progressively challenging dungeons, where success depends on coordination, timing and strategy. Players select specific heroes from three different classes, tanks, healers and damage dealers, and together face difficult encounters against various enemies and bosses with complex mechanics.

Each completed run advances player progression by providing gear and cosmetics, encouraging continued play, refinement of gear setups, experimentation with different hero combinations, and ultimately competition on leaderboards. New heroes, skins and cosmetics, enemy difficulty modifiers and dungeons will be released over time to keep the experience fresh, while a mix of quick play runs and more demanding challenge dungeons caters to a broad audience. Taken together, this focus on team-based play, escalating difficulty and repeatable endgame-style content, positions Fellowship as a streamlined, dungeon-first alternative to traditional MMO²¹ experiences.

¹⁹⁾ Steam as of October 2025.
²⁰⁾ Steam as of November 2025.
²¹⁾ Massively Multiplayer Online.

GROWTH AVENUES

Coffee Stain intends to maintain its existing operating model, given its proven record of success. By remaining aligned with core values, continuing to foster a positive culture and learn from past mistakes, Coffee Stain believes that employees will continue to drive growth. Concrete growth avenues can be divided into two sections: focus avenues and additional potential avenues.

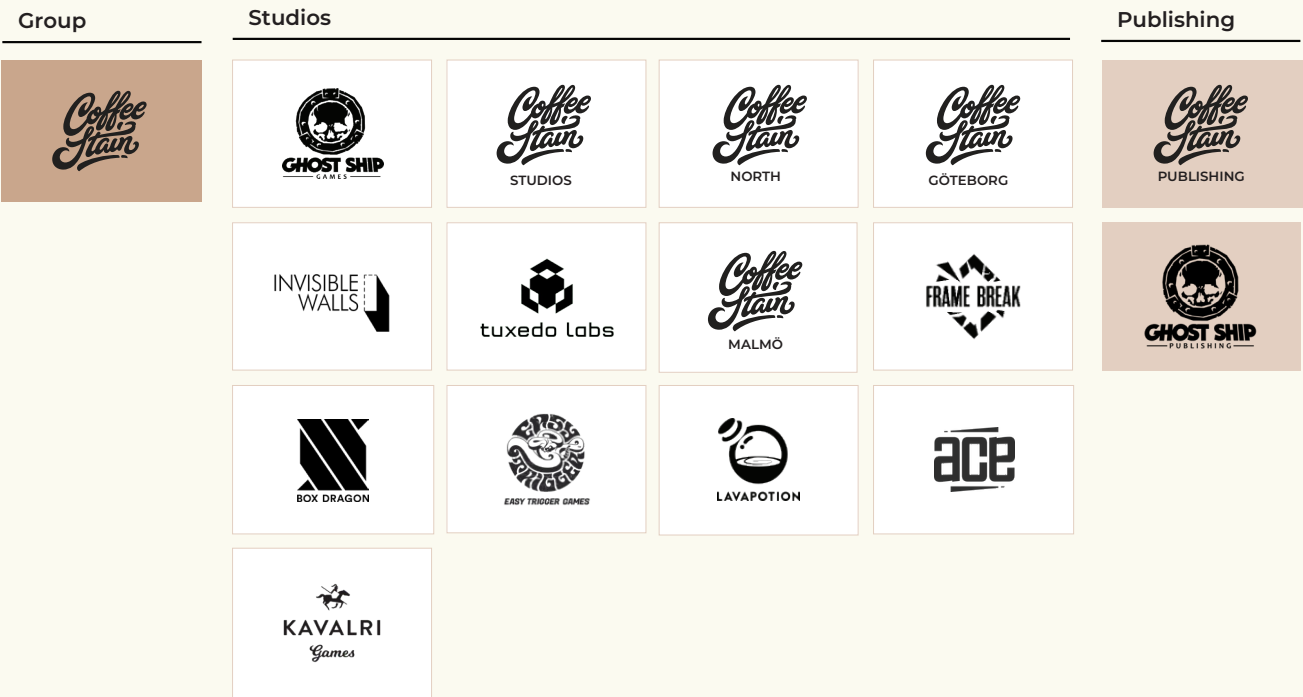
Focus avenues include the development of existing IPs, in particular the six core titles that are continuously expanded through additional content and platform adaptations to broaden their reach, and creation of new IPs. The performance of the six core titles allow for continuous resource allocation and investments in new IPs, which, if they gain traction, can be scaled up and integrated into the Coffee Stain model. New IPs also support sustained community engagement and the attraction of new players. Additional potential avenues are considered and include selected M&A and partnership opportunities, primarily with studios already connected through publishing.

ORGANIZATIONAL STRUCTURE

The Group's corporate structure

The Group is structured around a portfolio of 13 majority owned studios focused on PC & Console and Mobile. In total there are around 250 full-time equivalents (FTEs) within the Group as of 30 September 2025.

Organizational chart²²



Newer consoles are built with architectures more comparable to gaming PCs, making the transition of titles between platforms less resource intensive. At the same time, the rise of remote play, which allows resource-demanding games to be enjoyed on simpler devices such as phones through cloud infrastructure, lowers barriers to entry and expands geographical reach. For Coffee Stain, this means less complex porting, broader platform presence and direct access to a larger pool of potential players.

DIVIDEND POLICY

The Group's aim is to distribute excess liquidity to shareholders, while maintaining a strong financial position. The long-term principle is for capital to be allocated to investments in sustainable organic growth, value-creating M&A and to return excess capital to shareholders. Each year the Board of Directors shall evaluate the possibility of distributing a dividend after taking into account the development of the business as well as its operating profit and financial position.

22) Excludes minority owned studios: Iron Gate (30% ownership), Other Tales Interactive (18.4% ownership), Great Ape Games (10.18% ownership) and Ugly Duckling Games (30% ownership).

SELECTED HISTORICAL FINANCIAL INFORMATION

The historical financial information covered by the Company Description consists of Coffee Stain's historical financial information for the financial years 1 April 2024 - 31 March 2025 and 1 April 2023 - 31 March 2024, which has been prepared in accordance with IFRS® Accounting Standards (IFRS) published by the International Accounting Standards Board (IASB) and interpretations that have been issued by IFRS Interpretations Committee (IFRS IC) as they have been adopted by the European Union (EU). Furthermore, Coffee Stain applies the Swedish Annual Accounts Act (1995:1554) and RFR 1 "Supplementary Accounting Rules for Groups" issued by the Swedish Corporate Reporting Board.

All entities comprising the Coffee Stain Group were not under the direct control of Coffee Stain Group AB (publ) for the historical periods presented. Coffee Stain Group therefore presents the historical financial information as combined financial statements. The term "combined financial statements" refers to financial information prepared by aggregating financial information for entities under common control that do not meet the definition of a group according to IFRS 10. IFRS does not specifically address the preparation of combined financial statements. However, all entities combined as a part of the Coffee Stain Group have been under common control via Embracer Group AB's ownership for all periods presented. As these transactions are not covered by any IFRS standard, a suitable accounting principle has been applied in accordance with IAS 8. A suitable and established method is to use the previous carrying amount (predecessor basis of accounting), which is the principle that the Coffee Stain Group has applied. This entails that the assets and liabilities of the units comprising Coffee Stain Group have been aggregated and recognized based on the carrying amounts they represent in Embracer Group AB's consolidated financial statements from the date they became part of the Embracer Group.

The historical financial information for the financial years 1 April 2024 - 31 March 2025 and 1 April 2023 - 31 March 2024 has been audited by the Company's auditor.

The Company Description also includes Coffee Stain's historical interim financial information for the period 1 April 2025 - 30 September 2025, with comparative financial figures for the corresponding period for the previous financial year. Coffee Stain's interim financial information has been prepared in accordance with IAS 34 Interim Financial Reporting and the applicable parts of the Annual Accounts Act and has been reviewed, not audited, by the Company's auditor in accordance with "ISRE 2410 - Review of Interim Financial Statements Performed by the Independent Auditor of the Entity".

The historical financial information referred to above has been incorporated in the Company Description by reference, see the section "Documents incorporated by reference". The documents that Coffee Stain has chosen to incorporate by reference are available on the Company's website, www.coffeestain.com.

The information in this section should be read in conjunction with the sections "Comments to the selected historical financial information" and "Capital structure, indebtedness and other financial information".

No information in the Company Description, other than as set out above, has been audited or reviewed by the Company's auditor unless expressly stated otherwise.

COMBINED STATEMENT OF PROFIT OR LOSS

	1 April 2025 – 30 September 2025	1 April 2024 – 30 September 2024	1 April 2024 – 31 March 2025	1 April 2023 – 31 March 2024
SEK million	Unaudited	Unaudited	Audited	Audited
Net sales	408	484	1,089	1,085
Other operating income	1	0	6	2
Total operating income	409	484	1,095	1,087
Work performed by the Company for its own use and capitalized	66	77	146	155
Goods for resale	-46	-50	-117	-109
Other external expenses	-96	-63	-121	-159
Personnel expenses	-118	-122	-255	-239
Depreciation, amortization and impairment	-162	-190	-431	-337
Other operating expenses	-7	-6	-4	-4
Share of profit of an associate	1	4	9	9
Operating profit/loss (EBIT)	46	133	322	404
Net financial items	-47	-40	-59	9
Profit/loss before tax	-1	93	264	412
Income tax	2	-26	-72	-93
Net profit/loss for the period	1	67	192	319

COMBINED STATEMENT OF FINANCIAL POSITION

	30 September 2025	31 March 2025	31 March 2024
SEK million	<i>Unaudited</i>	<i>Audited</i>	<i>Audited</i>
ASSETS			
Non-current assets			
Goodwill	2,042	2,019	2,097
Intangible assets	847	918	1,088
Property, plant and equipment	14	17	17
Right-of-use assets	27	24	26
Investments in associates	244	243	231
Non-current financial assets	13	14	33
Deferred tax assets	18	4	2
Total non-current assets	3,205	3,239	3,492
Current assets			
Trade receivables	108	188	276
Current tax assets	0	54	74
Other receivables	20	42	121
Prepaid expenses	10	9	11
Cash and cash equivalents	269	472	312
Total current assets	408	766	794
TOTAL ASSETS	3,613	4,005	4,287

COMBINED STATEMENT OF FINANCIAL POSITION (cont.)

	30 September 2025	31 March 2025	31 March 2024
SEK million	<i>Unaudited</i>	<i>Audited</i>	<i>Audited</i>
EQUITY AND LIABILITIES			
Equity			
Share capital	1	0	0
Reserves	126	100	192
Retained earnings, including net profit	3,081	1,347	1,465
Total equity attributable to equity holders of the parent	3,208	1,447	1,656
Non-controlling interests	21	9	8
Total equity	3,229	1,456	1,664
Non-current liabilities			
Liabilities to owners	-	1,631	1,632
Lease liabilities	10	10	12
Provisions	0	0	0
Contingent considerations	21	53	60
Non-current liabilities to employees related to historical acquisitions	10	9	27
Deferred tax liabilities	168	195	225
Total non-current liabilities	210	1,898	1,957
Current liabilities			
Trade payables	47	59	70
Lease liabilities	16	14	13
Contract liabilities	0	7	-
Contingent considerations	15	-	6
Tax liabilities	10	0	0
Liabilities to owners	-	425	464
Other current liabilities	14	6	5
Accrued expenses and prepaid income	72	141	107
Total current liabilities	173	652	666
TOTAL EQUITY AND LIABILITIES	3,613	4,005	4,287

COMBINED CASH FLOW STATEMENT

SEK million	1 April 2025 – 30 September 2025	1 April 2024 – 30 September 2024	1 April 2024 – 31 March 2025	1 April 2023 – 31 March 2024
	Unaudited	Unaudited	Audited	Audited
Operating activities				
Profit/loss before tax	-1	93	264	412
Adjustments for difference between profit before tax and net cash flow	206	243	475	350
Tax paid	27	41	-4	-130
Cash flow from operating activities before changes in working capital	232	377	735	632
Cash flow from changes in working capital				
Change in operating receivables	73	89	88	290
Change in operating liabilities	-44	-46	24	-188
Cash flow from operating activities	261	420	847	734
Investing activities				
Acquisition of property, plant and equipment	-	-5	-6	-8
Acquisition of intangible assets	-89	-127	-226	-219
Acquisition of subsidiaries, net of cash acquired ¹⁾	-	-	-	-87
Acquisition of financial assets	-	-	2	-6
Cash flow from investing activities	-89	-132	-230	-320
Financing activities				
Proceeds from borrowings	1	-	-	5
Transactions with owners	-367	-14	-439	-679
Payment of lease liabilities	-9	-9	-17	-17
Cash flow from financing activities	-375	-23	-456	-691
Total cashflow	-203	265	161	-277
Cash and cash equivalents at the beginning of period	472	312	312	586
Exchange-rate differences in cash and cash equivalents	0	4	-1	3
Cash and cash equivalents at the end of period	269	576	472	312

1) The change in the year refers to historical acquisitions.

KEY PERFORMANCE INDICATORS (KPIs)

The Board of Directors and management of Coffee Stain believes that it is important to separate the operational performance of the business from the acquisition part. Certain KPIs are used to accomplish and give internal and external stakeholders the best picture of the underlying operational performance of the business, by the measurement of performance excluding specific items related to historical acquisitions and items affecting comparability. The individual KPIs, definitions, and purpose are described more in detail below.

These KPIs, as defined by Coffee Stain, should not be compared to other similarly titled performance measures used

by other companies. This is because the aforementioned performance measures are not always defined in the same way and other companies may calculate them in a different way. For definitions and the reason for the use of KPIs, see below under the heading "*Definitions of KPIs*".

The table below shows Coffee Stain's selected KPIs, described in alphabetical order, for the financial years 1 April 2023 – 31 March 2024, 1 April 2024 – 31 March 2025, as well as for the interim period 1 April 2025 – 30 September 2025 with comparative figures for the corresponding period in 2024.

Unless otherwise stated, no KPIs have been audited or reviewed by the Company's auditor.

SEK million (unless otherwise stated)	1 April 2025 – 30 September 2025	1 April 2024 – 30 September 2024	1 April 2024 – 31 March 2025	1 April 2023 – 31 March 2024
Adjusted EBIT	126	240	544	606
Adjusted EBIT margin, %	31	50	50	56
Cash EBIT	106	189	484	510
Cash EBIT margin, %	26	39	44	47
Free cash flow before working capital	135	236	486	389
Free cash flow after working capital	163	279	598	491
Net sales ¹⁾	408	484	1,089	1,085

¹⁾ Audited for financial years 1 April 2023 – 31 March 2024 as well as 1 April 2024 – 31 March 2025. Unaudited for the stated interim periods.

DEFINITIONS OF KPIS

KPI	Definition
Adjusted EBIT	EBIT excluding specific items related to historical acquisitions and items affecting comparability.
Adjusted EBIT margin, %	Adjusted EBIT as a percentage of net sales.
Cash EBIT	Adjusted EBIT excluding operational depreciation and amortization expenses, less gross investments and payments of lease liabilities.
Cash EBIT margin, %	Cash EBIT as percentage of net sales.
Free cash flow before working capital	Cash EBIT less tax paid, other cash flow items and cash effect from items affecting comparability.
Free cash flow after working capital	Cash EBIT less tax paid, other cash flow items, changes in working capital and cash effect from items affecting comparability.

RECONCILIATION TABLES FOR KPIS

Adjusted EBIT and Adjusted EBIT margin, %

SEK million (unless otherwise stated)	1 April 2025 – 30 September 2025	1 April 2024 – 30 September 2024	1 April 2024 – 31 March 2025	1 April 2023 – 31 March 2024
EBIT	46	133	322	404
Acquisition related amortizations	78	80	168	187
Items affecting comparability	0	20	72	–
Personnel costs related to acquisitions	1	8	-18	16
Adjusted EBIT	126	240	544	606
Net sales	408	484	1,089	1,085
Adjusted EBIT margin, %	31	50	50	56

Cash EBIT and Cash EBIT margin, %

SEK million (unless otherwise stated)	1 April 2025 – 30 September 2025	1 April 2024 – 30 September 2024	1 April 2024 – 31 March 2025	1 April 2023 – 31 March 2024
Adjusted EBIT	126	240	544	606
Operational depreciation and amortization expenses	84	91	192	150
Gross investments in intangible and tangible assets	-95	-133	-234	-230
Payment of lease liabilities	-9	-9	-17	-16
Cash EBIT	106	189	484	510
Net sales	408	484	1,089	1,085
Cash EBIT margin, %	26	39	44	47

Free cash flow before and after working capital

SEK million (unless otherwise stated)	1 April 2025 – 30 September 2025	1 April 2024 – 30 September 2024	1 April 2024 – 31 March 2025	1 April 2023 – 31 March 2024
Cash EBIT	106	189	484	510
Tax paid	27	41	-4	-130
Other cash flow items	2	6	6	9
Free cash flow before working capital	135	236	486	389
Changes in working capital	29	43	112	102
Free cash flow after working capital	163	279	598	491

Items affecting comparability

SEK million (unless otherwise stated)	1 April 2025 – 30 September 2025	1 April 2024 – 30 September 2024	1 April 2024 – 31 March 2025	1 April 2023 – 31 March 2024
Write-down intangible assets	–	-20	-73	–
Items affecting comparability	–	-20	-73	–

Components used for reconciliation of KPIs

SEK million (unless otherwise stated)	1 April 2025 – 30 September 2025	1 April 2024 – 30 September 2024	1 April 2024 – 31 March 2025	1 April 2023 – 31 March 2024
Operational depreciation and amortization expenses	84	91	192	150
Acquisition related amortizations	78	80	168	187
Items affecting comparability	-	20	73	–

COMMENTS TO THE FINANCIAL DEVELOPMENT

This section should be read together with the section "Selected Historical Financial Information" and the section "Capital structure, indebtedness and other financial information" and the financial reports incorporate by reference, see section "Documents incorporated by reference". This section contains forward-looking statements that include risks and uncertainties. The actual results of Coffee Stain may differ significantly from those discussed in the forward-looking information as a result of various factors.

KEY FACTORS TO UNDERSTAND THE GROUP'S FINANCIAL RESULTS

The financial performance of Coffee Stain is influenced by a range of internal and external factors that can affect both revenue growth and profitability.

The following factors can impact the Group's financial performance:

- Product portfolio performance and timing of releases
- Development and production strategy
- Working capital fluctuations
- Foreign exchange exposure

Product portfolio performance and timing of releases

Coffee Stain's revenue and profitability are closely linked to the timing and performance of its game releases. Given the project-based nature of the business, quarterly volatility is expected. Periods with major releases generally generate higher revenue and profit, while other periods may show lower activity levels.

Development and production strategy

Coffee Stain applies a disciplined approach to development spending, where the aim is to find a balance between investments in core titles and new initiatives.

For the financial year 2024/2025, approximately 80% of total operating costs are related to the development and maintenance of core games, while the remaining 20% was invested in new projects, primarily within internal studios. The Group continuously monitors total development costs, both expensed and capitalized, to ensure that creative output supports long-term financial sustainability.

Working capital fluctuations

The working capital can vary significantly between quarters, mainly due to:

- Payment cycles from digital platforms (typically 30 to 50 days from the date of sale of a game).
- Timing of royalty settlements to external developers.
- Platform agreements with third parties, where payment milestones may be different with the timing of revenue recognition.

Foreign exchange exposure

In the financial year 2024/2025, 95% of Coffee Stain's net sales were related to USD, while majority of operating costs were incurred in SEK and DKK. This created significant exposure to USD/SEK fluctuations.

KEY ITEMS IN THE FINANCIAL STATEMENTS

Combined financial information

For historical periods, not all entities were under the direct control of Coffee Stain Group AB (publ). Therefore, the Group presents combined financial statements to provide a consistent view of operations. Refer to the restated historical financial information for Coffee Stain for the financial years 2023/2024 and 2024/2025 incorporated into the Company Description by reference, see section "Documents incorporated by reference".

Net sales

Net sales primarily comprise sales-based royalties, net of platform fees from third-party gaming platforms such as Steam, PlayStation, Microsoft and Xbox. Revenue is recognized when the performance obligation is satisfied, generally when the license to a game is made available and subsequent sales occur. In addition, Coffee Stain historical had net sales from platform agreements with third parties, where games are provided under exclusive or time-limited rights. These revenues are recognized when the performance obligations are fulfilled, typically upon delivery of the game.

Goods for resale

Goods for resale mainly include royalty paid to external developers and license fees paid to external technology partners (engine licenses).

Goodwill

Goodwill is tested for impairment at least annually, or more frequently if indicators of impairment arise. Cash-generating unit are assessed at the Group level, as Coffee Stain operates as an integrated operating structure.

IP rights

IP rights acquired in business combinations relate to game software, titles, and other intellectual properties. These are measured at fair value at acquisition, less amortization. Amortization is calculated on a straight-line basis over 5–7 years, reflecting the estimated useful life of the assets.

Game development projects

The Group capitalizes certain development expenditures based, among other things, on the assessment that future economic benefits will be generated by the asset and that it is technically possible to complete the asset. The completed game development projects are amortized using a declining useful time for two years.

COMPARISON BETWEEN THE FINANCIAL YEAR ENDED 31 MARCH 2025 AND THE FINANCIAL YEAR ENDED 31 MARCH 2024

In this section, all figures in brackets refer to the corresponding period of the preceding year ending 31 March 2024, unless otherwise stated.

Net sales

Net sales for the financial year 2024/2025 amounted to SEK 1,089 million (1,085). The uplift effect from new game releases and partnership deals represented approximately 20% of total net sales, which is in line with the comparison period. The effect from releases was mainly driven by the successful release of Satisfactory 1.0 in September 2024 and revenue from platform-deals related to Goat Simulator.

Other external expenses

Other external expenses for the financial year 2024/2025 amounted to SEK -121 million (-159). The decrease was primarily attributable to lower external development costs from external developers support for ongoing development projects and a reclassification of game engine fee to goods for resale.

Personnel expenses

Personnel expenses for the financial year 2024/2025 amounted to SEK -255 million (-239), where personnel expenses related to historical acquisitions as part of the purchase price amounted to SEK 18 million (-15).

Depreciation, amortization and impairment

Depreciation, amortization and impairment for the financial year 2024/2025 amounted to SEK -431 million (-337). Where operational depreciation increased to SEK -192 million (-150) driven mainly by higher amount of finished game development projects in the period. Non-cash write down of intangible assets for the financial year 2024/2025 amounted to SEK -72 million (0) related to discontinued ongoing projects and teams.

EBIT / Cash EBIT

EBIT for the financial year 2024/2025 amounted to SEK 322 million (404), the decrease was mainly driven by increased cost for depreciation, amortization and impairment. Cash EBIT for the financial year 2024/2025 amounted to SEK 484 million (510) where decrease mainly relates to increased operational personnel cost (excluding personnel costs related to acquisitions).

Cash flow and financial position

Free cash flow before changes in working capital for the financial year 2024/2025 amounted to SEK 486 million (389), an increase mainly driven by lower tax payments following historical group contributions made to Embracer Group. Tax paid for the financial year 2024/2025 amounted to SEK -4 million (-130).

Changes in working capital for the financial year 2024/2025 amounted to SEK 112 million (102). The positive change in operating receivables of SEK 88 million was primarily attributable to the payment timing effect game releases and platform deals at the end of the financial year 2023/2024, which positively impacted cash flow at the beginning of the financial year 2024/2025.

Free cash flow after changes in working capital for the financial year 2024/2025 amounted to SEK 598 million (491). Cash flow from financing activities for the financial year 2024/2025 amounted to SEK -456 million (-691) million, of which SEK -439 million (-679) relates to transactions with Embracer Group AB, primarily for group contributions made.

As of 31 March 2025, cash and cash equivalents amounted to SEK 472 million (312).

COMPARISON BETWEEN THE SIX MONTHS' PERIOD 1 APRIL – 30 SEPTEMBER 2025 AND 1 APRIL – 30 SEPTEMBER 2024

In this section, all figures in brackets refer to the corresponding period of the preceding period ending 30 September 2024, unless otherwise stated.

Net sales

Net sales for the period 1 April – 30 September 2025 amounted to SEK 408 million (484), a decrease of -7% (organic in constant currencies) compared to previous year. The decline is mainly driven by currency headwinds, where USD/SEK -9,2% year-over-year (explaining gap on nominal to organic growth) and lower contribution from back-catalogue sales.

EBIT / Cash EBIT

EBIT for the period 1 April – 30 September 2025 amounted to SEK 46 million (133), reflecting the quarter's lower net sales and higher share of development cost expensed instead of being capitalized compared to the corresponding period for the previous financial year. The comparison period also included a non-cash impairment of intangible assets of SEK -20 million, related to a discontinued third-party project. Acquisition-related amortization for the period 1 April – 30 September 2025 amounted to SEK -78 million (-80).

Cash EBIT amounted to SEK 106 million (189), corresponding a 26% (39%) margin. The decrease compared to the corresponding period for the previous financial year mainly reflects lower net sales while operational cost base remained stable.

Net profit/loss for the period

Net profit/loss for the period 1 April – 30 September 2025 amounted to SEK 1 million (67). Net financial items for the period 1 April – 30 September 2025 amounted to SEK -47 million (-40) and included interest expenses for liabilities to Embracer Group of SEK -21 million (-17) and exchange rate losses of SEK -24 million (-21).

Income tax for the period 1 April – 30 September 2025 amounted to SEK 2 million (-26), where current income tax amounted to SEK -38 million (-45) and deferred tax amounted to SEK 40 million (19).

Cash flow and financial position

Free cash flow after working capital for the period 1 April – 30 September 2025 amounted to SEK 163 million (279) including a positive working capital change of SEK 29 million (43) and tax received of SEK 27 million (41), where tax received was driven mainly by historical group contributions to Embracer Group.

Cash flow from operating activities before working capital amounted to SEK 232 million (377) reflecting the decreased Cash EBIT and also a higher degree of expensed development costs compared to the corresponding period for the previous year.

Cash flow from financing activities amounted to SEK -375 million (-23) where SEK -367 million is loan repayments and group contribution made to Embracer Group during the period.

As per 30 September 2025, Cash and cash equivalents amounted to SEK 269 million (576). Net cash, including obligations from historical acquisitions with an expected cash settlement, amounted to SEK 234 million (509).

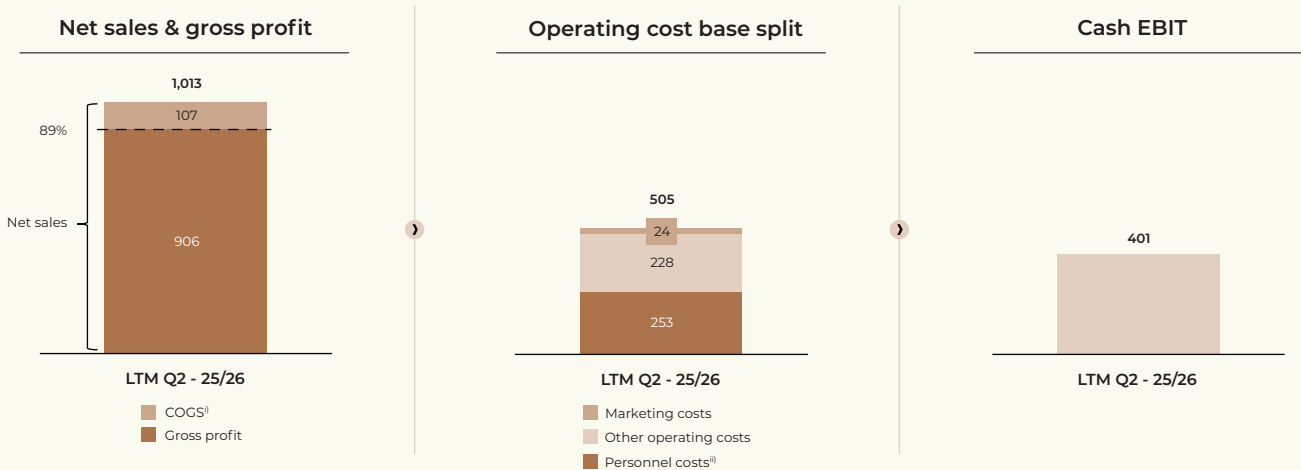
LTM PERFORMANCE

Over the last twelve months (LTM Q2 - 25/26), Coffee Stain's financial profile has been characterized by a high gross margin, supported by its digital business model and high degree of IP ownership.

Approximately 80% of LTM Q2 - 25/26 operating costs are allocated into core games, while 20% is allocated to new titles, the majority of which are developed within owned studios. Other operating costs primarily relate to support from external partners during development peaks in core games, and marketing expenditure is kept deliberately low, reflecting the view that the most effective marketing is the game itself and its community.

Combining a strong gross margin and a lean fixed cost base results in a robust cash EBIT margin, which in turn provides significant flexibility in capital allocation decisions.

LTM Q2 - 25/26 Net Sales to Cash EBIT bridge (SEK million)ⁱ⁾

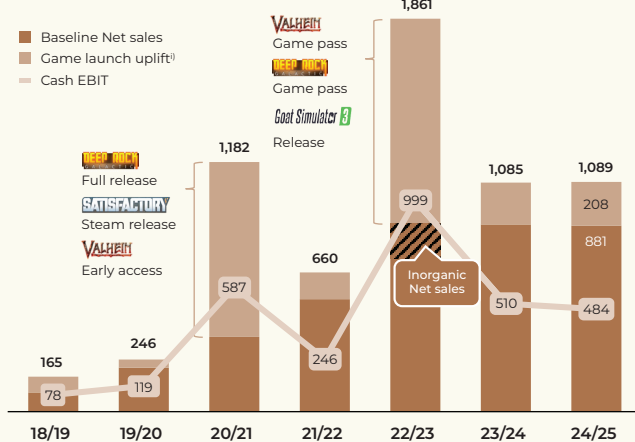


1) Company information, i) Goods for resale and share of profit of an associate, ii) Excluding personnel related ACQ cost and contractors.

HISTORICAL DEVELOPMENT

Coffee Stain has historically expanded its baseline Net sales over time, growing at a 34% CAGR from FY19/20 to FY24/25. Upside from releases, the game launch uplift enables the Company to fund additional projects and pursue strategic investments aimed at further growing the baseline Net sales. The increasing baseline Net sales, combined with Coffee Stain's lean cost base, has historically supported a consistently strong cash EBIT.

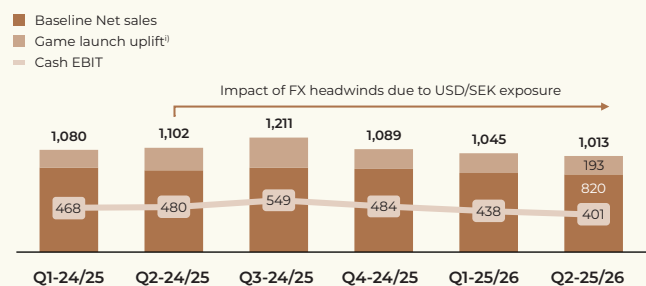
Net sales² and Cash EBIT (SEK million)³



Over the last twelve months (LTM Q2 - 25/26), Net sales have shown a slight decline, highlighting the importance of new game releases and updates. The decline is also due to currency effects, as more than 90% of Net sales are denominated in USD while most costs are incurred in SEK or DKK. Thus, FX movements impact results from quarter to quarter.

From a longer-term perspective, quarterly fluctuations are less decisive; new content and updates remain the primary drivers of additional cash generation.

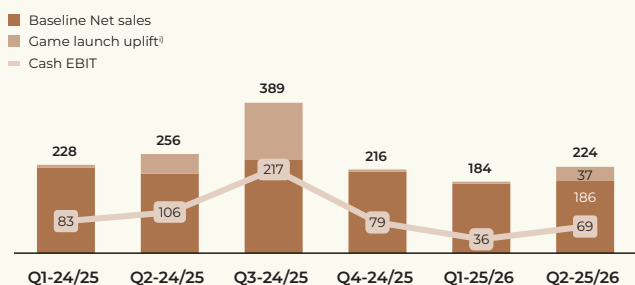
Net sales and Cash EBIT, LTM (SEK million)⁵



QUARTERLY SWINGS, DURABLE TREND

The game launch uplift effect naturally introduces quarterly volatility in net sales and cash EBIT, as results are tied to the timing of game launches and major content updates. Despite this variability, Coffee Stain has consistently maintained a solid cash EBIT margin, underscoring Coffee Stain's ability to effectively manage the volatility.

Net sales and Cash EBIT, quarterly (SEK million)⁴



2) New studios added to the Coffee Stain Group as of 21/22: Frame Break & Invisible Walls, 22/23: Welcome to Bloxburg and Tuxedo Labs, 23/24: Kavalari & Mediocre.

3) Company information, i) Game launch uplift: impact of releases and deals within 60 days post-launch.

4) Company information, i) Game launch uplift: impact of releases and deals within 60 days post-launch.

5) Company information, i) Game launch uplift: impact of releases and deals within 60 days post-launch.

HIGH CASH CONVERSION PROVIDES CAPITAL ALLOCATION OPTIONALITY

Coffee Stain's cash conversion is reached due to its lean and efficient operating model. Historically, reported tax payments have been lower, as taxable profits have been transferred to the parent company (Embracer Group) through group contributions. Working capital swings primarily reflect payment terms and royalties paid to

partner studios. Going forward, these swings are expected to have a less positive impact on the cash flow.

The strong cash generation provides the Company with financial flexibility and strategic optionality. In line with this, the dividend policy states that, when attractive opportunities are available, capital will be reinvested into growth; otherwise, capital will be returned to shareholders.

Free cash flow conversion⁶

SEKm	23/24	24/25	LTM Q2 - 25/26	Average
Cash EBIT	510	484	401	
Tax paid	(130)	(4)	(18)	
Other cash flow items	9	6	1	
FCF before changes in working capital	389	486	384	
Changes in working capital	102	112	98	
FCF after changes in working capital	491	598	482	
Cash conversion (%) ⁱ⁾	96%	123%	120%	113%
Transactions with owners ⁱⁱ⁾	(679)	(439)	(792)	
Other cash flow from financing activities ⁱⁱⁱ⁾	(1)	2	3	
Net cash flow from acquired/divested companies	(87)	0	0	
Cash flow	(277)	161	(307)	
Cash flow (excluding transactions with owners)	402	600	485	

FINANCIAL POSITION

As of Q2 - 25/26, Coffee Stain has a pro-forma cash position of SEK 500m⁷ on a debt-free basis. Combined with a strong balance sheet, a prudent level of capitalization and substantial headroom in goodwill impairment testing, Coffee Stain consider it to have a strong financial position.

Net cash overview⁸

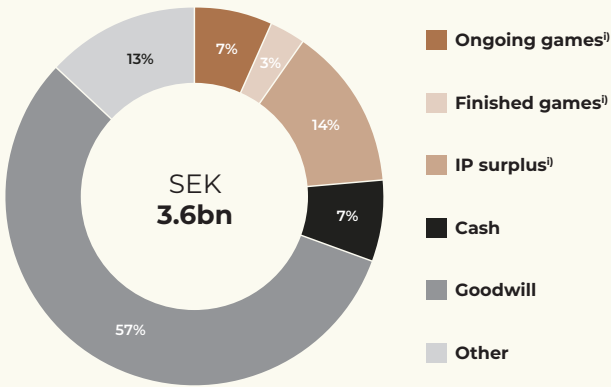
SEKm	23/24	24/25	Q2 - 25/26
Cash and cash equivalents	312	472	269
Liabilities to credit institutions	0	0	0
Net cash excl. contingent considerations	312	472	269
Contingent considerations	(66)	(53)	(35)
Net cash incl. contingent considerations	246	419	234
Leverage ratio	N.A.	N.A.	N.A.

6) Company information, i) Defined as: Free cash flow after working capital / Cash EBIT, ii) Corresponding to transactions with Embracer Group, iii) Includes acquisitions of financial assets and proceeds from borrowings.

7) As announced on 17 November 2025, the Coffee Stain pro-forma Q2 - 25/26 cash position amounts to SEK 500m, excluding contingent considerations of SEK 35m. However, the cash position at the time of the listing will amount to SEK 500m plus (less) any additional (reduced) cash generated from 30 September 2025 attributable to Coffee Stain.

8) Company information.

Total assets Q2 – 25/26⁹⁾



COFFEE STAIN IS PROFITABLE, LEAN AND BUILT TO LAST

Coffee Stain has a proven track record, with four-year average Net sales of around SEK 1.2 billion and a FY24/25 cash EBIT margin of 44%. The game portfolio is structured for the long-term with a strong baseline Net sales, complemented by launch-driven upside. In FY24/25, the core portfolio accounted for approximately 90% of sales, with an average title age of seven years, highlighting the longevity of the titles.

Small, autonomous teams that scale with the success of the titles drive strong profitability and cash generation. A strong balance sheet, characterized by a strong net cash position and no external debt, provides flexibility to pursue continued investments in the game portfolio and M&A when attractive opportunities arise. Capital is allocated with discipline, prioritizing growth initiatives where returns are compelling. When such opportunities are limited, surplus capital are intended to be returned to the shareholders.

9) Company information, i) Intangible assets: ongoing games, finished games and IP surplus.

CAPITAL STRUCTURE AND OTHER FINANCIAL INFORMATION

The tables below show the Company's capitalization and indebtedness on a stand-alone basis as of 30 September 2025 and the Company's capitalization and indebtedness following the Listing. The information below shall be read together with the sections "Selected historical financial information" and "Comments to the financial development". See also section "Share capital and ownership structure" for more information about the Company's share capital and shares.

CAPITAL STRUCTURE

As of 30 September 2025, the Group's total capitalization amounted to SEK 3,230 million of which the Company's share capital amounted to SEK 1 million. As of 30 September 2025, the Group's total financial indebtedness amounted to SEK 71 million and the Company had no pledged assets or contingent liabilities.

The following tables, which includes both current and non-current interest-bearing liabilities, present the Group's capitalization and indebtedness as follows:

- on an actual basis reflecting the carrying amounts on the Company's consolidated balance sheet as of 30 September 2025;
- on an adjusted basis to account for the unconditional shareholder contribution from Embracer Group as announced by Embracer Group on 17 November 2025 for purposes of leaving Coffee Stain with a pro-forma net cash position of SEK 500 million; and
- On an adjusted basis to account for the unconditional shareholder contribution from Embracer Group of SEK 174 million following the transfer of Fellowship Game rights as announced by Embracer Group on 26 November 2025.

STATEMENT OF CAPITALIZATION

SEK million	30 September 2025	Adjustments	Following adjustments
Current debt			
Guaranteed	–	–	–
Secured	–	–	–
Unguaranteed/unsecured	30	–	30
Total current debt (including current portion of non-current debt)	30	30	30
Non-current debt			
Guaranteed	–	–	–
Secured	–	–	–
Unguaranteed/unsecured	41	–	41
Total non-current debt (excluding current portion of non-current debt)	41	–	41
Equity			
Share capital	1	0	1
Legal reserves	–	–	–
Other reserves	3,190	424	3,614
Total equity	3,191	424	3,615
Total capitalization	3,252	424	3,686

STATEMENT OF INDEBTEDNESS

SEK million	30 September 2025	Adjustments	Following adjustments
A - Cash	269	251	520
B - Cash equivalents	–	–	–
C - Other current financial assets	–	–	–
D - Liquidity (A + B + C)	269	251	520
E - Current financial debt (including debt instruments, but excluding current portion of non-current financial debt)	16	–	16
F - Current portion of non-current financial debt	15	–	15
G - Current financial indebtedness (E - F)	30	–	30
H - Net current financial indebtedness (G - D)	-239	-251	-490
I - Non-current financial debt (excluding current portion and debt instruments)	41	–	41
J - Debt instruments	–	–	–
K - Non-current trade and other payables	–	–	–
L - Non-current financial indebtedness (I + J + K)	41	–	41
M -Total financial indebtedness (H + L)	-198	-251	-449

STATEMENT REGARDING WORKING CAPITAL

The Company believes that its working capital as of the date of the Company Description is sufficient to meet the Company's needs during the coming twelve-month period. In this context, working capital refers to the Company's ability to access cash and cash equivalents in order to fulfil its payment obligations as they fall due for payment.

TRENDS

The Company is not aware of any requirements, undertakings or any public, financial, tax or monetary policy or other political actions that, directly or indirectly, have had or could significantly have had an impact on the Company's activities and prospects for the current financial year.

BOARD OF DIRECTORS, SENIOR EXECUTIVES AND AUDITOR

BOARD OF DIRECTORS

The Company’s Board of Directors consist of six members including the chair of the board, all of whom have been elected for the period up until the end of the 2026 annual general meeting. A description of the board members, their position, the year in which they were elected and proposed for election for the first time and whether they are regarded as independent in relation to the Company and senior executives and in relation to major shareholders is presented in the table below.

Name	Position	Board member since	Independent in relation to:	
			The Company and senior executives	Major shareholders
Jacob Jonmyren	Chair	2025	Yes	No
Sara Börsvik	Board member	2025	Yes	Yes
Henrik Tjärnström	Board member	2025	Yes	Yes
Kicki Wallje-Lund	Board member	2025	Yes	Yes
Anton Westbergh	Board member	2025	No	Yes
Lars Wingefors	Board member	2025	Yes	No



**JACOB JONMYREN
(BORN 1980)**

Chair of the Board of Directors

Education/background: Jacob Jonmyren holds a Master of Science in Accounting and Financial Management from Stockholm School of Economics and has studied Finance

at University of Wisconsin and Media & Communication Studies (Master level) at Stockholm University. Jacob Jonmyren has long experience from the financial markets.

Current assignments: Jacob Jonmyren is chair of the board of Lars Wingefors AB, Consilio International AB and Wise Birds AB. CEO and board member of Jacob Jonmyren Kapital AB. Board member of Asmodee Group AB, Embracer Group AB and Keep Pushing Group AB. Deputy board member of Abios Holding AB.

Previous assignments (past five years): Partner, Portfolio Manager & Head of Research and board member of RAM One AB. Board member of RAM Rational Asset Management AB, Wermlandssemlan Invest AB and Forskningsstiftelsen SSE-MBA. Board member and CEO of World Market Coverage i Stockholm AB.

Holdings in Embracer Group (and subsequently in the Company after the Distribution): As of date of the Company Description, Jacob Jonmyren owns no class A and 15,333 class B shares in Embracer Group, which, immediately following the Distribution, will correspond to the same number of class B shares in Coffee Stain. Jacob Jonmyren also owns a minority stake in Lars Wingefors AB, which is a majority shareholder of Embracer Group.



SARA BÖRSVIK (BORN 1982)

Board member

Education/background: Sara Börsvik holds an M.Sc. in Accounting and Finance from Gothenburg University. She is CFO of Epidemic Sound, a global soundtracking platform providing unrestricted music and

sound effects. She has extensive experience in finance, accounting and business control, having previously served as CEO and CFO at Bonnierförlagen AB, CFO at Rebtel and Head of Controlling at Tele2 Sweden.

Current assignments: Board member of Aktiebolaget Svensk Filmindustri, G5 Entertainment AB, BIMobject AB, Overtone Studios AB, Aentidote AB, Epidemic Sound NewCo Holding AB, Epidemic Sound NewCo AB, Epidemic Sound B.V., Epidemic Sound US Inc., Epidemic Sound UK Ltd., Soundly AS and Epidemic Sound France S.A.S. Board member and CFO of Epidemic Sound AB. Deputy board member of Mere Holding AB and Archipelago Games AB.

Previous assignments (past five years): Chair of the board of Mockingbird Publishing Software AB. CEO and board member of Bonnierförlagen Aktiebolag and Bokförlaget Maxström AB. Board member of SEMIC International Aktiebolag, New RebTel AB, SOFO Royale AB, Marbel Songs AB, Epidemic Sound Management AB, Epidemic Sound Holding AB, Rebtel Partners AB, Epidemic Sound MepCo AB, BZR Publishing AB, Romanus & Selling AB, Epidemic Sound MepCo 2 AB, BFA Bazar Förlag AB, Alpha Forlag A/S, Gutkind Forlag A/S, WSOY (Werner Söderström Ltd., Cappelen Holding AS and Rebtel AB. Deputy board member of Albert Bonniers Förlag Aktiebolag, Pocketgrossisten Sverige AB and RebTel Holding AB. Deputy auditor (Sw. revisorssuppleant) of Svenska Förläggareföreningen ek. för.

Holdings in Embracer Group (and subsequently in the Company after the Distribution): As of the date of the Company Description Sara Börsvik owns no class A shares and no class B shares in Embracer Group, which, immediately following the Distribution, will correspond to the same number of class A and B shares in Coffee Stain.



HENRIK TJÄRNSTRÖM (BORN 1970)

Board member

Education/background: Henrik Tjärnström holds an M.Sc. in Industrial Engineering and Management from Linköping University, Faculty of

Science and Engineering. Henrik has extensive leadership experience from international listed companies. He was CEO of Kindred Group (formerly Unibet Group) from 2010 to 2023, and earlier CFO. Before joining Kindred, he held senior finance roles at Skanska Infrastructure Development in Sweden and the UK. Since 2024 he is founder and CEO of BetCentury Group.

Current assignments: Board member of Football Analytics Sweden AB, HPT Mercator AB, PACUVIUS INVESTMENTS AB, Operational Imperium AB and CMD Support Service AB. CEO of BetCentury Group AB.

Previous assignments (past five years): Board member of Creaspac AB.

Holdings in Embracer Group (and subsequently in the Company after the Distribution): As of the date of the Company Description Henrik Tjärnström owns no class A shares and 360,166 class B shares in Embracer Group, which, immediately following the Distribution, will correspond to the same number of class A and B shares in Coffee Stain.



KICKI WALLJE-LUND (BORN 1953)

Board member

Education/background: Kicki Wallje-Lund has experience in business development from a variety of international companies, especially in the

IT sector, primarily for the banking and finance industry as well as board assignments for listed companies on Nasdaq Stockholm, Large and Small cap. She has held leading global positions in companies like NCR, Digital Equipment, AT & T, Philips, ICL and Unisys.

Current assignments: Deputy chair of the board of Embracer Group AB and Asmodee Group AB. Board member of Logvreten AB.

Previous assignments (past five years): Board member of C-Rad AB.

Holdings in Embracer Group (and subsequently in the Company after the Distribution): As of the date of the Company Description Kicki Wallje-Lund owns no class A shares and 17,700 class B shares in Embracer Group, which, immediately following the Distribution, will correspond to the same number of class A and B shares in Coffee Stain.



ANTON WESTBERGH (BORN 1985)

Board member and CEO

Education/background: Anton Westbergh studied computer science at the University of Skövde. Anton Westbergh is one of the co-founders of Coffee Stain and has extensive experience in game and business development.

Current assignments: Chair of the board of Coffee Stain North AB, Easy Trigger AB and Box Dragon AB. CEO and board member of Coffee Stain Studios AB, Coffee Stain Holding AB and Coffee Stain Publishing AB. Board member of Inwestbergh AB, Lavapotion AB and Coffee Stain Gbg AB. Deputy board member of Nyckelbordsdivisionen AB and Mediocre AB.

Previous assignments (past five years): -

Holdings in Embracer Group (and subsequently in the Company after the Distribution): As of the date of the Company Description Anton Westbergh owns no class A and 590,832 class B shares in Embracer Group, which, immediately following the Distribution, will correspond to the same number of class A and B shares in Coffee Stain.



LARS WINGEFORS (BORN 1977)

Board member

Education/background: Lars Wingefors is founder and CEO of Embracer Group. Lars Wingefors started his first video games company at the age of sixteen. He has broad and long experience in entrepreneurship and business management.

Current assignments: Chair of the board of Embracer Group AB and Asmodee Group AB. CEO and board member of Lars Wingefors AB. Board member of Wingefors Invest AB, Wingefors Depå Nio AB, Wingefors Depå Åtta AB, Wingefors Depå Fem AB, Empterwik Rental AB, Fly sola air AB and Varyag Group AB. External signatory for LW Comics AB, Lars Wingefors Kapitalförvaltning AB, Wingefors Depå Sju AB, Wingefors Depå Fyra AB and Wingefors Depå Tre AB. Deputy board member of Gigalomaniac Holding AB, FBO Karlstad AB, Sola Service i Karlstad AB and Gerado 22 AB.

Previous assignments (past five years): CEO and board member of We Sing AB. Board member of We Sing Company Holding AB, Plucky Bytes AB, Amplifier Game Invest Holding AB, Embracer Group Lager 2 AB, Embracer Group Lager 4 AB, Embracer Group Lager 5 AB, Embracer Group Lager 10 AB, Embracer Group Lager 11 AB, Embracer Freemode Retro Holding AB, Middle-earth Enterprises AB, Deca Games Holding AB, Embracer Group Archive AB and Pieces Interactive AB. Deputy board member of Coffee Stain Studios AB, Coffee Stain Holding AB, House in the Woods AB, Gerado AB, Experiment 101 AB, Mirage Game Studios AB and Coffee Stain Publishing AB.

Holdings in Embracer Group (and subsequently in the Company after the Distribution): As of the date of the Company Description, Lars Wingefors, via Lars Wingefors AB, a company he has a controlling stake in, owns 9,000,000 class A shares and 35,857,907 class B shares in Embracer Group, which, immediately following the Distribution, will correspond to the same number of class A and B shares in Coffee Stain.

SENIOR EXECUTIVES

Name	Position	Employed since
Anton Westbergh	CEO	2010
Erik Sunnerdahl	CFO	2025



ANTON WESTBERGH
(BORN 1985)

Board member and CEO

See above under section "Board of Directors".

OTHER INFORMATION ABOUT THE BOARD
OF DIRECTORS AND SENIOR EXECUTIVES

No board members or senior executives have any family ties to other board members or senior executives. There are no conflicts of interest or potential conflicts of interest between the undertakings of the board members and senior executives in relation to the Company and their private interests and/or other undertakings (however, a number of board members and senior executives have certain financial interests in the Company due to their direct or indirect shareholdings in the Company).



ERIK SUNNERDAHL
(BORN 1986)

CFO

Education/background: Erik Sunnerdahl holds an M.Sc. in Business Administration from Linköping University. He has five years of experience in the gaming industry

from his time at Embracer Group AB (publ), where he held various roles within finance, accounting, and business control, most recently serving as Group Finance Director. Prior to that, Erik worked in different roles in finance at JM AB (publ) and EY.

Current assignments: -

Previous assignments (past five years): -

Holdings in Embracer Group (and subsequently in the Company after the Distribution): As of the date of the Company Description Erik Sunnerdahl owns no class A shares and 1,966 class B shares in Embracer Group, which, immediately following the Distribution, will correspond to the same number of class A and B shares in Coffee Stain.

No director or senior executive has during the past five years, (i) been convicted in any case involving fraud; (ii) in addition to what is stated above, represented any company which has been placed into bankruptcy or liquidation; (iii) been the subject of sanctions or charged by a public authority organization as representing a particular professional group and is subject to public law regulation; or (iv) has been the subject of a prohibition on trading.

AUDITOR

Öhrlings PricewaterhouseCoopers AB is the Company's auditor with Magnus Svensson Henryson as lead auditor and Martin Bengtsson as co-signing auditor. Magnus Svensson Henryson is an authorized public accountant and a member of FAR (Professional Institute for Authorized Public Accounts). Öhrlings PricewaterhouseCoopers AB's address is Torsgatan 21, 113 21 Stockholm.

CORPORATE GOVERNANCE

The Company is a Swedish public limited liability company. Coffee Stain's corporate governance is currently based on Swedish law, the Company's articles of association and internal guidelines and instructions. Following the listing on Nasdaq First North Premier, the Company will apply Nasdaq First North Growth Market's Rule Book and the Swedish Corporate Governance Code (the "**Code**"). Companies that apply the Code do not have to comply with all of the rules in the Code, but rather have the possibility of choosing alternate solutions that the company deems to be better suited to the company and its operations, provided that any deviations are presented, that the alternate solution is described and that the reasons are explained in the corporate governance report (the "**comply or explain principle**"). As of the date of the Company Description, the Company does not expect to report any deviations from the Code in its first corporate governance report.

GENERAL MEETINGS

Pursuant to the Swedish Companies Act (2005:551) (Sw. *aktiebolagslagen*), the general meeting is the Company's highest decision-making body. At the general meeting, the shareholders exercise their voting rights on key issues, such as the adoption of income statements and balance sheets, appropriation of the Company's earnings, discharge from liability of board members and the CEO, election of board members and auditors, and remuneration to board members and auditors.

In addition to the annual general meeting, the Company may convene extraordinary general meetings. In accordance with the Company's articles of association, notice of the annual general meeting and notices of an extraordinary general meeting at which the matter of an amendment to the articles of association is to be addressed are to be issued not earlier than six weeks and not later than four weeks prior to the meeting. Notices of other extraordinary general meetings shall be issued not earlier than six weeks and not later than two weeks prior to the meeting. Notices to attend annual general meetings and extraordinary general meetings are published by placing an advertisement in the Swedish Official Gazette and by making the notice available on the Company's website. In conjunction with the notice, the Company is to publish an announcement containing information that the notice has been issued in the national daily newspaper Svenska Dagbladet.

Right to attend general meetings

All shareholders who are directly registered in the share register maintained by Euroclear five business days before the general meeting and have notified the Company of their intention to participate in the general meeting not later than the date stated in the notice convening the general meeting have the right to attend the general meeting and vote for the number of shares they hold. Shareholders can normally register for general meetings in a number of different ways, as stated in the convening notice for the meeting.

Shareholder initiatives

Shareholders who wish to have a matter brought before the general meeting must submit a written request to the Board of Directors. Such a request must normally be received by the Board of Directors not later than seven weeks prior to the general meeting.

NOMINATION COMMITTEE

Under the Code, the Company has to have a nomination committee, the purpose of which is to submit proposals in respect of the chair of general meetings, board member candidates (including the chair), fees and other remuneration to each board member as well as remuneration for committee work, election of and remuneration to the external auditors and a proposal regarding the nomination committee for the following annual general meeting.

The nomination committee's proposals are presented in the official notice of the annual general meeting. At the extraordinary general meeting on 1 September, the shareholders of the Company adopted principles for the appointment of the nomination committee.

The chair of the board shall - at the latest at the end of the third quarter of each financial year - ensure that each of the Company's three largest shareholders in terms of votes (i) in the share register maintained by Euroclear Sweden AB on the last business day of November each year (the first time after adoption of these principles this day shall be the last business day of the month the shares of the Company are listed on a marketplace), and (ii) based on other reliable shareholder information which has been provided to the Company at such time, are offered to nominate a member to be included in the nomination committee. The chair of the board shall convene the first meeting of the nomination committee and shall also be adjunct to the nomination committee or such board member who the chair of the board may appoint, except when the nomination committee shall address to the matter of chair of the board.

The first nomination committee shall be convened before the annual general meeting in 2026.

BOARD OF DIRECTORS

The Company's Board of Directors is the highest decision-making body after the general meeting.

In accordance with the Swedish Companies Act, the Board of Directors is responsible for the Company's organization and management, which means it is responsible for, inter alia, establishing procedures and strategies, ensuring that set targets are evaluated, continuously assessing the Company's financial position and results, and evaluating the operational management. The Board of Directors is also responsible for ensuring that the annual report, consolidated financial statements and interim reports are prepared in a timely manner. Moreover, the Board of Directors appoints the CEO.

The Board of Directors follows written rules of procedure, which are revised annually and adopted by the inaugural board meeting every year, or in another manner if so required. Among other things, the rules of procedure govern the practice and functions of the Board of Directors as well as the division of work between the board members and committees, the CEO and established committees. At the inaugural board meeting, the Board of Directors also adopts instructions for the CEO, including instructions for financial reporting.

The Board of Directors meets according to an annually predetermined schedule. In addition to these meetings, additional board meetings can be convened to address issues that cannot be postponed until the next ordinary board meeting. In addition to the board meetings, the chair of the Board of Directors and the CEO continuously discuss the management of the Company and the Group.

The board members are elected every year at the annual general meeting for the period until the end of the next annual general meeting. In accordance with the Company's articles of association, the Board of Directors is to comprise not less than three and not more than ten members.

As of the date of the Company Description, the Board of Directors consists of six members elected by the general meeting, who are presented in greater detail in the section "*Board of directors, senior executives and auditor*". The chair of the board has special responsibility for managing the Board of Directors' work and ensuring that it is well organized and effectively implemented.

Remuneration committee

On 1 September 2025, the Board of Directors of the Company resolved to form a remuneration committee and appoint Jacob Jonmyren (chair) and Kicki Wallje-Lund as members of the committee. The primary tasks of the remuneration committee are to prepare the board of directors' decisions on issues concerning principles for remuneration and other terms of employment for the CEO, and as applicable, senior executive management in the Company, monitor and evaluate programs for variable remuneration, both ongoing and those that have ended during the year, for the senior executive management in the Company, monitor and evaluate remuneration structures and levels in the Company, as well as, if applicable monitor and evaluate the application of the guidelines for remuneration to senior executives adopted and prepare matters regarding general terms of bonus and incentive schemes and see to the outcome of these and submit to the board reports and proposals for resolution.

Audit and sustainability committee

On 1 September 2025, the Board of Directors of the Company resolved to form an audit and sustainability committee. The audit and sustainability committee's tasks in the Company shall be carried out by Sara Börsvik (chair),

Henrik Tjärnström and Jacob Jonmyren. According to instructions to the audit and sustainability committee, the committee shall fulfil the following tasks:

- monitor the Company's financial reporting and be responsible for preparing the board of directors' work to secure the quality thereof;
- in respect of the financial reporting:
 - monitor the efficiency of the Company's internal control, internal audits, regulatory compliance, the annual plan for self-assessment of internal control and test plan, the enterprise-wide risk assessment/analysis and risk management, in general as well as, in particular, in respect of the financial reporting. The committee shall specifically monitor the Company's internal control with respect to the accounting, management of assets and the Company's and the Company group's financials in general;
 - monitor that there is a well-functioning internal audit within the Company and company group or ensure that the function is fulfilled and evaluate the efficiency thereof and motivate whether an internal audit is required or not;
 - discuss the Company's and the Company group's principles for evaluating risk management with respect to the financial reporting. Furthermore, the audit and sustainability committee shall, together with the management and auditors, discuss substantial financial risks and any actions that the management have undertaken or will undertake in order to mitigate, monitor or control such risks.
 - monitor the Company's sustainability reporting and be responsible for preparing the board of directors' work to secure the quality thereof;
 - monitor and discuss the Company's and the Company group's principles for evaluating risk management with respect to sustainability and sustainability reporting;
 - keep itself informed regarding the audit of the annual report and the group accounts as well as the conclusions of the quality control of Swedish Inspectorate of Auditors (Sw. Revisorsinspektionen) and review the Company's and company group's accounting principles as well as monitor that these comply with applicable accounting standards and generally accepted accounting principles, and that the Company and company group applies the principles in an acceptable manner and monitor that the Company and company group comply with rules and regulations with respect to accounting and financial reporting;
 - inform the board of directors about the audit and how it contributed to the correctness of the financial reporting and what function the committee had;
 - evaluate changed accounting principles and their consequences for the financial reporting;
 - evaluate how sustainability commitments impact financial statements and adopt a plan for evaluation of the return on sustainability investments;

- o review and monitor the impartiality and independence of the auditor and, in conjunction therewith, pay special attention to whether the auditor provides the Company with services other than auditing services;
- o assist the board of directors, or, if applicable, the nomination committee in conjunction with the preparation of proposals and provide a recommendation to the board of directors, or, if applicable, the nomination committee for the general meeting's resolutions regarding election of auditor, where, if applicable, a tender process in accordance with the auditor regulation shall be applied, and remuneration for the auditor's work;
- o meet with the Company's auditor, at least twice a year, to inform themselves about the audit's objective and scope as well as discuss the coordination between the external and the internal audit and views on the Company's risks; and
- o evaluate the audit work and inform the Company's nomination committee, if any, and the board of directors of the result of the evaluation.

CEO AND OTHER SENIOR EXECUTIVES

The CEO reports to the Board of Directors and is responsible for the day-to-day management and operations of the Company. The division of work between the Board of Directors and the CEO is set forth in the rules of procedure for the Board of Directors and the instructions to the CEO.

The CEO is to ensure that the Company's accounts are maintained in accordance with prevailing legislation and that the management of funds takes place in a sound manner and is subject to appropriate control and review.

The CEO shall be present at the board meetings. In addition, the CEO is to prepare and present matters to the board of directors that are outside of day-to-day management. The CEO is to ensure that the matters are well documented and that the Board of Directors, in conjunction with the notice of the board meeting at the latest, receives relevant information and documentation as stated in the Board of Directors' rules of procedure. In addition, the CEO is to execute the resolutions passed by the Board of Directors.

According to the instructions for financial reporting, the CEO is responsible for the Company's financial statements and consequently must ensure that the Board of Directors receives suitable information to be able to continuously evaluate the Company's financial position.

The CEO must continuously (at least at every board meeting) keep the Board of Directors informed about the development of the Company's operations, the turnover, price and cost trends, the Company's results and financial position, cash flow, liquidity and credit standing, whether taxes and statutory fees have been paid and any material business events such as significant deviations from the budget that are important indicators of earnings and liquidity as well as any termination of agreements that are significant for the Company. The CEO must also continuously inform the Board of Directors of any other events, circumstances or conditions that cannot be deemed trivial for the Company's shareholders. The CEO and other senior executives are presented in the section "*Board of directors, senior executives and auditor*".

REMUNERATION TO THE BOARD OF DIRECTOR AND SENIOR EXECUTIVES

Remuneration for the Board of Directors

The chair and the other members of the Board of Directors are paid a fee in accordance with the decision of the general meeting. At the extra general meeting on 1 September 2025, it was resolved that remuneration shall be paid to the board members in accordance with the below:

- SEK 750,000 to the chair of the Board of Directors.
- SEK 400,000 to each board member.
- SEK 100,000 to representatives of the audit and sustainability committee and 150,000 SEK to the chair of the committee.
- SEK 50,000 to representatives of the remuneration committee and 75,000 SEK to the chair of the committee.

It is noted that each director elected by the general meeting and who is employed by the Company or Group or receives consultancy fee from the Coffee Stain Group shall not receive any fee in accordance with the above as long as such director is employed or receives such consultancy fee. The board members of the Company are not entitled to any benefits after their resignation as members of the Board of Directors.

Remuneration during the financial year 2024/2025

During the financial year ended 31 March 2025, Coffee Stain was a holding company within the Embracer Group, and the Board of Directors of Coffee Stain comprised only one person who did not receive any remuneration for his assignment as a Board director in Coffee Stain. Instead, he received a regular salary from a separate Embracer Group entity for services relating to the entire Embracer Group. As per 1 September 2025, Anton Westbergh is the CEO of Coffee Stain (Anton Westbergh is also a current board member of Coffee Stain).

Current employment contract for the CEO of the Company and agreements with other senior executives of the Company

As of 1 September 2025, Anton Westbergh is employed as CEO of the Company.¹ Anton Westbergh's receives remuneration and other benefits that the Company deems to be market-based given his role as CEO. His employment agreement includes a confidentiality clause not limited in time and a clause protecting IPR. Moreover, the agreement includes restrictive post-employment covenants on non-solicitation and non-competition. There is a six-month notice period in place combined with a severance payment corresponding to six monthly base salaries in case of termination by the Company, which is in line with market practice. The employment ends without notice at the end of the calendar month when Anton Westbergh turns 65 years old. Further, Anton Westbergh is entitled to participate in bonus plans and share based incentive plans in accordance with the Company's policies. The Company pays pension premiums according to a percentage of Anton Westbergh's monthly salary.

Erik Sunnerdahl is, as of 1 September 2025, employed as CFO of the Company. Erik Sunnerdahl's employment agreement includes a confidentiality clause not limited in time and a clause protecting IPR. Moreover, the employment agreement includes restrictive post-employment covenants on non-solicitation and non-competition. There is a mutual six-month notice period in place or, in case of termination by the Company, such longer notice that is required according to the Employment Protection Act. Erik Sunnerdahl is entitled to participate in bonus plans and share based incentive plans in accordance with the Company's policies. The Company pays pension premiums according to a percentage of Erik Sunnerdahl's monthly salary.

AUDIT

The auditor is to review the Company's annual accounts and financial statements, as well as the management of the board and the CEO. Following each financial year, the auditor submits an audit report and a consolidated audit report to the annual shareholders meeting. According to the Company's articles of association, the Company is to appoint at least one auditor or audit firm and no more than a maximum of one deputy auditor. Öhrlings PricewaterhouseCoopers AB is the Company's statutory auditor. The Company's auditor is presented in greater detail in the section "*Board of Directors, senior executives and auditor*".

¹⁾ Anton Westbergh was previously employed by Coffee Stain Holding AB as CEO.

SHARE CAPITAL AND OWNERSHIP STRUCTURE

General information

As of the date of the Company Description, the Company's share capital amounts to SEK 513,354.6433 distributed over 9,000,000 class A shares and 214,197,671 class B shares. Pursuant to the Company's articles of association, the Company's share capital may not be less than SEK 500,000 and not more than SEK 2,000,000, and the number of shares may not be less than not less than 220,000,000 and not more than 880,000,000. The shares are denominated in SEK, and the quota value of each share is SEK 0.0023. Only the Company's class B shares will be subject to the Listing on Nasdaq First North Premier. The ISIN code for the class B share is SE0026599557.

All shares in the Company have been issued pursuant to Swedish law. All issued shares have been fully paid and are freely transferrable.

CERTAIN RIGHTS ASSOCIATED WITH THE SHARES

The rights attached to the shares issued by the Company, including the rights pursuant to the Company's articles of association, may only be amended in accordance with the procedures set out in the Swedish Companies Act.

Voting rights

The Company has two share classes outstanding, class A shares carrying ten (10) votes per share and class B shares carrying one (1) vote per share. Each shareholder is entitled to cast votes for all its shares at general meetings.

Preferential rights to new shares, etc.

If the Company decides to issue new class A shares and class B shares against cash or set-off of claim, owners of class A shares and class B shares shall have preferential right to subscribe for new shares of the same class of shares in proportion to the number of shares they already hold (primary preferential right). Shares which have not been subscribed for by primary preferential right shall be offered to all shareholders for subscription (secondary preferential right). Unless the shares thus offered are sufficient for the subscription under the secondary preferential right, the shares shall be allocated between the subscribers in proportion to the number of shares they already hold and, to the extent this is not possible, by drawing of lots.

If the Company decides to issue only class A shares or only class B shares against cash or set-off of claim, all shareholders shall have a preferential right to subscribe for new shares in proportion to the number of shares they already hold, irrespective of whether they hold class A shares or class B shares.

The above shall not imply any restriction in the possibility to decide on a new share issue against cash or set off of claim, with derogation from the shareholders' preferential right.

If the Company decides to issue warrants or convertibles against cash or set-off of claim, the shareholders have a

preferential right to subscribe for warrants as though the issue concerned those shares which might be subscribed for on account of the option and a preferential right to subscribe for convertibles as though the issue concerned those shares which the convertibles may be exchanged to, respectively.

If the share capital is raised through a bonus issue, new shares shall be issued of each class of shares in proportion to the existing number of shares of the same class. Old shares of a certain class of shares shall entail a right to new shares of the same class of shares in relation to its proportion of the share capital. The above shall not imply any restriction in the possibility to carry out a bonus issue and, after necessary change in the articles of association, issue new shares of a new class.

Rights to dividends and proceeds in liquidation

All shares carry equal rights to dividends and to the Company's assets and any surplus in the event of liquidation. Decisions regarding dividends in Swedish limited liability companies are made by the general meeting. Entitlement to receive dividends accrues to those who, on the record date adopted by the general meeting, are registered as shareholders in the share register maintained by Euroclear. Dividends are normally distributed to the shareholders as a cash amount per share through Euroclear but may also be distributed in forms other than cash (distribution in kind). Should a shareholder be unable to be reached through Euroclear, the shareholder will continue to have a claim against the Company with regard to the dividend amount, limited in time pursuant to a ten-year statute of limitation. Should the claim become barred by the statute of limitation, the dividend amount accrues to the Company.

No restrictions on the right to receive dividends apply to shareholders residing outside of Sweden. With reservation for any limitations imposed by banks and clearing systems in the jurisdictions concerned, distributions to such shareholders are conducted in the same manner as to shareholders in Sweden. Shareholders who are not subjects to taxation in Sweden are usually subject to Swedish withholding tax.

Conversion of class A shares

Owners of class A shares may demand that all or a part of their class A shares be converted into class B shares. Such request of conversion shall be made in writing to the Company's Board of Directors. The conversion is executed at the time for registration and when it has been noted in the Company's share register.

CENTRAL SECURITIES DEPOSITORY

The shares are registered in a central securities depository register in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (1998:1479). This register is managed by Euroclear, Box 191, SE-101 23 Stockholm. The ISIN code for the Company's class B share is SE0026599557.

SHARE CAPITAL DEVELOPMENT

The following table shows changes in Coffee Stain's share capital for the period covered by the historical financial information in the Company Description up until the date of the Company Description.

Reg. date	Event	Change	Number of shares			Share capital (SEK)	
			Total (class A)	Total (class B)	Total (class A and class B)	Change	Total
2025-11-13	Share capital reduction ¹	-1,922,036	9,000,000	214,197,671	223,197,671	-4,420.6828	513,354.6433
2025-11-13	Bonus Issue	0	9,000,000	216,119,707	225,119,707	17,775.3261	517,775.3261
2025-10-21	Share split ²	225,119,457	9,000,000	216,119,707	225,119,707	0	500,000.00
2025-10-21	Bonus Issue	0	0	0	250	475,000.00	500,000.00
2020-11-02	Foundation	0	0	0	250 ³	0	25,000.00

SHAREHOLDERS' AGREEMENT

To the best of the Board of Directors' knowledge there are no other shareholders' agreements or other arrangements between the Company's shareholders pertaining to joint influence over the Company. Nor is the Board of Directors aware of any agreements or similar undertakings that could lead to changes in control over the Company.

CONVERTIBLES, WARRANTS, ETC.

As of the date of the Company Description, the Company has not issued any convertibles or warrants and there is no outstanding incentive program in the Company.

1) In connection with the share capital reduction, a total of 1,922,036 class B shares were redeemed at a redemption amount corresponding to the quota value.

2) Through the share split, 10 existing shares were divided into 9,000,000 class A shares and 240 existing shares were divided into 216,119,707 class B shares.

3) The Company only had one share class at foundation up until the share split.

OWNERSHIP STRUCTURE

As of the date of the Company Description, Embracer Group holds 100% of the shares in Coffee Stain. Immediately following the Distribution, and based on data from Monitor regarding Embracer Group as per 30 November 2025, Coffee Stain will have a total of 81,973 shareholders.

Embracer Group is controlled by Lars Wingefors AB, which as of 30 November 2025 controlled approximately 20% of the shares and 41% of the votes in the Embracer Group. Following the Distribution, Lars Wingefors AB will hold the corresponding percent of the shares in Coffee Stain as held in Embracer Group. Accordingly, following the Distribution, Lars Wingefors AB will be able to exercise significant influence over Coffee Stain in important matters that are referred to the shareholders for resolutions at general meetings of shareholders. Lars Wingefors AB is controlled by Lars Wingefors, board member of Coffee Stain.

In order to ensure that control of the Company is not abused, the Company follows applicable rules for corporate governance, such as the Swedish Companies Act, Nasdaq First North Growth Market Rulebook for Issuers and the Swedish Corporate Governance Code, all of which contain provisions designed to safeguard the interests of minority shareholders.

The table below shows holdings of shares and votes of the top ten largest shareholders in Coffee Stain immediately following completion of the Distribution, and based on data from Monitor regarding Embracer Group as per 30 November 2025. The below table does not include Embracer treasury shares held by Embracer Group and which do not entitle to new shares in Coffee Stain in the Distribution.

Shareholder	Class A shares	Class B shares	% of capital	% of votes
Lars Wingefors AB	9,000,000	35,857,907	20.10%	41.37%
Savvy Gaming Group		16,647,337	7.46%	5.47%
DNB Asset Management AS		15,821,974	7.09%	5.20%
Matthew Karch		12,429,703	5.57%	4.09%
Alecta Tjänstepension		6,750,000	3.02%	2.22%
Andrey Iones		6,586,275	2.95%	2.17%
SEB Funds		5,903,419	2.64%	1.94%
Vanguard		5,726,735	2.57%	1.88%
Norges Bank Investment Management		5,418,946	2.43%	1.78%
Carnegie Fonder		5,250,000	2.35%	1.73%
Ten largest shareholder, total	9,000,000	116,392,296	56.18%	67.85%
<i>Other shareholders</i>	<i>0</i>	<i>97,805,375</i>	<i>43.82%</i>	<i>32.15%</i>
Total (exkl. treasury shares)	9,000,000	214,197,671	100.00%	100.00%

AUTHORIZATION TO ISSUE SHARES ETC.

At the extraordinary general meeting held 30 September 2025, it was resolved to authorize the Board of Directors during the period up until the next annual general meeting to, on one or more occasions, resolve to issue B shares, convertibles and/or warrants with right to convert into and subscribe for B shares respectively, with or without preferential rights for the shareholders, in the amount not exceeding 10% of the total number of shares in the Company at the time when the authorization is used the first time, to be paid in cash, in kind and/or by way of set-off. The purpose for the Board of Directors to resolve on issuances with deviation from the shareholders' preferential rights in accordance with the above is primarily for

the purpose to raise new capital to increase flexibility of the Company or in connection with acquisitions. If the Board of Directors finds it suitable in order to enable delivery of shares in connection with a share issuance as set out above it may be made at a subscription price corresponding to the shares' quota value.

CERTIFIED ADVISER

FNCA Sweden AB is the appointed certified adviser for the Company and monitors the compliance of the regulations on Nasdaq First North Premier. FNCA Sweden AB does not own any shares in the Company.

ARTICLES OF ASSOCIATION

Bolagsordning för Coffee Stain Group AB, org.nr 559280-0014

Articles of association for Coffee Stain Group AB, reg. no. 559280-0014

§ 1. Företagsnamn/Company name

Aktiebolagets företagsnamn är Coffee Stain Group AB. Bolaget är publikt (publ).

The name of the company is Coffee Stain Group AB. The company is a public company (publ).

§ 2. Säte/Registered office

Styrelsen ska ha sitt säte i Värmlands län, Karlstad kommun.

The board of directors shall have its registered office in the county of Värmland, municipality of Karlstad.

§ 3. Verksamhet/Objects

Bolagets verksamhetsföremål är att äga dotterbolag och att tillhandahålla konsulttjänster avseende strategi, ledarskap, affärsutveckling och administration till koncernbolag samt bedriva därmed förenlig verksamhet.

The company's objects are equity participation in subsidiaries and provision of consultancy services regarding strategy, management, business development and administration to group companies and conduct any activities related to the aforementioned.

§ 4. Aktiekapital/Share capital

Aktiekapitalet ska vara lägst 500 000 och högst 2 000 000 kronor.

The share capital shall not be less than SEK 500,000 and not more than SEK 2,000,000.

§ 5. Antal aktier/Number of shares

Lägst 220 000 000 och högst 880 000 000 aktier.

No less than 220,000,000 shares and no more than 880,000,000 shares.

§ 6. Aktieslag/Share classes

Aktierna kan utges i två serier, serie A och serie B. Antalet aktier av respektive slag får motsvara högst hela antalet aktier i bolaget. Aktie av serie A medför tio (10) röster och aktie av serie B medför en (1) röst.

The shares may be issued in two classes, A shares and B shares. The number of shares of the respective class may correspond to the full number of shares in the company. A shares shall entitle to ten (10) votes each, and B shares shall entitle to one (1) vote each.

Beslutar bolaget att genom kontantemission eller kvittningsemission ge ut nya aktier av serie A och serie B, ska ägare till aktier av serie A och serie B äga företrädesrätt att

teckna nya aktier av samma aktieslag i förhållande till det antal aktier innehavaren förut äger (primär företrädesrätt). Aktier som inte tecknats med primär företrädesrätt ska erbjudas samtliga aktieägare till teckning (subsidiär företrädesrätt). Om inte sålunda erbjudna aktier räcker för den teckning som sker med subsidiär företrädesrätt, ska aktierna fördelas mellan tecknarna i förhållande till det antal aktier de förut äger och i den mån detta inte kan ske, genom lottning.

If the company decides to issue new A shares and B shares against cash or set-off of claim, owners of A shares and B shares shall have preferential right to subscribe for new shares of the same class of shares in proportion to the number of shares they already hold (primary preferential right). Shares which have not been subscribed for by primary preferential right shall be offered to all shareholders for subscription (secondary preferential right). Unless the shares thus offered are sufficient for the subscription under the secondary preferential right, the shares shall be allocated between the subscribers in proportion to the number of shares they already hold and, to the extent this is not possible, by drawing of lots.

Beslutar bolaget att genom kontantemission eller kvittningsemission ge ut aktier endast av serie A eller endast av serie B, ska samtliga aktieägare, oavsett om deras aktier är av serie A eller serie B, äga företrädesrätt att teckna nya aktier i förhållande till det antal aktier de förut äger.

If the company decides to issue only A shares or only B shares against cash or set-off of claim, all shareholders shall have a preferential right to subscribe for new shares in proportion to the number of shares they already hold, irrespective of whether they hold A shares or B shares.

Vad som ovan sagts ska inte innebära någon inskränkning i möjligheten att fatta beslut om kontantemission eller kvittningsemission med avvikelse från aktieägarnas företrädesrätt.

The above shall not imply any restriction in the possibility to decide on a new share issue against cash or set-off of claim, with derogation from the shareholders' preferential right.

Beslutar bolaget att genom kontantemission eller kvittningsemission ge ut teckningsoptioner eller konvertibler har aktieägarna företrädesrätt att teckna teckningsoptioner som om emissionen gällde de aktier som kan komma att nytecknas på grund av optionsrätten respektive företrädesrätt att teckna konvertibler som om emissionen gällde de aktier som konvertiblerna kan komma att bytas ut mot.

If the company decides to issue warrants or convertibles against cash or set-off of claim, the shareholders have a preferential right to subscribe for warrants as though the issue concerned those shares which might be subscribed for on account of the option and a preferential right to subscribe for convertibles as though the issue concerned those shares which the convertibles may be exchanged to, respectively.

Vid ökning av aktiekapitalet genom fondemission ska nya aktier emitteras av varje aktieslag i förhållande till det antal aktier av samma slag som finns sedan tidigare. Därvid ska gamla aktier av visst aktieslag medföra rätt till nya aktier av samma aktieslag i förhållande till sin andel i aktiekapitalet. Vad nu sagts ska inte innebära någon inskränkning i möjligheten att genomföra fondemission och, efter erforderlig ändring av bolagsordningen, ge ut nya aktier av nytt slag.

If the share capital is raised through a bonus issue, new shares shall be issued of each class of shares in proportion to the existing number of shares of the same class. Old shares of a certain class of shares shall entail a right to new shares of the same class of shares in relation to its proportion of the share capital. The above shall not imply any restriction in the possibility to carry out a bonus issue and, after necessary change in the articles of association, issue new shares of a new class.

§ 7. Omvandlingsförbehåll för aktie av serie A/ Conversion of A shares

Ägare till aktie av serie A äger rätt att påfordra att hela eller del av innehavet av aktier av serie A omvandlas till aktie av serie B. Begäran om omvandling ska göras skriftligen till bolagets styrelse. Därvid ska anges det antal aktier av serie A som önskas omvandlade.

Owners of A shares may demand that all or a part of the A shares be converted into B shares. Such request of conversion shall be made in writing to the company's board of directors. Whereby the number of A shares that should be converted shall be stated.

Styrelsen ska behandla frågan om omvandling skyndsamt. Styrelsen ska därefter genast anmäla omvandling för registrering hos Bolagsverket. Omvandlingen är verkställd när registrering skett och omvandlingen antecknats i bolagets aktiebok.

The board of directors shall address the issue on conversion promptly. Thereafter, the board of directors shall immediately submit a notification to the Companies Registration Office for the registration of the conversion. The conversion is executed at the time for registration and when it has been noted in the company's share register.

§ 8. Styrelse/The board of directors

Styrelsen ska bestå av lägst tre och högst tio ledamöter och väljs på årsstämma för tiden intill slutet av nästa årsstämma.

The board of directors shall consist of a minimum of three and a maximum of ten directors and they are elected yearly at the annual general meeting for the time up until the end of the next annual general meeting.

§ 9. Revisorer/Auditors

För granskning av aktiebolagets årsredovisning jämte räkenskaperna samt styrelsens och verkställande direktörens förvaltning utses minst en revisor eller ett revisionsföretag och en eller inga revisorssuppleanter.

For the review of the company's annual report and the accounts as well as the management pursued by the board of directors and the managing director, at least one auditor or audit firm and no more than a maximum of one deputy auditor is appointed.

§ 10. Kallelse/Convening of a general meeting

Kallelse till årsstämma samt kallelse till extra bolagsstämma där fråga om ändring av bolagsordningen kommer att behandlas ska utfärdas tidigast sex och senast fyra veckor före stämman. Kallelse till annan extra bolagsstämma ska utfärdas tidigast sex veckor och senast två veckor före stämman. Kallelse till bolagsstämma ska ske genom annonsering i Post- och Inrikes Tidningar och genom att kallelsen hålls tillgänglig på bolagets webbplats. Samtidigt som kallelse sker ska bolaget genom annonsering i den rikstäckande dagstidningen SvD upplysa om att kallelse har skett.

Notice of the annual general meeting and extraordinary general meeting where an amendment of the articles of association will be considered shall be given no earlier than six weeks and no later than four weeks prior to the general meeting, notice of other extraordinary general meetings shall be issued no earlier than six weeks and no later than two weeks before the general meeting. Notice of general meetings shall be made by announcement in the Official Swedish Gazette and by posting the notice on the company's website. At the time of the notice, an announcement with information that the notice has been issued shall be published in Svenska Dagbladet.

§ 11. Deltagande vid bolagsstämma/Attendance at general meetings

För att få delta i bolagsstämman ska aktieägare dels vara upptagen i en utskrift eller annan framställning av aktieboken avseende förhållandena den dag som anges i aktiebolagslagen, dels anmäla sig samt antalet biträden (högst två) till bolaget den dag som anges i kallelsen till stämman. Denna dag får inte vara söndag, helgdag, lördag, midsommarafton, julafton eller nyårsafton och inte infalla tidigare än femte vardagen före stämman.

A shareholder that wishes to participate in a general meeting must be recorded in a printout or other transcript of the share ledger as of the date as set out in the Swedish Companies Act, and notify the company of his/her, and any advisors (no more than two), intention to attend the meeting no later than on the date stated in the notice of the meeting. Such a date may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not occur earlier than the fifth weekday prior to the general meeting.

§ 11. Ort för bolagsstämma/Place for holding general meetings

Bolagsstämma ska hållas på den ort där styrelsen har sitt säte eller i Stockholms eller Skövdes kommuner.

A general meeting is to be held where the board of directors has its registered office or in the municipalities of Stockholm or Skövde.

§ 12. Fullmaktsinsamling och poströstning / Collection of proxies and postal voting

Styrelsen får samla in fullmakter på bolagets bekostnad enligt det förfarande som anges i 7 kap. 4 § andra stycket aktiebolagslagen (2005:551).

The board of directors may collect proxies at the company's expense in compliance with the procedure set out in chapter 7 section 4 paragraph 2 of the Swedish Companies Act (2005:551).

Styrelsen får inför en bolagsstämma besluta att aktieägarna ska kunna utöva sin rösträtt per post före bolagsstämman.

The board of directors may resolve, ahead of a general meeting of the shareholders, that the shareholders shall be entitled to exercise their voting rights by post prior to the meeting.

§ 13. Ärenden på årsstämman/Matters of the annual general meeting

På årsstämman ska följande ärenden behandlas.

1. Stämmans öppnande
2. Val av ordförande.
3. Upprättande och godkännande av röstlängd.
4. Godkännande av dagordning.
5. Val av en eller två justeringspersoner.
6. Prövande av om stämman blivit behörigen sammankallad.
7. Framläggande av årsredovisningen och revisionsberättelsen samt, i förekommande fall, koncernredovisning och koncernrevisionsberättelse.
8. Beslut om följande.
 - a) Fastställande av resultaträkningen och balansräkningen, samt i förekommande fall, koncernresultaträkning och koncernbalansräkning.
 - b) Dispositioner beträffande aktiebolagets vinst eller förlust enligt den fastställda balansräkningen.
 - c) Ansvarsfrihet åt styrelseledamöterna och verkställande direktören.

9. Fastställande av antal styrelseledamöter och revisorer.
10. Fastställande av arvoden till styrelsen och revisorerna.
11. Val till styrelsen och av revisorer.
12. Annat ärende, som ska tas upp på stämman enligt aktiebolagslagen (2005:551) eller bolagsordningen.

At the annual general meeting the following matters shall be considered.

1. *Opening of the meeting*
2. *Election of chair*
3. *Preparation and approval of voting list*
4. *Approval of the agenda*
5. *Election of one or two persons certifying the minutes*
6. *Examination of whether the meeting has been duly convened*
7. *Presentation of the annual report and the auditor report, and where applicable, the group annual report and the group auditor's report.*
8. *Resolution regarding:*
 - a) *Adoption of the income statement and balance sheet, and where applicable, the group income statement and the group balance sheet,*
 - b) *Disposition of the company's profit or loss in accordance with the adopted balance sheet*
 - c) *Discharge from liability of the board of directors and the managing director*
9. *Determination of the number of directors and auditors.*
10. *Determination of fees to the board of directors and auditors*
11. *Election of the board of directors and auditors*
12. *Any other matter to be dealt with by the meeting according to the Swedish Companies Act (SFS 2005:551) or the articles of association.*

§ 14. Räkenskapsår/Financial year

Aktiebolagets räkenskapsår ska vara 1 april - 31 mars.

The financial year of the company shall be 1 April – 31 March.

§ 15. Avstämningsförbehåll/Central securities depository registration

Den aktieägare eller förvaltare som på avstämningsdagen är införd i aktieboken och antecknad i ett avstämningsregister, enligt 4 kap. lagen (1998:1479) om värdepapperscentraler och kontoföring av finansiella instrument eller den som är antecknad på avstämningskonto enligt 4 kap. 18 § första stycket 6-8 nämnda lag, ska antas vara behörig att utöva de rättigheter som framgår av 4 kap. 39 § aktiebolagslagen (2005:551).

A shareholder or nominee that is registered in the share register and a CSD register on the record date, in accordance with Ch. 4 the Central Securities Depositories and Financial Instruments Accounts Act (SFS 1998:1479), or registered in a CSD account pursuant to Ch. 4 Sec. 18 first § item 6-8 of the aforementioned act, is deemed to have the right to exercise the rights stipulated in Ch. 4 Sec. 39 the Swedish Companies Act (SFS 2005:551).

Denna bolagsordning har antagits på extra bolagsstämma den 30 september 2025.

These articles of association have been adopted at an extra general meeting held on 30 September 2025.

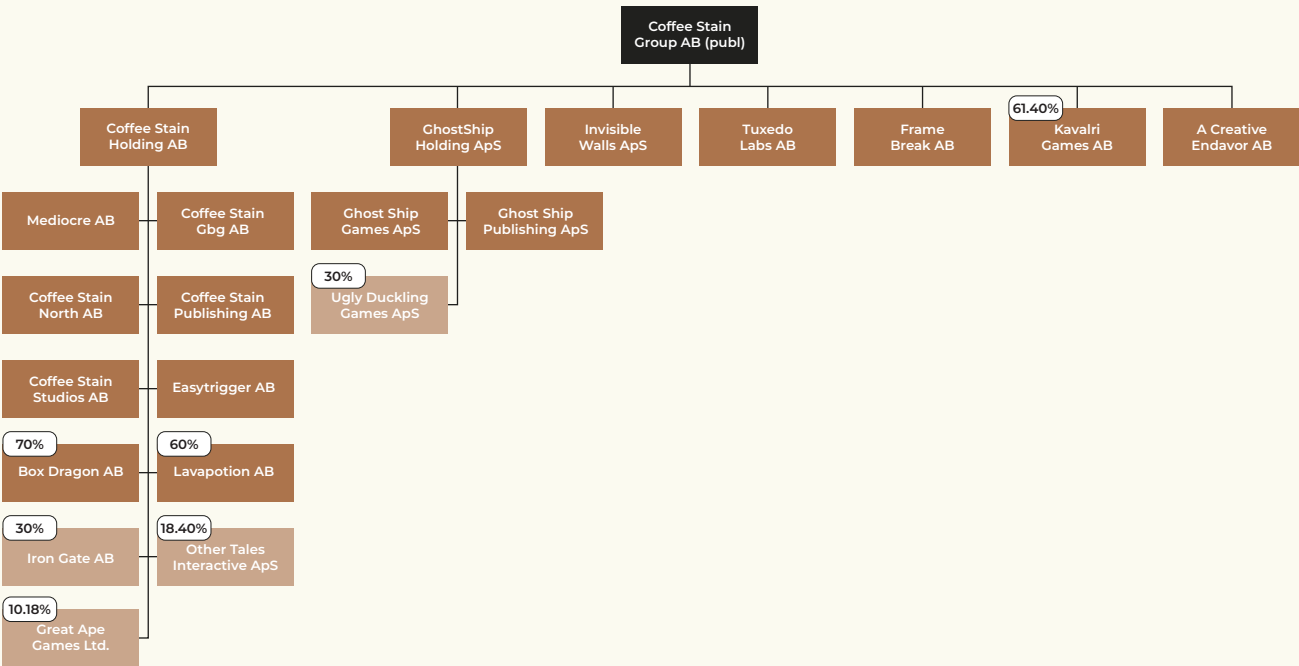
LEGAL CONSIDERATIONS AND SUPPLEMENTARY INFORMATION

INFORMATION AND LEGAL STRUCTURE

Coffee Stain Group AB (publ) is a Swedish public limited company that was formed on 28 September 2020 in Sweden and registered with the Swedish Companies Registration Office on 2 November 2020. The Company's name was registered on 22 July 2025. The Company's corporate registration number is 559280-0014 and its

registered office is in Karlstad, Sweden. The Company's operations are governed by the Swedish Companies Act (2005:551). The Company's Legal Entity Identifier (LEI) code is 636700R8GB3NJ2J6DG90. The Company has its head office at the address Tullhusgatan 1B, 652 09 Karlstad, Sweden. The Company's website is www.coffestain.com.

The legal group structure of the Company is presented below. All subsidiaries are wholly-owned unless otherwise stated.



MATERIAL AGREEMENTS

General

The Group has entered into material agreements covering both digital game title development and distribution. Development agreements are typically structured to grant the Group publishing rights and IP ownership, with external studios compensated through milestone-based payments and revenue share. Distribution and publishing agreements, primarily governed by the distributor's standard terms and conditions, enable the sale of digital game titles across digital sales platforms, such as Microsoft Store and PlayStation Store (Sony).

Distribution and publishing agreements

The Group has entered into distribution and publishing agreements for the sale of its digital game titles through

various digital platforms, including Microsoft Store, PlayStation Store (Sony), Apple Store and Google Play. The digital distributors retains a percentage of the revenue from the sales on the respective digital platform. Each agreement is valid until further notice with a notice of termination period of 30 days.

Game development agreements

The Group enters into game development agreements with external studios to develop and publish digital game titles across sales platforms. In general, these agreements grant the Group publishing rights and IP ownership, while the game developers receive milestone-based payments and revenue share ranging from 15-70% royalty on net receipts, which is generally defined as gross revenue from publishing the game, minus deductions such as development costs and taxes.

OTHER LEGAL INFORMATION RELATED TO THE COMPANY

Material intellectual property rights

The Group's game portfolio consists of over 20 registered IP rights and a catalog of over 15 published games, including several globally renowned titles such as *Satisfactory*, *Goat Simulator*, *Deep Rock Galactic*, *Welcome to Bloxburg* and *Teardown*, among others. The games are based on intellectual property owned by the Group, either acquired or developed by one of the Group Companies, or intellectual property from partnerships with external contractors.

Disputes and litigation

Coffee Stain is not, nor has it in the last 12 months been, a party in any governmental, legal, or arbitration proceedings (including matters which are pending or which, to the Company's knowledge, are likely to be initiated) which could have or have had in the recent past a significant impact on the Company or the Company's financial position or profitability.

RELATED PARTY TRANSACTIONS

Related-party transactions from 30 September 2025 until the date of the Company Description

The related-party transactions that have occurred during the financial period 30 September 2025 until the date of the publication of Company Description can be found under Significant events after the quarter in Coffee Stain's interim for the financial period 1 April 2025 - 30 September 2025 which has been incorporated in the Company Description by reference, see section "*Documents incorporated by reference*" for further information.

It is the Company's opinion that all transactions with related parties have been conducted on an arm's length basis.

Related-party transactions for the financial period 1 April 2025 - 30 September 2025

The related-party transactions that have occurred during the financial period 1 April 2025 - 30 September 2025 can be found in Coffee Stain's quarterly report for the financial period 1 April 2025 - 30 September 2025 which has been incorporated in the Company Description by reference, see section "*Documents incorporated by reference*" for further information.

It is the Company's opinion that all transactions with related parties have been conducted on an arm's length basis.

Related-party transactions for the financial years 1 April 2024 - 31 March 2025 and 1 April 2023 - 31 March 2024

The related-party transactions that have occurred during the financial years 1 April 2024 - 31 March 2025 and 1 April 2023 - 31 March 2024 can be found in note 25 in Coffee Stain's combined financial statement for the financial years 1 April 2024 - 31 March 2025 and 1 April 2023 - 31 March 2024 which has been incorporated in the Company Description by reference, see section "*Documents incorporated by reference*" for further information.

It is the Company's opinion that all transactions with related parties have been conducted on an arm's length basis.

DOCUMENTS INCORPORATED BY REFERENCE

The following information is incorporated into the Company Description by reference and forms part of the Company Description and should be read in conjunction therewith. The parts of the documents below that are not referred to are either deemed by the Company not to be relevant for an investor or the information is reproduced elsewhere in the Company Description. The information incorporated by reference is available on the Company's website, www.coffestain.com.

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ADDRESSES

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*Coffee
Stain*