

EMBRACER GROUP Q4 & FULL YEAR REPORT

APRIL 2023-MARCH 2024

ADJUSTED EBIT INCREASED BY 56% TO SEK 1,426 MILLION

FOURTH QUARTER, JANUARY-MARCH 2024 (COMPARED TO JANUARY-MARCH 2023)

- > Net sales decreased by -5% (-10% organic growth) to SEK 8,875 million (9,356).
The sales split per operating segment:
 - > PC/Console Games: decreased by -10% to SEK 3,126 million (3,478).
 - > Mobile Games: increased by 4% to SEK 1,366 million (1,317).
 - > Tabletop Games: increased by 1% to SEK 3,117 million (3,074).
 - > Entertainment & Services: decreased by -15% to SEK 1,265 million (1,487).
- > EBIT¹⁾ amounted to SEK -20,378 million (-95), an EBIT margin of -230% (-1%). EBIT is affected by non-cash items affecting comparability of SEK -20,014 million and cash items affecting comparability of SEK -265 million as further described on page 6. Adjusted EBIT increased by 56% to SEK 1,426 million (915), an Adjusted EBIT margin of 16% (10%).
- > Cash flow from operating activities amounted to SEK 1,801 million (1,643). Net investments in intangible assets amounted to SEK -1,516 million (-1,807).
- > Basic earnings per share was SEK -14.92 (0.68) and diluted earnings per share SEK -14.92 (0.67). Adjusted earnings per share was SEK 1.62 (0.38). Adjusted earnings per share after full dilution was SEK 1.50 (0.35).

FULL YEAR, APRIL 2023-MARCH 2024 (COMPARED TO APRIL 2022-MARCH 2023)

- > Net sales increased by 12% (1% organic growth) to SEK 42,206 million (37,665).
The sales split per operating segment:
 - > PC/Console Games: increased by 7% to SEK 14,410 million (13,444).
 - > Mobile Games: increased by 2% to SEK 5,916 million (5,819).
 - > Tabletop Games: increased by 13% to SEK 14,797 million (13,132).
 - > Entertainment & Services: increased by 34% to SEK 7,082 million (5,270).
- > EBIT¹⁾ amounted to SEK -20,519 million (194), an EBIT margin of -49% (1%). EBIT is affected by non-cash items affecting comparability of SEK -21,845 million and cash items affecting comparability of SEK -672 million as further described on page 6. Adjusted EBIT increased by 12% to SEK 7,063 million (6,366), an Adjusted EBIT margin of 17% (17%).
- > Cash flow from operating activities amounted to SEK 7,888 million (5,383). Net investments in intangible assets amounted to SEK -7,009 million (-5,996).
- > Basic earnings per share was SEK -15.28 (4.17) and diluted earnings per share SEK -15.28 (4.12). Adjusted earnings per share was SEK 3.94 (4.41). Adjusted earnings per share after full dilution was SEK 3.65 (4.06).

Key performance indicators, Group	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Net sales, SEK m	8,875	9,356	42,206	37,665
EBIT ¹⁾ , SEK m	-20,378	-95	-20,519	194
EBIT margin	-230%	-1%	-49%	1%
Adjusted EBIT, SEK m	1,426	915	7,063	6,366
Adjusted EBIT margin	16%	10%	17%	17%
Cash flow from operating activities, SEK m	1,801	1,643	7,888	5,383
Net investments in intangible assets, SEK m	1,516	1,807	7,009	5,996
Net sales growth	-5%	79%	12%	121%
Total game development projects	141	221	141	221
Total game developers	7,699	11,426	7,699	11,426
Total headcount	12,069	16,601	12,069	16,601

¹⁾ EBIT equals Operating profit in the Consolidated statement of profit or loss.
In this report, all figures in brackets refer to the corresponding period of the previous year, unless otherwise stated.



SOLID EARNINGS AND CASH FLOW MOMENTUM IN Q4 AS NEW CHAPTER IS SET TO BEGIN

In Q4, we delivered Net sales of SEK 8.9 billion and a strong improvement in both earnings and cash flows. Adjusted EBIT grew by 56% YoY to SEK 1.4 billion with a free cash flow of SEK 0.5 billion, despite a negative SEK 0.5 billion EBITDAC contribution from divested assets. Mobile Games saw continued strong earnings momentum and Asmodee successfully released Star Wars™: Unlimited, building a strong foundation for the continued roll-out plan of the game. We expect a similar Adjusted EBIT performance in FY 2024/25 as in the past financial year with a materially improved free cash flow and EBITDAC. The restructuring program is now successfully finalized as of 31 March and the processes to transform into three separate publicly listed companies are tracking according to plan.

Over the last year, Embracer has made significant progress in shaping the future of the Group. We have improved the balance between growth and cash flow generation. The divestments of parts of Saber Interactive and Gearbox Entertainment will improve profit margins and cash conversion, and reduce financial leverage, while the subsequent intention to initiate a separation of the group into three separate publicly listed companies, sets a clear strategic direction. For the full year, excluding the contribution from the divested assets, we reached Net sales of SEK 39.7 billion, Adjusted EBIT of over SEK 7.3 billion and EBITDAC of SEK 6.3 billion on a pro forma basis.

In the quarter, Embracer's reported net sales, including divested assets, decreased by -5% YoY to SEK 8.9 billion. Organic growth amounted to -10%, negatively impacted by Entertainment & Services and a soft performance for the recently divested assets within PC/Console Games. Profitability notably improved in Q4, with an Adjusted EBIT of around SEK 1.4 billion, up by 56% YoY.

Free cash flow also materially improved YoY, to around SEK 0.5 billion, despite a negative EBITDAC contribution of SEK 0.5 billion from the divested assets in the quarter. For the full year, free cash flow amounted to SEK 1.5 billion, despite a negative EBITDAC contribution of SEK 2.2 billion from divested assets. This marks a strong improvement versus FY 2022/23, when free cash flow amounted to SEK -39 million.

A range of items not affecting cash flow had a SEK 20 billion impact on our reported EBIT in Q4, mainly relating to the actions we have recently taken. Approximately SEK 11.4 billion is related to the divestments of assets from Saber and Gearbox, and SEK 1.0 billion is related to the restructuring program. The annual impairment test also resulted in a SEK 6.7 billion impairment for Asmodee, which equates to around 20% of the SEK 34.4 billion consideration in 2021. Asmodee is still expected to generate mid-single

digit organic growth in addition to any acquisitive growth, with an expanding Adjusted EBIT margin in the coming years. In Q4, the cash effect of the restructuring program amounted to SEK 265 million.

FY 2024/25 is expected to provide a similar performance on a like-for-like group basis compared to the actual Adjusted EBIT in FY 2023/24, with materially improved free cash flow and EBITDAC. There is potential for earnings growth across PC/Console, Tabletop and Mobile, with higher predictability within Tabletop and Mobile. Entertainment & Services is likely to have a somewhat lower profit YoY due to tough comparisons and a somewhat lower expected contribution YoY from Middle-earth Enterprises. A key assumption for our view of the year is that two key releases, *Kingdom Come: Deliverance II* and *Killing Floor 3*, within PC/Console, will reach the market successfully, largely in line with *Dead Island 2* and *Remnant II* in FY 2023/24. In total, we expect to release more than 70 projects in FY 2024/25, including at least three important unannounced titles. Beyond FY 2024/25, we continue to see strong growth potential from a higher number of large-sized PC/Console projects, based on both established and new IPs.

In Q1, we expect a broadly stable Adjusted EBIT development YoY for Mobile Games and Tabletop Games, but a limited Adjusted EBIT contribution for both Entertainment & Services and PC/Console, due to the timing of new product releases. The value of completed games development within PC/Console is currently expected to reach around SEK 3.9 billion in FY 2024/25, of which approximately 10% in Q1, 20% in Q2, 55% in Q3 and 15% in Q4.

SOLID EARNINGS PROGRESSION ACROSS KEY SEGMENTS IN Q4

In the PC/Console Games segment, we saw negative organic growth of -13 % in the quarter, mainly explained by a soft performance for divested assets, with tough comparisons from a high contribution from deals signed

by Saber Interactive in Q4 last year. The pro forma growth in the quarter was 3 %, excluding divested assets. The quarter saw several small- and mid-sized new game releases, which supported growth. Overall, a few titles, including *Tomb Raider I-III Remastered* and *Deep Rock Galactic: Survivor* performed well. Meanwhile, a few mid-sized titles from THQ Nordic saw a more mixed performance. The Adjusted EBIT grew by around 50% YoY in Q4 due to easy comparison figures from last year. The 16% margin remained impacted by a relatively low return on investments (ROI) for primarily small-and-mid-sized releases in the past 18 months.

We remain excited about our PC/Console pipeline over the coming years. Our resources within PC/Console are increasingly focused towards our own and controlled key IPs, such as *Darksiders*, *Dead Island*, *Deep Rock Galactic*, *Kingdom Come: Deliverance*, *Killing Floor*, *The Lord of the Rings*, *Metro*, *Remnant*, *Satisfactory*, *Tomb Raider*, *Wreckfest* and many others. Through this year and next, we expect our updated capital allocation process, with improved standards for new and continued investment, to drive improving ROI from new game releases, as our pipeline increasingly consists of higher quality games.

In the Tabletop Games segment, Adjusted EBIT grew by over 50% YoY to SEK 380 million in Q4, with a notably improved margin YoY supported by a better product mix and a free cash flow above 100% of Adjusted EBIT in the full year. The organic growth amounted to -3% in the quarter and 7% for the full year. Growth was supported by the successful launch of *Star Wars: Unlimited*, offset by other trading card games due to release timings. Upon release of the first set for *Star Wars: Unlimited - Spark of Rebellion*, demand notably outpaced supply. Set 2, *Shadows of the Galaxy*, will be released on July 12th and Set 3, *Twilight of the Republic*, in the last quarter of calendar 2024.

Asmodee, together with the renowned internal studio Fantasy Flight Games, has a clear multi-year roadmap with product development for several future sets already finished and remains focused on creating a strong ecosystem for players and retailers to install *Star Wars: Unlimited* as a long-term success. Further ahead, we also look forward to the release of the *Altered* trading card game in September this year.

The Mobile Games segment had another strong quarter, with over 50% Adjusted EBIT growth YoY to SEK 514 million. The Adjusted EBIT margin came in at 38%, with stronger-than-expected profitability driven by a product mix shift towards more hardcore games, lower user acquisition costs and an optimization of the balance between current and future potential profits. The organic growth amounted to -9 % in the quarter and was in line with the FY 23/24 outlook. Easybrain continues to perform strongly, with high single-digit organic growth, while DECA Games saw negative organic growth, but with improved profitability and cash flows.

The Entertainment & Services segment had a quieter quarter, as expected, with fewer new releases and products compared to previous quarters, both for PLAION Partner Publishing & Film and for Middle-earth Enterprises. Organic growth amounted to -18% and the Adjusted EBIT margin was stable YoY at around 4%. After the quarter, Middle-earth Enterprises could finally confirm that two new films from Tolkien's Middle-earth are in the works and, separately, Crystal Dynamics announced a new partnership to create new films and TV series for *Tomb Raider*.

We see great potential in *The Lord of the Rings* IP and believe the universe can become a key driver in the coming decades, with the aim to delight fans across the



The Lord of the Rings - Charge of the Wraiths
Art by Cliff Cramp

globe. New *Tomb Raider* stories in streaming and film will allow us to further nurture and grow another unique IP, taking it to new heights. Strong partners, such as Warner Bros. Discovery and Amazon MGM Studios, that complement our capabilities are an important part of our IP strategy.

NEW CHAPTER TO DRIVE VALUE ACROSS THE BUSINESS

It has been a transformative year for Embracer. The restructuring program, that is now successfully finalized, has created a stronger foundation for improved profitability, cash flows and long-term value creation. We are now at a capex run-rate of around SEK 4.3 billion as of Q4 on a pro forma basis. We are also on a path towards significant net debt reduction, driven by cash inflows from divestments and improved free cash flow.

Throughout the past year, our companies and studios have had to part ways with team members. These were necessary but difficult decisions, and it has been important to carry out the changes with compassion, respect and integrity towards those affected. Post-restructuring, we will strive to make continuous improvements as part of our ordinary business, to further improve operational efficiency and capital allocation.

As announced on April 22, we have initiated the process to separate into three separate, publicly listed entities. It is encouraging that shareholders share our view of the transformational separation. So far, the processes are tracking according to plan. There is significant untapped potential within the group, which I

am confident the new structure will unleash. Asmodee, "Coffee Stain & Friends" and "Middle-earth Enterprises & Friends" will all boast sufficient scale, coherent strategies and a clearer focus, paving the way to unlock value in our high-quality assets. Importantly, each standalone entity will ultimately be able to fully utilize its own balance sheet, its own set of financial targets and optimal financing structure and capital allocation strategy that enable their growth ambitions. This, in turn, will create value for all stakeholders as it notably improves the conditions for our entrepreneurs and employees to create the best possible games.

We are now starting a new and exciting chapter for the businesses and people that make up Embracer Group. I am excited about the future and fully convinced that the best is still ahead of us. To conclude, I would like to send my thanks to all our team members, shareholders, customers, and business partners for contributing to the continued prosperity and success in our new chapter.

May 23, 2024, Karlstad, Värmland, Sweden

Lars Wingefors
Co-founder & Group CEO



FINANCIAL COMMENTS

NET SALES

Net sales, SEK m	Jan-Mar 2024	Jan-Mar 2023	Change	Apr 2023-Mar 2024	Apr 2022-Mar 2023
PC/Console Games	3,126	3,478	-10%	14,410	13,444
Mobile Games	1,366	1,317	4%	5,916	5,819
Tabletop Games	3,117	3,074	1%	14,797	13,132
Entertainment & Services	1,265	1,487	-15%	7,082	5,270
Total	8,875	9,356	-5%	42,206	37,665

Total net sales in the fourth quarter amounted to SEK 8,875 million, corresponding an decrease of -5%. For the period April to March the net sales amounted to SEK 42,206 million, an increase of 12% YoY. The negative Net sales growth in the quarter was primarily related to the PC/Console Games and Entertainment & Services segments. In the PC/Console Games segment, the negative organic growth is explained by tough comparisons as the corresponding quarter last year saw positive effects from the signing of several publishing deals by Saber Interactive. The Entertainment & Services segment had fewer notable new releases within PLAION Partner Publishing & Film this quarter compared to the corresponding quarter last year.

Organic growth in the quarter amounted to -10% and the pro forma growth amounted to -4%, and for the period April to March organic growth amounted to 1% and pro forma growth to 4%. The Mobile Games segment is affected by DECA Games' (including CrazyLabs) previous shift from the hyper casual genre to hybrid casual and increased focus on profitability and cash flow compared to the same period previous year. In the Tabletop Games segment, growth was supported by the launch of *Star Wars: Unlimited*, offset by other trading card games due to release timings.

The higher pro forma growth compared to organic growth is mainly related to the divestment of Saber within PC/Console Games and the acquisition of the publishing rights for the game *Alien Invasion* within Mobile Games.

Net sales growth	Jan-Mar 2024			Apr 2023-Mar 2024		
	Net sales growth	Organic growth	Pro forma growth	Net sales growth	Organic growth	Pro forma growth
PC/Console Games	-10%	-13%	3%	7%	-2%	0%
Mobile Games	4%	-9%	-5%	2%	-9%	-3%
Tabletop Games	1%	-3%	-3%	13%	7%	6%
Entertainment & Services	-15%	-18%	-18%	34%	7%	18%
Total	-5%	-10%	-4%	12%	1%	4%



EBIT AND ADJUSTED EBIT

EBIT amounted to SEK -20,378 million (-95) in the quarter, yielding an EBIT margin of -230% (-1%). EBIT is affected by Items affecting comparability of SEK -20,279 million. For the period of April to March EBIT amounted to SEK -20,519 million (194), yielding an EBIT margin of -49% (-1%). EBIT is affected by Items affecting comparability of SEK -22,517 million.

Items affecting comparability (IAC)

IAC are presented by project in the table below and by cost type in the table provided on page [58](#).

ITEMS AFFECTING COMPARABILITY, IAC - By Project				
Amounts in SEK m	Jan-mar 2024	Jan-mar 2023	Apr 2023-mar 2024	Apr 2022-mar 2023
Divestment of Saber Interactive	-7,074	—	-7,074	—
Divestment of Gearbox Entertainment	-1,513	—	-1,513	—
Restructuring program	-1,248	—	-3,387	—
Annual impairment test	-10,445	—	-10,445	—
Other Items Affecting Comparability	—	-203	-99	-278
Total IAC cost affecting EBIT	-20,279	-203	-22,517	-278
<i>of which cash</i>	-265	—	-672	—
<i>of which non-cash</i>	-20,014	-203	-21,845	-278

The divestment of assets related to Saber Interactive, as previously announced on 14 March, resulted in a non-cash expense of SEK -7,074 million with the majority being related to impaired goodwill (see note 8). The divestment of assets related to Gearbox Entertainment, as previously announced 28 March, resulted in a non-cash expense of SEK -1,513 million where major items include goodwill and game related assets. The transaction relating to Gearbox Entertainment was not closed per 31 March, 2024 but accounted for as Assets held for sale according to IFRS 5.

The annual impairment process has resulted in non-cash impairments of goodwill of SEK -10,445 million (see note 5). SEK -2,907 million is directly impaired as consequence of the divestment of certain assets related Saber Interactive. SEK -6,770 million relates to Asmodee, mainly caused by macroeconomic headwinds and rising interest rates combined with prudent future expectations. As stated on 22 April 2024, after FY 2024/25, Asmodee is expected to generate mid-single digit organic growth in addition to any acquisitive growth, with an expanding Adjusted EBIT margin coupled with continued solid cash flow generation.

It is worth noting that revaluations of earnouts have been recorded, across reporting periods, from the date of closing of each transaction until 31 March 2024. The revaluations are part of the financial net and mitigates the effect of goodwill impairments. For the remaining assets of the operative group Saber Interactive revaluations amount to SEK +1.6 billion and for Asmodee SEK +2.2 billion. For Asmodee the impaired amount corresponds to approximately 20% of the total SEK 34.4 billion consideration (valued at FX per 31 March 2024) for the acquisition announced in December 2021 (13% considering the effect from revaluations of earnouts).

Cost related to the restructuring program amounted to SEK -1,248 million (see details on page [8](#)).

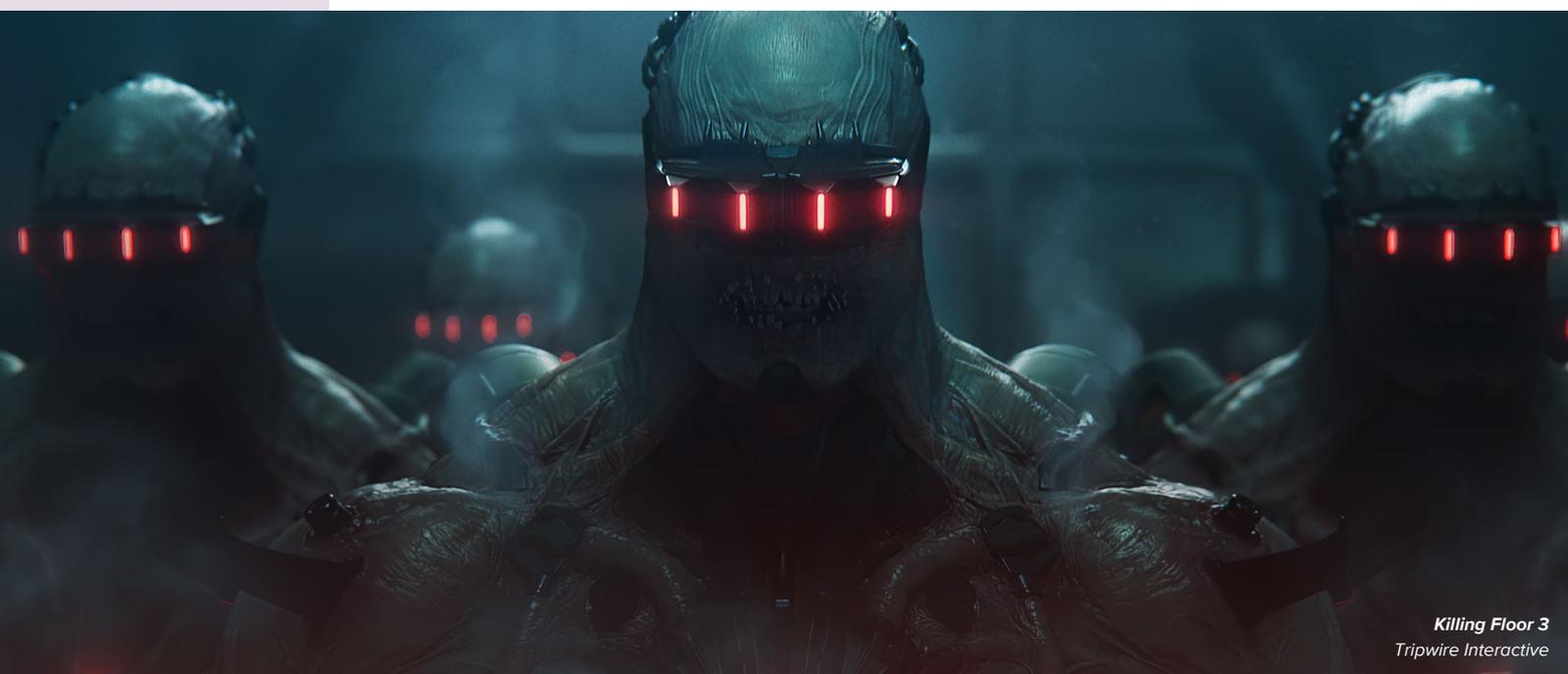


Adjusted EBIT

Adjusted EBIT increased by 56% and amounted to SEK 1,426 million (915) in the quarter, yielding a 16% margin (10%). The increase in the quarter is mainly related to a stronger gross margin, reduced operating expenses and increased profitability in the Mobile Games segment.

EBIT, SEK m	Jan-Mar 2024	Jan-Mar 2023	Change	Apr 2023-Mar 2024	Apr 2022-Mar 2023
PC/Console Games	-6,004	370	N/M	-7,887	41
Mobile Games	256	-140	283%	1,029	-260
Tabletop Games	-7,034	-43	N/M	-6,119	828
Entertainment & Services	-713	-203	-251%	-413	-170
Governance	-6,884	-80	N/M	-7,129	-245
Total	-20,378	-95	N/M	-20,519	194

Adjusted EBIT, SEK m	Jan-Mar 2024	Jan-Mar 2023	Change	Apr 2023-Mar 2024	Apr 2022-Mar 2023
PC/Console Games	514	338	52%	2,441	2,902
Mobile Games	514	324	59%	1,921	1,381
Tabletop Games	380	250	52%	2,079	2,010
Entertainment & Services	48	66	-27%	853	281
Governance	-30	-63	-52%	-231	-208
Total	1,426	915	56%	7,063	6,366



Killing Floor 3
Tripwire Interactive

RESTRUCTURING PROGRAM

Background

On June 13, 2023 Embracer Group presented a restructuring program, that ran until the end of March 2024. The objective of the program was to improve efficiency and cash generation, transforming Embracer into a leaner, stronger, more focused and cash self-sufficient company. The program is now completed.

The program was expected to deliver:

- > Reduced capex by at least SEK 2.9 billion by FY 2024/25, compared to the annualized run-rate of SEK 7.9 billion in Q4 FY 2022/23.
- > Reduce overhead costs by at least 10% or at least SEK 0.8 billion on a yearly basis, compared to the annualized run-rate in Q4 FY 2022/23.
- > Reaching financial net debt below SEK 8 billion by the end of FY 2023/24.

Progress

Embracer delivered as follows on the announced targets of the program, including actions taken during the quarter:

Capex and opex savings:

- > The annualized capex run-rate in Q4 FY 2023/24 was SEK 4.3 billion, (excluding divested assets from Saber Interactive and Gearbox Entertainment) a reduction of SEK 3.6 billion or 45% vs annualized capex run-rate in Q4 FY 2022/23, which was the base period of the program.
- > The 10% overhead cost savings objective was achieved.
- > Headcount reduced by 196 or 1% quarter over quarter, bringing the cumulative headcount reduction since the start of the program to 1,583. In addition, around 3,000 employees left the group with the divestment of certain assets from Saber Interactive. The divestment of Gearbox Entertainment is expected to close in Q1 FY 24/25.

Net Debt Reduction:

- > As anticipated and communicated in the Q3 report, the targeted SEK 8 billion in net debt by March 31, 2024 was not reached, but a notable reduction is expected after Q4. On a pro forma basis, including the expected net cash proceeds from the divestment of assets from Saber Interactive and Gearbox Entertainment of approximately SEK 5.2-5.7 billion, the pro forma net debt as of 31 March would amount to approximately SEK 10.7-11.2 billion.

Costs incurred:

- > In Q4, total items affecting comparability (IAC) related to the restructuring program amounted to SEK -1,248 million (See page [58](#) for details). SEK 559 million of these relates to write-downs of intangible assets. For the full year, IAC related to the restructuring program amount to SEK -3,387 million,
- > In Q4, the cash effect of IAC costs amounted to SEK 265 million, with the effect for the full year amounting to SEK -672 million. See page [58](#) for more details (Free cash flow after working capital).
- > In Q4, mainly unannounced projects were written down, mainly within Crystal Dynamics - Eidos and THQ Nordic.
- > Write-downs are defined as IAC if related to projects affected by the ongoing restructuring program, where the studio or team has been discontinued.





OPERATING SEGMENT PC/CONSOLE GAMES

The PC/Console Games operating segment includes the following six operative groups: THQ Nordic, PLAION, Amplifier Game Invest, Gearbox Entertainment, Coffee Stain and Crystal Dynamics – Eidos. PC and console games have been a core business for Embracer Group ever since its inception. The segment develops and publishes games for PC and console. It includes AAA, AA+, Indie, MMO, Free-to-play, Asset Care, VR, Work-for-Hire and other games development.

SHARE OF GROUP SALES

35% (37%)

INTELLECTUAL PROPERTY (IP)

255 (258)

INTERNAL HEADCOUNT

6,404 (10,436)

INTERNAL STUDIOS

73 (102)

Key performance indicators, PC/Console Games	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Net Sales	3,126	3,478	14,410	13,444
of which Digital products, SEK m	2,034	2,024	9,609	8,927
of which Physical products, SEK m	306	213	1,490	1,101
of which Other products ¹⁾ , SEK m	787	1,241	3,311	3,417
Net Sales growth	-10%	66%	7%	58%
EBIT, SEK m	-6,004	370	-7,887	41
EBIT margin	-192%	11%	-55%	0%
Adjusted EBIT, SEK m	514	338	2,441	2,902
Adjusted EBIT, margin	16%	10%	17%	22%
Type of income				
New releases sales, SEK m	692	544	4,185	2,894
Back catalog sales ²⁾ , SEK m	1,648	1,693	6,914	7,134
Other ¹⁾ , SEK m	787	1,241	3,311	3,417

¹⁾ Primarily Work-for-Hire and other game development.

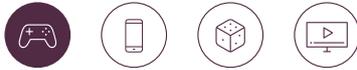
²⁾ See Definitions, quarterly information.

SEGMENT HIGHLIGHTS

Net sales in the quarter for PC/Console Games amounted to SEK 3,126 million, a decrease by -10% compared to the same period last year, or -13% organically and 3% pro forma in constant currency. The negative organic growth development is mainly explained by a lower contribution from other revenue YoY, due to tough comparison figures driven by several deals signed in the corresponding quarter last financial year. The positive pro forma growth is primarily explained by the exclusion of assets from Saber Interactive, which were divested on March 28, 2024.

EBIT amounted to SEK -6,004 million (370) where Items affecting comparability amounts to SEK -5,474 million (-186), yielding a -32% (11%) EBIT margin. Adjusted EBIT amounted to SEK 514 million (338), yielding a 16% (10%) Adjusted EBIT margin. The Adjusted EBIT grew notably YoY in Q4 due to easy comparison figures from last year. The margin remained impacted by games development amortization combined with the soft performance of the previous financial year's releases. In Q4, results were also impacted by a softer-than-expected performance for the two titles *Alone in the Dark* and *Outcast: A New Beginning*, developed and published by THQ Nordic.





Revenue from new releases amounted to SEK 692 million in the quarter, an increase of 27% YoY. The main revenue drivers among new releases in the quarter were *Star Wars: Battlefront Classic Collection*, *SOUTH PARK: SNOW DAY!*, *Tomb Raider I-III Remastered*, *Alone in the Dark* and *Deep Rock Galactic: Survivor*. Other new releases in the quarter included *Lightyear Frontier*, *Outcast: A New Beginning*, *Expeditions: A Mudrunner Game*, *We are Football 2024*, *SpellRogue* and *Bears In Space*.

Tomb Raider I-III Remastered was positively received and performed above management expectations. *Star Wars: Battlefront Classic Collection* saw negative reviews from users, but performed in line with management expectations. *SOUTH PARK: SNOW DAY!* saw a mixed reception from critics and users but delivered within expectations. *Alone in the Dark* and *Outcast: A New Beginning* both saw a positive reception from users, but a mixed reception from critics and ultimately performed below management expectations. *Deep Rock Galactic: Survivor*, developed by Funday Games and published by Ghost Ship Games (Coffee Stain), launched to great reception and outperformed management expectations. *Lightyear Frontier*, developed and published by FRAME BREAK (Amplifier), saw a positive reception and performed well-in-line with management expectations.

Revenue from back catalog titles (including platform deals) amounted to SEK 1,648 million in the quarter, a decrease of -3% YoY. The top-10 back catalog revenue drivers included *Dead Island 2*, *SnowRunner*, *Star Trek Online*, *Remnant II*, *Arizona Sunshine 2*, *Risk of Rain 2*, *Hot Wheels Unleashed 2: Turbocharged*, *Deep Rock Galactic*, *Neverwinter Online* and *Welcome to Bloxburg*. *Dead Island 2* was successfully released on Xbox Game Pass in the quarter and has now sold above 3 million units and reached over 7 million players since launch just over a year ago.

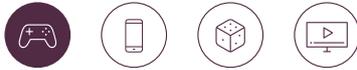
Other revenue amounted to SEK 787 million in the quarter, a decrease of -37% YoY, but a stable sequential development. In the corresponding quarter last year, several new deals were signed by Saber Interactive, driving a notable revenue contribution.

Q1 FY 2024/25 is expected to be the quietest quarter of the year. New, expected game releases in Q1 include *MotoGP 24*, *System Shock Remake* (PlayStation and Xbox), *Ships At Sea* and *Gigantic: Rampage Edition*. The quarter will also see the full release of *Songs of Conquest* (PC only), as well as the release of *Dead Island 2* on Steam alongside new DLC (SoLA). Additionally, Season 5 for *Deep Rock Galactic*, called 'Drilling Deeper' is planned for release in the quarter.

The announcement of *Kingdom Come: Deliverance II*, an internal IP, developed by Warhorse Studios, a PLAION studio based in Prague has been received by players with great enthusiasm. It is an epic open-world medieval RPG set in Bohemia releasing on PC, PlayStation



Kingdom Come: Deliverance II
Deep Silver | Warhorse Studios

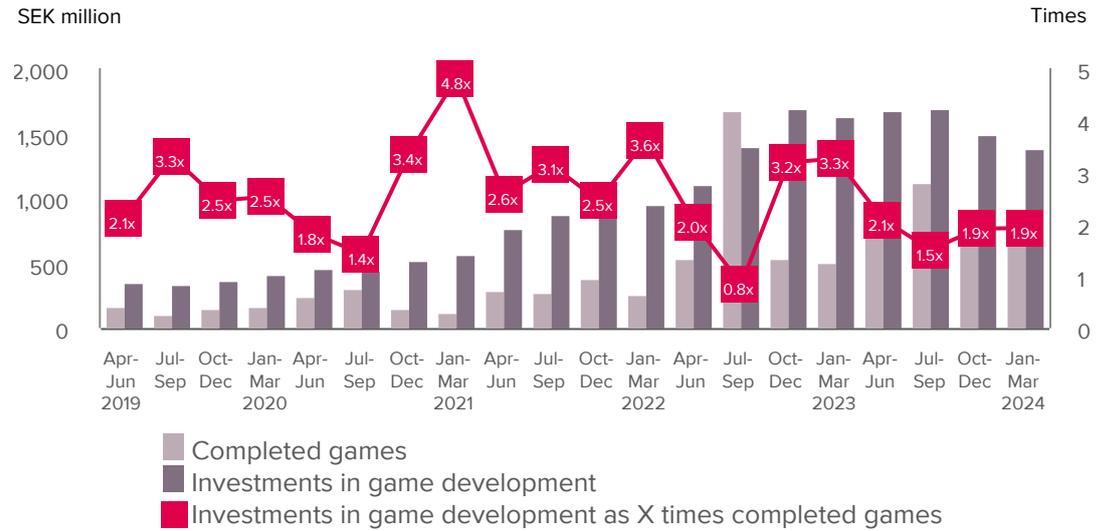


and Xbox later this year. The title is expected to be one of the key releases in the PC/Console segment in FY 2024/25.

Apart from *Kingdom Come: Deliverance II*, important new releases in FY 2024/25 include *Killing Floor 3*, *Disney Epic Mickey: Rebrushed*, *Hyperlight Breaker*, *Gothic Remake*, *Titan Quest 2* alongside at least three other important, unannounced releases. In total, more than 70 game projects are currently expected to be released during the financial year.

GAME DEVELOPMENT INVESTMENTS AND COMPLETED GAMES

The PC/Console Games segment continues to make considerable investments in game development. The finalized value of the completed and released games during the quarter amounted to SEK 718 million (501), driven by the release of *Outcast: A New Beginning*, *Alone in the Dark* and *SOUTH PARK: SNOW DAY!*. In total, SEK 1,382 million (1,633) were invested. The ratio of investments to completed games decreased from 3.3x to 1.9x YoY, but with a continued higher pace of ongoing investment into future game releases than completed investment in released games. When new games are released, capitalized development costs are amortized, based on a degressive depreciation model over two years.





ANNOUNCED PC/CONSOLE RELEASES AS OF MAY 23, 2024

Title	Publishing Label	IP Owner	Main Developer	Platforms
<i>Hyper Light Breaker</i>	Arc Games	External	External	PC
<i>Snow Brows. Wonderland</i>	Clear River Games	Own	Internal	PS4, PS5, Switch
<i>Truxton Extreme</i>	Clear River Games	Own	Internal	PS5
<i>Omega 6 The Tringle Stars</i>	Clear River Games	External	External	Switch
<i>Rushing Beat X: Return of Brawl Brothers</i>	Clear River Games	External	External	TBC
<i>As We Descend</i>	Coffee Stain Publishing	Own	Internal	PC
<i>Kingdom Come: Deliverance II</i>	Deep Silver	Own	Internal	PC, PS5, XB XIS
<i>Tomb Raider (final title TBC)</i>	External	Own	Internal	TBC
<i>Dinolords</i>	Ghost Ship Publishing	External	External	PC
<i>Deep Rock Galactic: Rogue Core</i>	Ghost Ship Publishing	Own	Internal	PC
<i>DarkSwarm</i>	Ghost Ship Publishing	External	External	PC
<i>A Rat's Quest</i>	HandyGames	External	External	PC, PS4, XB1, Switch
<i>Lethal Honor - Order of the Apocalypse</i>	HandyGames	External	External	PC, PS5, XB XIS, Switch, PS4, XB1
<i>Monster Jam Showdown</i>	Milestone	External	Internal	PC, PS5, XB XIS, Switch, PS4, XB1
<i>The Siege and the Sandfox</i>	Plaion	External	External	PC, PS5, XB XIS, Switch, PS4, XB1
<i>Warhammer 40,000: Speed Freeks</i>	Plaion	External	External	PC
<i>Akimbot</i>	Plaion	External	External	PC, PS5, XB XIS
<i>No Body Wants to Die</i>	Plaion	External	External	PC, PS5, XB XIS
<i>Echoes of The End</i>	Prime Matter by Plaion	External	External	PC, PS5, XB XIS
<i>Final Form (final title TBC)</i>	Prime Matter by Plaion	Shared	External	PC, PS5, XB XIS
<i>New Painkiller (final title TBC)</i>	Prime Matter by Plaion	Own	Internal	TBC
<i>Night is Coming</i>	Ravenscourt by Plaion	External	External	PC
<i>Legend of the Five Rings</i>	TBC	Own	Internal	PC
<i>Gothic Remake</i>	THQ Nordic	Own	Internal	PC, PS5, XB XIS
<i>Space For Sale</i>	THQ Nordic	Own	Internal	PC
<i>Söldner: Secret Wars Remastered</i>	THQ Nordic	Own	External	PC
<i>Wreckreation</i>	THQ Nordic	External	External	PC, PS5, XB XIS
<i>Teenage Mutant Ninja Turtles - The Last Ronin</i>	THQ Nordic	External	Internal	PC, PS5, XB XIS
<i>Titant Quest 2</i>	THQ Nordic	Own	Internal	PC, PS5, XB XIS
<i>Disney Epic Mickey: Rebrushed</i>	THQ Nordic	External	External	Quest, Steam VR, PS VR
<i>Killing Floor 3</i>	Tripwire	Own	Internal	PC, PS5, XB XIS
<i>Bloomtown: A Different Story*</i>	Twin Sails Interactive	External	External	PC
<i>Metro Awakening</i>	Vertigo	External	Internal	Quest, Steam VR, PS VR

* PC/Console titles from the operating segments Mobile Games, Tabletop Games and Entertainment & Services are also included in the release list.

For latest release dates please refer to above mentioned publishers.

Please note: Limited Run Games distributed games are not included in the release list.

The release list does not include games where we only have physical distribution rights.

The release list does not include DLC's



OPERATING SEGMENT MOBILE GAMES

The Mobile Games operating segment encompasses the two operative groups: DECA Games and Easybrain. In the past years, the segment has grown to account for a sizable share of Embracer Group's business. The Mobile Games segment includes free-to-play, ad centric, in-app-purchase centric and pay-to-play mobile games.

Key performance indicators, Mobile Games

	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Net Sales	1,366	1,317	5,916	5,819
Net Sales growth	4%	-25%	2%	19%
EBIT, SEK m	256	-140	1,029	-260
EBIT margin	19%	-11%	17%	-4%
Adjusted EBIT, SEK m	514	324	1,921	1,381
Adjusted EBIT, margin	38%	25%	32%	24%
User Acquisition Cost (UAC), SEK m	478	555	2,466	2,925
User Acquisition Cost (UAC), % of Net Sales	35%	42%	42%	50%
Total installs, million	248	272	1,025	1,353
Total Daily Active Users (DAU), million	29	34	31	35
Total Monthly Active Users (MAU), million	229	316	258	301

SEGMENT HIGHLIGHTS

Net sales in the quarter for Mobile Games amounted to SEK 1,366 million, an increase of 4% compared to the same period last year, or by -9% organically and -5% pro forma in constant currency. Easybrain had a high single-digit organic growth, accelerating sequentially, while DECA Games (including CrazyLabs) saw negative organic growth, due to a previous shift from the hyper casual genre to hybrid casual and an increased focus on profitability and cash flows. Pro forma growth was more stable thanks to a continued strong performance for *Alien Invasion*. The number of MAUs and DAUs both declined notably YoY, driven by DECA Games.

Live ops continue to drive growth of the portfolio, supported by a data-driven approach. Underlying market trends had a stable development in the quarter and revenue seasonality in line with historical patterns, but with unexpectedly low user acquisition costs in the quarter and a slight drop in monetization after the quarter.

EBIT amounted to SEK 256 million (-140), yielding a 19% (-11%) EBIT margin. Adjusted EBIT amounted to SEK 514 million (324), yielding a 38% (25%) Adjusted EBIT margin. Items affecting comparability amounted to SEK -60 million (-) in the quarter and mainly constitute write-downs for ongoing game development projects, for which the studio or team has been discontinued. User acquisition costs amounted to SEK 478 million (555), or 35% (42%) of net sales, driven by optimization of costs and monetization. The improved profitability YoY is driven mainly by lower user acquisition costs, and a product mix shift, with a strong performance for Easybrain and for CrazyLabs' hybrid casual game *Alien Invasion*.

DECA Games has divested a few minor games, to free up resources to power live service operations of Cryptic Studios' games, including *Star Trek Online* and *Neverwinter Online*, which is expected to drive efficiency gains for the group.

The strongest back catalog titles in the quarter were *Sudoku.com*, *BlockuDoku*, *Alien Invasion*, *Art Puzzle* and *Jigsaw Puzzles*.



SHARE OF GROUP SALES

15% (14%)

INTELLECTUAL PROPERTY (IP)

49 (48)

INTERNAL HEADCOUNT

1,081 (1,177)

INTERNAL STUDIOS

11 (11)



OPERATING SEGMENT TABLETOP GAMES

The Tabletop Games operating segment includes the operative group Asmodee. The segment represents the publishing and distribution of board games, card games and strategic trading card games. Asmodee is one of the global leaders in this segment through its 23 creative studios and its 22 local, owned distribution offices across the globe. With 40+ million games sold annually in more than 50 countries, Asmodee's portfolio hosts fan & family favorite board games such as Ticket to Ride®, CATAN, Splendor, 7 Wonders, Azul, Exploding Kittens, Dobble/Spot It!, Star Wars: Unlimited and many more.

Key performance indicators, Tabletop Games	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Net Sales	3,117	3,074	14,797	13,132
of which Digital products, SEK m	30	31	158	170
of which Physical products, SEK m	3,061	3,013	14,522	12,847
of which Other products, SEK m	26	31	117	115
Net Sales growth	1%	N/M	13%	N/M
EBIT, SEK m	-7,034	-43	-6,119	828
EBIT margin	-226%	-1%	-41%	6%
Adjusted EBIT, SEK m	380	250	2,079	2,010
Adjusted EBIT, margin	12%	8%	14%	15%

SEGMENT HIGHLIGHTS

Net Sales for the Tabletop Games segment amounted to SEK 3,117 million, an increase of 1% compared to the same period last year or by -3% organic growth and -3% pro forma in constant currency. Growth was driven by the launch of Star Wars: *Unlimited*, offset by other trading card games due to release timings. From a geographical perspective, growth was the strongest in the US and Germany.

The launch of Star Wars: *Unlimited* on March 8, 2024 was a success and performed above management expectations after strong pre-orders and a positive buzz in industry press. Upon release of the first set for Star Wars: *Unlimited*, *Spark of Rebellion*, demand notably outpaced supply. Set 2, *Shadows of the Galaxy*, will be released on July 12th and Set 3, *Twilight of the Republic*, in the last quarter of calendar 2024. Asmodee, together with the renowned internal studio Fantasy Flight Games, has a clear multi-year roadmap with product development for several future sets already finished and remains focused on creating a strong ecosystem for players and retailers to install Star Wars: *Unlimited* as a long-term success.

EBIT amounted to SEK -7,034 million (-43), yielding a -226% (-1%) EBIT margin. Adjusted EBIT amounted to SEK 380 million (250), yielding a 12% (8%) Adjusted EBIT margin. Items affecting comparability amounted to SEK -7,224 million (-) in the quarter, and is primarily related to an impairment of goodwill. It also includes some costs related to the restructuring program including a loss on sale of subsidiary as part of the divestment of Miniature Market, a minor direct-to-consumer business. The Adjusted EBIT margin notably improved YoY thanks to a better product mix driven by Star Wars: *Unlimited*, lower shipping costs and cost savings related to the group restructuring program.

Asmodee delivered a strong free cash flow in Q4 and for the full year, thanks in part to a notable inventory reduction YoY.

asmodee

SHARE OF GROUP SALES

35% (33%)

INTELLECTUAL PROPERTY (IP)

416 (397)

INTERNAL HEADCOUNT

2,377 (2,582)

INTERNAL STUDIOS

23 (22)

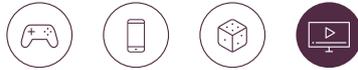


Asmodee has a strong pipeline of novelties and new releases. A number of new titles reached the market during Q4 FY 2023/24, including *Star Wars: Unlimited* from Fantasy Flight Games, *Ticket to Ride – Paris* from Days of Wonder, *MLEM: Space Agency* from Rebel Studio, and *Word Traveler* from Office Dog.

In the coming quarters new releases will include *Forest Shuffle: Alpine* from Lookout, *Harmonies* from Libellud, *CATAN - New Energies* from CATAN Studio and *Dixit Universe Access+* from Access+. The Kickstarter campaign for the *Altered* trading card game was a strong success with a EUR 10 million pledge. Asmodee part-owns Equinox, the publisher of *Altered*, and is the distributor. The game is expected to be released in September 2024.

As communicated in a separate press release as part of intended spinoff of Asmodee, after FY 2024/25 Asmodee has an ambition to grow organically in line with the market, which translates into a mid-single digit organic growth in addition to any acquisitive growth. Asmodee's ambition is also to expand its margins from current levels as a result of an improved revenue mix and continued cost management while maintaining a high cash conversion.





OPERATING SEGMENT ENTERTAINMENT & SERVICES

The Entertainment & Services segment consists of three operative groups: Dark Horse Media, Freemode and parts of PLAION. Dark Horse is a leading developer, publisher and distributor of comic books in the US. Freemode is a diverse mix of companies, including Middle-earth Enterprises and Limited Run Games as well as companies active in different parts of the gaming and entertainment value chain. The segment also includes PLAION's Partner Publishing & Film businesses.

SHARE OF GROUP SALES

14% (16%)

INTELLECTUAL PROPERTY (IP)

193 (193)

INTERNAL HEADCOUNT

771 (900)

INTERNAL STUDIOS

2 (3)

Key performance indicators, Entertainment & Services	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Net Sales	1,265	1,487	7,082	5,270
of which Digital products, SEK m	180	171	643	547
of which Physical products, SEK m	1,049	1,301	5,469	4,658
of which Other products, SEK m	35	15	970	65
Net Sales growth	-15%	83%	34%	70%
EBIT, SEK m	-713	-203	-413	-170
EBIT margin	-56%	-14%	-6%	-3%
Adjusted EBIT, SEK m	48	66	853	281
Adjusted EBIT, margin	4%	4%	12%	5%

SEGMENT HIGHLIGHTS

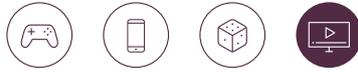
Net sales in the quarter for Entertainment & Services amounted to SEK 1,265 million, an decrease of -15% compared to the same period last year, or -18% organically and -18% pro forma in constant currency. The negative organic growth is explained primarily by tough comparisons for PLAION Partner Publishing & Film, with fewer notable new releases this quarter.

EBIT amounted to SEK -713 million (-203), yielding a -56% (-14%) EBIT margin. Adjusted EBIT amounted to SEK 48 million (66), yielding a 4% (4%) Adjusted EBIT margin. Items affecting comparability amounted to SEK -667 million (-), and mainly constitute impairment of Goodwill within Dark Horse. The Adjusted EBIT margin was stable YoY, with a product mix more geared to physical businesses than in preceding quarters during the financial year.

Freemode grew YoY but had a slower quarter compared to recent quarters, with no notable new partner releases and a lower contribution from releases in the first half of the year. As communicated on May 10, 2024, Warner Bros. Pictures and New Line Cinema, alongside the Oscar-winning team behind the nearly \$6 billion blockbuster *The Lord of the Rings* and *The Hobbit* trilogies Peter Jackson, Fran Walsh and Philippa Boyens are reuniting to produce two new films from Tolkien's Middle-earth. The first film, *The Lord of the Rings: The Hunt for Gollum* (working title), is set for theatrical release in 2026.

As before, Middle-earth Enterprises is also looking forward to the theatrical release of the original anime *The Lord of the Rings: The War of the Rohirrim*, which has been set for December 13, 2024. A new trailer for the PC/Console game *Tales of the Shire: A The Lord of the Rings Game*, from Weta Workshop and Private Division was released after the quarter. The game is expected to be released in 2024 on PlayStation 5, Nintendo Switch, Xbox Series consoles and PC. Furthermore, award-winning *The Lord of the Rings: A Musical Tale* is heading to the USA playing at the Chicago Shakespeare from July 19 through September 1.





Dark Horse Media continued strong performance of the *Berserk* manga led by a new volume of the bestselling series. *Avatar: The Last Airbender* noted a significant sales spike driven by the interest in the Netflix live-action series that debuted in February, as well as the debut of *Avatar: The Last Airbender* comics on Webtoons. Other notable titles include *Hellboy*, *Fafhrd and the Grey Mouser Omnibus*, *The Art of Octopath Traveler: 2016-2020*, and *The Legend of Zelda: Art & Artifacts*.

Resident Alien Season 3, based on the Dark Horse comic book and produced by Dark Horse Entertainment, premiered on SyFy, USA, and Peacock in February, while seasons 1 and 2 were released on Netflix and spent 5 weeks in the top 10.

In February, Limited Run launched *Arzette: The Jewel of Faramore*, one of Limited Run's most successful digital releases to date, exceeding expectations. After the quarter Limited Run announced the release of a physical version, including a collector's edition, of Aspyr's *Tomb Raider I-III Remastered* following the success of the digital release.



The Lord of the Rings: The War of the Rohirrim
Warner Bros. Pictures

OTHER FINANCIAL INFORMATION

NET PROFIT/LOSS FOR THE PERIOD

Net profit/loss for the quarter amounted to SEK -18,125 million (770), a decrease of SEK -18,895 million compared to the same period previous year. For the period April to March net profit/loss amounted to SEK -18,177 million (4,462) a decrease of SEK -22,639 million.

Net financial items amounted to SEK 1,509 million (753) in the quarter. Net interest income/expenses and other financial income/expenses amounted to SEK -360 million (-205). Changes in fair value of contingent consideration and put/call options on non-controlling interests and related interest expenses including deferred considerations amounted to SEK 864 million (1,066). The positive effect is mainly explained by a reduction in the Embracer share price which lowers the fair value. Exchange rate gain/losses amounted to SEK 1,006 million (-108), mainly related to the revaluation of intercompany financial receivables.

Income tax amounted to SEK 744 million (112) in the quarter. Current income tax amounted to SEK 62 million (106) and deferred income tax amounted to SEK 682 million (6).

CONDENSED CASH FLOW

SEK m	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Operating activities				
Cash flow from operating activities before changes in working capital	1,348	1,280	7,503	7,545
Cash flow from changes in working capital	453	363	385	-2,162
Cash flow from operating activities	1,801	1,643	7,888	5,383
Cash flow from investing activities	-1,743	-2,327	-9,954	-15,489
Cash flow from financing activities	-377	-877	832	8,501
Cash flow for the period	-319	-1,561	-1,234	-1,605
Cash and cash equivalents at the beginning of period	3,683	6,198	4,662	5,810
Exchange-rate differences in cash and cash equivalents	143	25	80	457
Cash and cash equivalents at the end of period	3,507	4,662	3,507	4,662

Cash flow from operating activities amounted to SEK 1,801 million (1,643) in the quarter, whereof cash flow from working capital amounted to SEK 453 million (363). Compared to last year there is a similarity in the movements between the years where Tabletop Games segment generated strong sales in Q3, driving an inventory and operating receivables decrease in Q4 and generated a positive cash flow effect.

Cash flow from investing activities amounted to SEK -1,743 million (-2,327) in the quarter. The effects in the cash flow from investing activities is driven mainly by investments in intangible assets SEK -1,549 million (-1,855), where SEK -1,433 million (-1,710) is invested in the portfolio of on-going game development and the majority -1,382 million relates to the PC/Console Games segment.

Current investments amounted to SEK 0 million (-13) and the cash flow from Acquisitions of subsidiaries amounted to SEK -143 million (-403).

Free cash flow after changes in working capital amounted to SEK 488 million (-32) (see page [58](#)).

Cash flow from financing activities amounted to SEK -377 million (-877) in the quarter. It is mainly driven by proceeds from borrowings amounted to SEK 657 million (-159) and reduced utilization of credit facilities amounted to SEK -866 million (-561).



NET DEBT AND AVAILABLE FUNDS

SEK m ¹⁾	Mar 31, 2024	Mar 31, 2023
Cash	3,507	4,662
Current investments	0	18
Current liabilities to credit institutions	-8,994	-683
Current account credit facilities	-35	-17
Non-current liabilities to credit institutions	-10,885	-19,560
Net Debt (-) / Net Cash (+)	-16,407	-15,581

¹⁾ Reclassification of the assets and liabilities under IFRS 5, as per note 8, has been returned to the balances when the net debt and available funds was calculated. The change in net debt and available funds for the quarter and the year is, therefore, not affected by this reclassification as it does not have a cash effect before completion of the transactions.

As per March 31, 2024 the group had non-interest-bearing deferred considerations and obligations related to historical business combinations with an expected cash settlement of SEK 5.4 billion with an estimated maturity structure (see page 20). The group also had short term interest-bearing receivable amounting to SEK 2.1 billion related to the divestment of Saber (see note 8).

In April 2024, Embracer Group secured a financing agreement at Asmodee level. The financing amounted to EUR 900 million (approximately SEK 10.5 billion) with a maturity up to 18 months. The loan is secured only by Asmodee assets and ringfenced with no recourse to Embracer Group. The loan was used to refinance Embracer Group's existing SEK 8 billion loan with maturity in February 2025, and to reduce the revolving credit facilities by SEK 1 billion to SEK 8 billion. The existing revolving credit facility mature in May 2025.

The Board of Directors of Embracer Group has set goals for the capital structure in the financial leverage policy for Embracer Group. The leverage target is to have net debt to Adjusted EBIT of 1.0x on a 12-month forward looking basis. The Group may exceed this ratio for the right inorganic growth opportunity, but with the ambition to return to below 1.0x in the medium term.

Embracer Group AB has a leverage covenant in its credit agreements. The terms for these are 2.5x net debt through Adjusted EBITDA trailing twelve months calculated according to agreement with lenders. As per March 31, 2024 Embracer has substantial headroom to the covenants.

SEK m	31 Mar, 2024	Mar 31, 2023
Cash	3,507	4,662
Current investments	—	18
Unutilized credit facilities	1,749	1,404
Available funds	5,256	6,083



OBLIGATIONS RELATED TO HISTORICAL ACQUISITIONS

In connection to certain business combinations, agreements have been entered regarding contingent considerations that are not classified as part of the transferred purchase consideration since there is a requirement for continued employment for the seller or other reasons for the contingent consideration to be accounted for as a separate transaction. Therefore the item is classified as payment for future services. The contingent consideration could be paid in cash or through shares, whereby transactions are accounted for according to IFRS 2 Share-based payment for remuneration that is equity and share-based, or according to IAS 19 Benefits for employees through cash settled benefits. As the benefits are earned, the item is accounted for as a personnel expense in the group's income statement.

Contingent considerations that are classified as part of transferred purchase considerations and put/call options on non-controlling interests are described in note 5. Contingent considerations classified as part of the purchase consideration is accounted for as either equity or debt in the group's balance sheet. On March 31, 2024 the debt portion amounted to SEK 2,249 million (of which SEK 51 million is classified as liabilities held for sale) and the equity portion amounted to SEK 1,686 million. The value of these obligations is based on the estimated degree of fulfillment and timing for such fulfillment, which is continuously monitored and evaluated.

Obligations related to historical acquisitions to be settled in cash

The table below gives an overview of obligations related to historical acquisitions in SEK million to be settled in cash as of March 31, 2024. The present value of contingent considerations has been calculated based on expected outcome for financial and operational targets for each individual agreement. The financial liability will vary over time depending on, among other things, the degree of fulfillment of conditions for payment, the development of certain exchange rates in relation to the Swedish krona and interest rates.

Since the last quarter the obligations has decreased with SEK 896 million mainly driven by divestments and impairment on certain obligations due to that estimated degree of fulfillment is assessed to be lower.

Financial year when settlement might occur	Contingent consideration classified as part of purchase price ¹⁾ , SEK m	Obligations in relation to future personnel costs related to acquisitions, SEK m	Total obligations related to historical acquisitions, SEK m
2024/2025	683	388	1,071
2025/2026	222	562	785
2026/2027	1,248	991	2,239
2027/2028	322	291	613
2028/2029	251	113	364
2029/2030	208	26	234
2030/2031	67	3	70
	3,001	2,374	5,375

¹⁾ Includes cash portion of put/call options on non-controlling interests and deferred consideration

Contingent considerations classified as part of the purchase consideration and which will be settled in cash are accounted for as debt in the group's balance sheet, divided into current and non-current debt. Additional information is available in note 6. Obligations related to future personnel costs related to acquisitions which will be settled in cash are accounted for in the group's balance sheet, to the extent that it has been earned by the employee and is classified as debt. On March 31, 2024, the debt amounted to SEK 1,434 million (of which SEK 380 million is classified as liabilities held for sale), divided into current and non-current debt.

Obligations related to historical acquisitions to be settled in shares

The table below provides an overview of obligations related to historical acquisitions on March 31, 2024, which will be settled in shares, with information on the number of shares. Contingent considerations classified as part of the purchase consideration is accounted for as either equity or debt in the group's balance sheet. Additional information is available in note 6. Obligations related to future personnel costs related to acquisitions which will be settled in



shares is accounted for in the group's balance sheet, to the extent that it has been earned by the employee and is classified as equity in the group's balance sheet.

Number of shares, million	Contingent consideration classified as part of purchase price	Obligations in relation to future personnel costs related to acquisitions	Total obligations related to historical acquisitions
Already issued	31	11	42
To be issued	77	30	107
Total number of shares	108	41	149

The number of shares to be paid as additional purchase price can vary but never exceed 107 million according to the earnout agreements. If all shares are issued, the dilution in capital will amount to 7.4% and 5.2% of the voting rights as of March 31, 2024, and the total number of shares after full dilution will be 1,466 million. Expectations of shares to be issued per 31 March based on target achievement is within the interval 62 to 67 million. If shares within this interval is issued, the dilution in capital will amount to 4.4-4.8% and 3.1-3.3% of the voting rights as of as of March 31, 2024. Including the effects of the spinoff preparation of Asmodee, communicated in a press release after the quarter (April 22, 2024), the corresponding expected shares to be issued is within the interval 21 to 26 million, meaning that dilution in capital will amount to 1.5-1.9% and 1.1-1.3% of the voting rights as of as of March 31, 2024.

The 42 million shares that have so far been issued are subject to clawback restrictions (clawback shares). Clawback shares are defined as shares of the company issued to sellers at completion of acquisitions of companies or assets. Clawback shares are part of the earnout consideration to sellers of companies or assets. Clawback shares are held by sellers, either in escrow accounts or on regular accounts, with an agreed right for the company to receive the shares back, at no consideration, if specific earnout targets are not met. Clawback shares are kept by the sellers if earnout targets are met.

During the quarter the number of already issued shares under clawback restrictions decreased with 45 million shares due to target achievements and due to agreements as part of the divestment of Saber Interactive.

Specific items related to historical acquisitions

The forecast is based on the average exchange rates for the period April 2023 to March 2024. The forecast includes closed acquisitions/divestments as per March 31, 2024. The forecast is based on the purchase price allocations as per April 25, 2024, which contain both preliminary and finalized purchase price allocations.

SEK m	24/25										Total
	Q1 ¹⁾	Q2	Q3	Q4	25/26	26/27	27/28	28/29	29/30	30/31	
Amortization of surplus values of acquired intangible assets	576	553	521	521	2,002	1,766	1,526	1,470	1,378	1,293	11,606
Personnel costs related to acquisitions	1,003	110	110	109	381	154	33	5	0	—	1,905
Specific items related to historical acquisitions	1,579	663	631	630	2,383	1,920	1,559	1,475	1,378	1,293	13,511

¹⁾ At March 28, 2024 an agreement was entered into to divest parts of the operating group Gearbox Entertainment. The transaction is expected to close during Q1 FY 2024/2025.

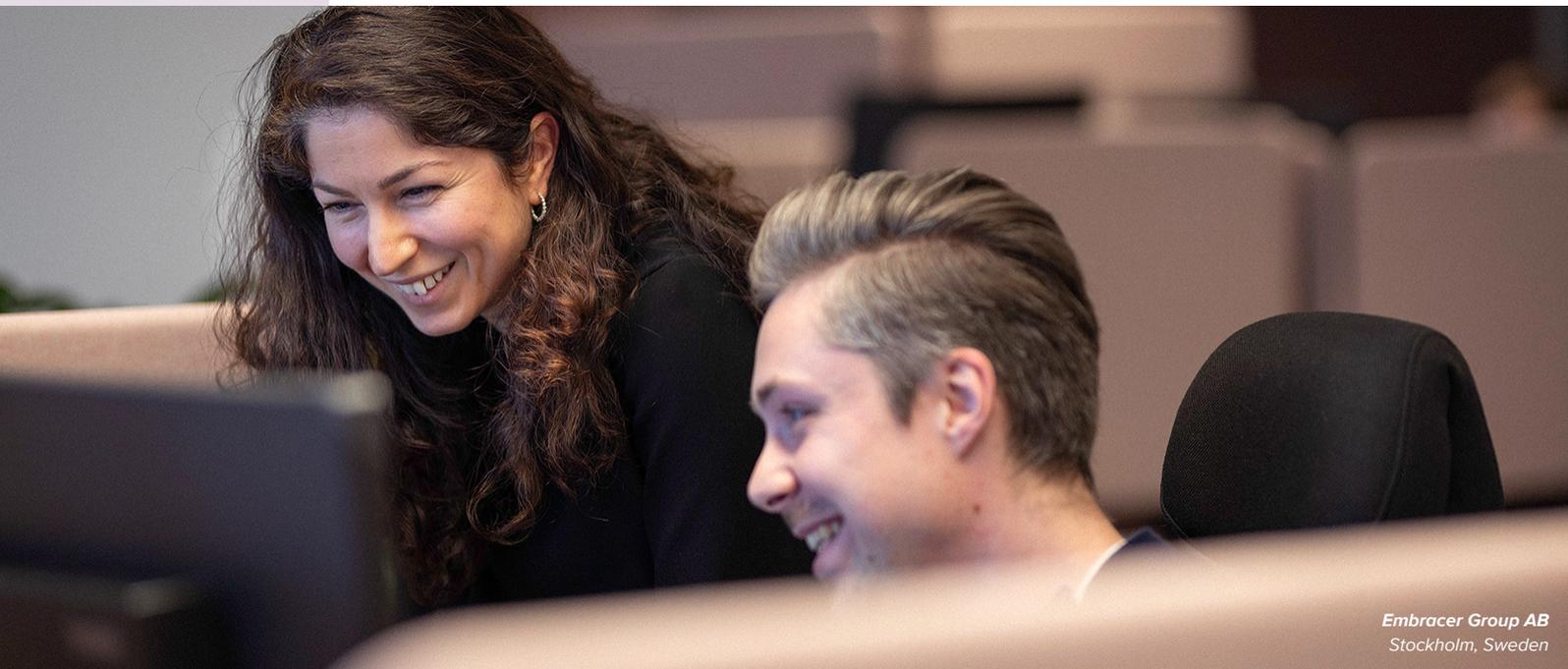


PARENT COMPANY

The parent company acquires and conducts operations through its subsidiaries and underlying companies.

The parent company's net sales for April 2023-March 2024 were SEK 85 million (64), and profit before tax was SEK -6,815 million (631). Profit after tax was SEK -6,829 million (583). The divestment of Saber Interactive has had an impact amounting to SEK -7,188 million.

Cash and current investments as of March 31, 2024 were SEK 486 million (23). Available funds amounted to SEK 736 million as of March 31, 2024. The parent company's equity at the end of the period was SEK 54,800 million (59,655).



SIGNIFICANT EVENTS DURING THE QUARTER

- > On the 14th of March Embracer announced and entered into an agreement to divest selected assets, from the operative group Saber Interactive for a purchase price of USD 247 million (SEK 2,527 million), including assumed earnout liabilities of USD 44 million (SEK 450 million) but before any additional consideration. Through this divestment, Embracer ceased all operations in Russia, while immediately improved cash flow, reduced capex, net debt and future liabilities. The buyer was Beacon Interactive, a company controlled by Saber Interactive co-founder Matthew Karch. The transaction was completed on March 28.
- > On the 18th of March, Embracer announced that the members of the Nomination Committee for Embracer Group AB's Annual General Meeting 2024 have been appointed in accordance with the principles for appointment of the Nomination Committee. The following members were appointed:
 - > Per Fredriksson, appointed by Lars Wingefors AB, is the Chair of the committee
 - > Ola Åhman, appointed by Savvy Gaming Group
 - > Henrik Olsson, appointed by Canada Pension Plan Investment Board
 - > Magnus Tell, appointed by Alecta
 - > Anna Henricsson, appointed by Handelsbanken Fonder
- > On the 28th of March, Embracer announced and entered into an agreement to divest Gearbox Entertainment, for a consideration of USD 460 million (SEK 4.9 billion) to Take-Two Interactive Software, Inc. The proceeds from the deal will, upon closing, significantly reduce net debt, earnout obligations and capex. Embracer retains selected companies, including Gearbox Publishing San Francisco (now renamed to Arc Games), with the publishing rights to the *Remnant* franchise, the upcoming *Hyper Light Breaker* and other notable unannounced game releases. Closing of the transaction is expected to take place in May or June 2024 and is conditional upon customary conditions including regulatory approvals such as merger control clearance.

SIGNIFICANT EVENTS AFTER THE QUARTER

- > On the 22nd of April, Embracer announced a transformative step for value creation through the intention of a separation of the group into three market-leading games and entertainment companies: Asmodee Group, "Coffee Stain & Friends" and "Middle-earth Enterprises & Friends" (only illustrative names). The three entities will be separate, publicly listed companies, enabling each entity to better focus on their respective core strategies and offer more differentiated and distinct equity stories for existing and new shareholders. This will enable the entities to unlock value in the high-quality assets of Embracer Group following the successful completion of the restructuring program. Further, Embracer announced on the same date and as part of its decision to transform the group into three separate publicly listed entities, through Asmodee it entered into a financing agreement with JP Morgan, BNP Paribas, SEB, Societe Generale and Swedbank. The financing amounts to EUR 900 million (approximately SEK 10.5 billion) with a maturity up to 18 months and on similar terms as the previous loan. The financing agreement creates a strong foundation for building an optimal capital structure for the three entities.
- > On the 10th of May Embracer, through its wholly-owned subsidiary Middle-earth-Enterprises confirmed that Warner Bros. Pictures and New Line Cinema, alongside the Oscar-winning team behind the nearly \$6 billion blockbuster *The Lord of the Rings* and *The Hobbit* trilogies Peter Jackson, Fran Walsh and Philippa Boyens are reuniting to produce two new films from Tolkien's Middle-earth. The first film is set for theatrical release in 2026.
- > On the 14th of May, Embracer, through the wholly-owned subsidiary Crystal Dynamics, announced and entered into a partnership with Amazon MGM Studios to develop additional stories for the acclaimed *Tomb Raider* franchise in both streaming and film.



SUSTAINABILITY AND GOVERNANCE

SUSTAINABILITY

During the fourth quarter, we took a step in our sustainability journey by forming an Advisory Sustainability Council. This council, chaired by the Head of Sustainability and comprising representatives from the owners, The Board of Directors, and management, is a testament to our collective commitment to integrate sustainability issues even further into business development and risk management. It's a platform where different voices are heard, and there is a forum for strategic discussion about how sustainability/ESG can be a tool to meet and exceed stakeholders' expectations and create long-term value for investors.

The Group's fourth annual employee survey was completed during the quarter. The survey is based on a six-scale self-assessment format, from "completely disagree" to "completely agree," and is recalculated in index points from 0 to 100, where 100 reflects the best result. Although the Group underwent a significant transformation during the year, the survey shows that we managed to keep the average satisfaction rate at a high level, 76, compared to 80 FY 2022/23. Enjoyment of work, work-life balance, and workplace conditions are among our top strengths in the view of our employees, while the scores for leadership and management culture have decreased during the year.

The survey's response rate was 83%, slightly lower than last year's 85%. The employee survey results provide important data for analyzing and concluding employee satisfaction and engagement. They are distributed and discussed in senior management teams on both global and local levels and form priorities for coming activities.

We also launched practical examples, "Our Planet—Climate focus," to support the group's companies in their contribution to reducing carbon emissions by 45% by 2030 from a 2021 base year, in line with the Paris Agreement through our commitment to the Science Based Targets initiative (SBTi).

GOVERNANCE

During the quarter we have continued maturing our Privacy and AI programs with templates, best practice and guidance to further mature our companies within these areas. We also focused on the upcoming EU AI Act and the implications that will have for our business.

During the quarter we also re-conducted our annual Code of Conduct training where 6,119 people out of a total of 10,200¹⁾ employees so far have participated in completing the training.

¹⁾ Our total headcount amounts to 10,200 people excluding staff from the operative groups Saber Interactive and Gearbox Entertainment.



MARKET REVIEW

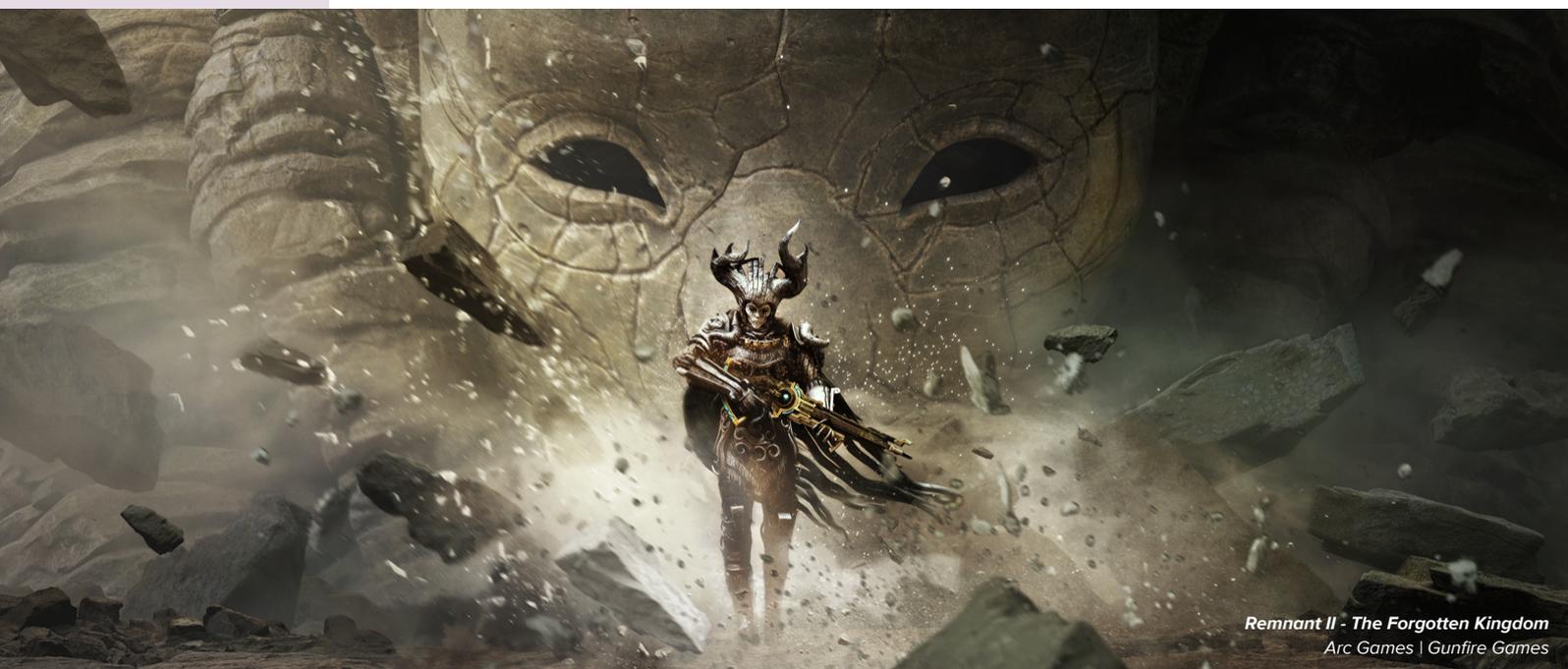
Embracer Group currently operates in four segments; PC/Console and Mobile Games (jointly 'Video games'), Tabletop Games and Entertainment & Services.

VIDEO GAMES MARKET

The games market in calendar year 2023 is estimated to have generated USD 184 billion and grown by 0.5% YoY¹⁾, despite a challenging macro environment for consumers and businesses alike.

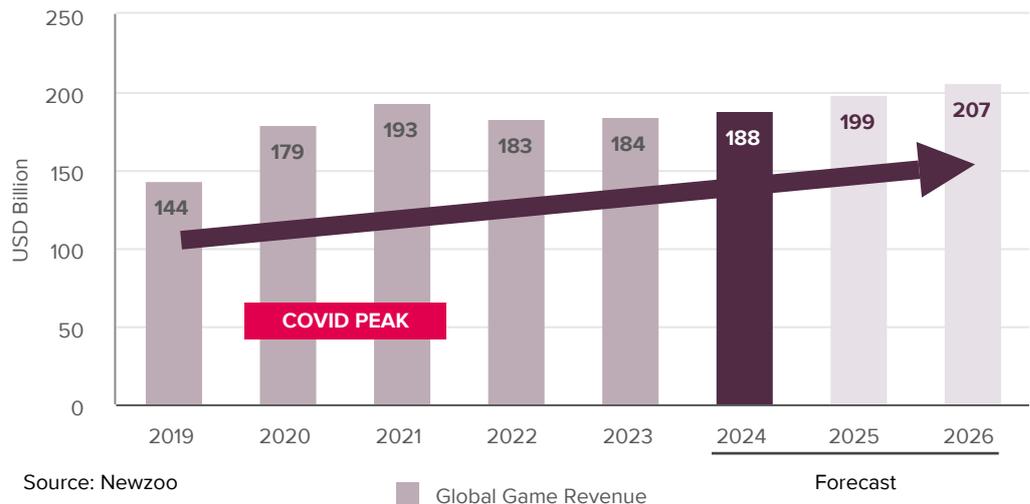
The games market is in a healthy place with 2023 being the second highest grossing year on record, second only to the pandemic high year in 2021. Market revenues in 2024 are expected to maintain similarly high levels with growth of 2%, slightly higher than that achieved in 2023. The market is in a low-growth period as several cycles are playing out.

- > Console cycle: PS5 console sales reached the peak of their bell curve in late 2023 and (pending any retail price reductions) will see a YoY decline in 2024. Sony also recently announced that their own console sales forecast will be lower this year than last. The installed base is still growing, and software sales historically see YoY growth for a further 1-2 years after the console peak. Xbox Series console sales peaked in 2022 and their software sales are now starting to experience YoY declines.
- > Investment cycle: The industry is currently right-sizing after several years of high investment and hiring, aided partly by the revenues achieved in the pandemic years. As the industry adjusts to the new-normal, this is resulting in a higher number of job layoffs and lower investment than usual.
- > New release development: 2023 saw many more higher profile releases than usual due to prior pandemic-led delays in development.
- > Generative AI, albeit in its early experimental phase, is being widely used in the industry, and the benefits of it, in terms of development efficiencies and user experiences, could be expected to be seen within the next two years.
- > Economic cycles: Current cost-of-living pressures on consumer spending are expected to improve over the next two years.



Remnant II - The Forgotten Kingdom
Arc Games | Gunfire Games

In consideration of the above cyclical patterns across many parts of the industry, the growth prospects for the games market, in the near term, remain strong, with it predicted to grow to a value of USD 207 billion in 2026, a +5% CAGR between 2019 and 2026 ¹⁾.



PC / Console Games Market

The Console games market, at USD 52 billion (2023), accounts for 29% of the global video games market and is estimated to have remained flat (low growth of 0.3% YoY)¹⁾ helped by an acceleration of the new-gen console installed base, with a higher supply and a strong new release line-up. In 2024, growth is expected to be flat again (minor decline of 1% YoY) due to a relatively weaker software line-up and a slow-down in console installed base growth.

The PC games market continues its strong performance. It is estimated at USD 42 billion (2023), accounting for 23% of the global games market and is estimated to have grown by 7% in 2023, making it the fastest growing of the three main sectors. Growth is expected to continue in 2024 by +4% YoY¹⁾. It has been driven largely by a strong performance in the premium game sector, with some new releases performing strongly, increased focus from publishers and console format holders (Sony and Microsoft), as well as a general increasing popularity, as a platform, from consumers.

Growth in both the PC and Console markets is expected to benefit, this year and onwards, from increasing in-game revenue stemming from purchases within games (either in premium games or free-to-play games).

Mobile Games Market

The mobile games market, estimated at USD 90 billion (2023), is the largest game sector, representing 49% of the global gaming market. It is estimated to have seen a small decline of -2% YoY in 2023 but is expected to return to growth of +3% YoY in 2024¹⁾. Mobile gamers, being generally casual in their gaming style, are more susceptible to spending squeezes and, therefore, improving economic conditions is expected to add tailwinds to the sector.

TABLETOP GAMES MARKET

The tabletop games mass market (Strategic Trading Cards, Card & Boardgames) has shown good resilience to the challenging macro environment. It grew by 0.4% YoY in 2023, a strong performance coming off a record-high in 2022. Growth continued in Q1 2024 (calendar year) achieving +1.9% (US and Europe combined). By region, Europe increased by +5.7%, offsetting a flat growth in the US (-0.2%). Europe has seen growth in both STCGs and boardgames, (+15.4% and +2.5% respectively), with the US displaying growth in boardgames (+15%) offset by a similar decrease (-15%) in TCGs due to strong over-performance of the same quarter last year²⁾.



ENTERTAINMENT & SERVICES MARKET

Comics and Books

The results of a direct market survey (comic book shops) showed that, in 2023, comic shop retailers reported both graphic novels and periodicals (comic books) sales were down by as much as 50% YoY³⁾. 69% of retailers reported lower gross sales in 2023 than in 2022, while 22% reported higher sales. The direct market is the dominant distribution channel for periodicals, whilst graphic novels perform well through traditional books channels that are not covered by this survey.

TV and Film

Global box office revenues for Q1 2024 are estimated at USD 7.9 billion which represents growth of +2% YoY⁴⁾. Following this strong performance, the forecast for the full year (2024) has been adjusted to USD 32 billion, a marginal increase from the previous forecast but still a decline of revenues of -5% YoY compared to 2023. The 2024 revised estimate remains -18% behind an average of the last three pre-pandemic years (2017-2019)⁴⁾.

Content spend by broadcasters and streaming services is expected to grow +2% YoY to USD 247 billion in 2024 compared to USD 243 billion last year⁵⁾. The driver of the growth is the global streaming video on demand services that are forecasted to increase content spending by +7% in 2024.

¹⁾ Source: Newzoo
²⁾ Source: Circana and Asmodee

³⁾ Source: ComicsPRO
⁴⁾ Source: Gower Street Analytics
⁵⁾ Source: Ampere Analytics



SOUTH PARK: SNOW DAY!
THQ Nordic | Question

GAMES ARCHIVE

The Embracer Games Archive preserves and tributes the games culture through its archive of physical games and consoles. By building an extensive archive of physically released games for the consumer market, the aim is to be a resource for the gaming industry and its community. Games should be shared with future and current generations for cultural and educational purposes and the archive aims to contribute to these preservation efforts.

During the quarter, the cataloging of all items in the archive continued. We currently have 56,000 items cataloged out of an estimated 80,000. As one of the archive's main objectives is to promote gaming culture in various ways, the archive's team have networked with universities at a national level. One of these collaborations is with Karlstad University, and it has resulted in plans to hold a course in the fall of 2024, with some of the lessons based on archive materials. Using the archive's extensive collection of games, students can explore the paratext of physical games with the aim of analyzing how games have historically conveyed stories and captured an audience.

Further, the archive has also welcomed visits from several prominent Swedish politicians, including the Minister of Education, the Minister of Civil Affairs, and the Minister of Labor and Integration. These visits are important steps in contributing to increasing recognition of the gaming industry and gaming culture.



ANALYSTS FOLLOWING EMBRACER GROUP

AS OF MAY 23, 2024

Company	Name	Mail
ABG Sundal Collier	Simon Jönsson	simon.jonsson@abgsc.se
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BofA Securities	Adrien de Saint Hilaire	adrien.de_saint_hilaire@bofa.com
Cantor Fitzgerald	Edward James	edward.james@cantor.com
Carnegie Investment Bank	Amar Galijasevic	amar.galijasevic@carnegie.se
Citi	Thomas A Singlehurst	thomas.singlehurst@citi.com
DNB Markets	Martin Arnell	martin.arnell@dnb.se
Danske Bank Markets	Jacob Edler	jedl@danskebank.se
Deutsche Bank	George Brown	george-samuel.brown@db.com
Goldman Sachs	Alexander Duval	alexander.duval@gs.com
HSBC	Ali Naqvi	ali.naqvi@hsbc.com
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JP Morgan	David Peat	david.peat@jpmorgan.com
Jefferies	Sebastian Patulea	spatulea@jefferies.com
Kepler Cheuvreux	Anders Jafs	ajafs@keplercheuvreux.com
Nordea Markets	Viktor Lindström	viktor.lindstrom-2@nordea.com
Pareto	Vincent Edholm	vincent.edholm@paretosec.com
Redeye	Hjalmar Ahlberg	hjalmar.ahlberg@redeye.se
SEB	Erik Larsson	erik.larsson@seb.se
Wedbush	Nick McKay	nick.mckay@wedbush.com

At www.embracer.com consensus estimates are provided as an IR-service. The estimates presented are delivered from Modular Finance and based on predictions made by analysts who cover Embracer Group.

THE SHARE

TOP 10 OWNERS AS OF MARCH 31, 2024					Change from Dec 31, 2023
Name	Class A shares	Class B shares	Share of capital, %	Share of votes, %	Class A and B shares
Lars Wingefors AB	52,260,204	210,238,330	19.60%	37.76%	
Savvy Gaming Group		99,884,024	7.46%	5.15%	
S3D Media Inc ¹⁾	12,798,274	70,772,440	6.24%	10.24%	
DNB Asset Management AS		68,961,689	5.15%	3.55%	18,276,361
Canada Pension Plan Investment Board (CPP)		43,663,200	3.26%	2.25%	
Alecta Tjänstepension		41,064,000	3.07%	2.12%	
PAI Partners		39,044,571	2.91%	2.01%	
Handelsbanken Fonder		33,026,993	2.47%	1.70%	4,976,020
Vanguard		32,705,442	2.44%	1.69%	231,734
SEB Fonder		29,532,943	2.20%	1.52%	2,017,743
TOP 10	65,058,478	668,893,632	54.79%	67.99%	
OTHERS	1,739,796	603,848,851	45.21%	32.01%	
TOTAL	66,798,274	1,272,742,483	100.00%	100.00%	

Source: Monitor by Modular Finance.

Shareholder lists are available on embracer.com and are updated in real time.

¹⁾ After quarter end, A-shares held by S3D Media Inc, were converted to B-shares, following the divestment of Saber Interactive. 12 798 274 A-shares were converted into 12,798,274 B-shares, total number of B-shares held by S3D Media Inc is after the conversion 83,570,714 and a Share of votes of 4.58%.

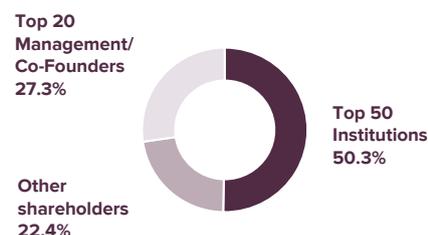
INTERNATIONAL OWNERSHIP TOP 50 INSTITUTIONAL

AS OF MARCH 31, 2024 BY CAPITAL



INSTITUTIONAL OWNERSHIP VS MANAGEMENT

AS OF MARCH 31, 2024 BY CAPITAL



OTHER
INFORMATION

TOP 20 MANAGEMENT & CO-FOUNDER OWNERS AS OF MARCH 31, 2024

Owner ^{1) 2)}	Co-Founder	Class A shares	Class B shares	Share of capital, %	Share of votes, %
Lars Wingefors AB	Embracer Group	52,260,204	210,238,330	19.6%	37.8%
Founders/Management	Easybrain		48,171,325	3.6%	2.5%
Ken Go	Deca Games		10,374,962	0.8%	0.5%
Randy Pitchford ³⁾	Gearbox		9,563,028	0.7%	0.5%
Founders/Management	4A		4,892,140	0.4%	0.3%
Management	Crazy Labs		4,402,714	0.3%	0.2%
Founders	Ghostship Games		4,058,206	0.3%	0.2%
Founders/Management	Aspyr		3,549,742	0.3%	0.2%
Richard Stitselaar and Kimara Rouwit	Vertigo Games		3,516,420	0.3%	0.2%
Luisa Bixio	Milestone		2,424,341	0.2%	0.1%
Klemens Kundratitz	Plaion		2,420,856	0.2%	0.1%
Anton Westbergh	Coffee Stain		2,412,666	0.2%	0.1%
William Munk II	Tripwire		1,501,907	0.1%	0.1%
David Hensley	Tripwire		1,501,907	0.1%	0.1%
Alan Wilson	Tripwire		1,482,887	0.1%	0.1%
Dennis Gustafsson	Tuxedo Labs		1,408,031	0.1%	0.1%
Klemens Kreuzer	THQ Nordic		1,000,000	0.1%	0.1%
John Coleman	Vertigo Games		586,016	—%	—%
Stefan Ljungqvist	Experiment 101		360,360	—%	—%
Lee Guinchard	Embracer Freemode		205,580	—%	—%
TOP 20		52,260,204	314,071,418	27.3%	43.1%
ALL OTHER SHAREHOLDERS		14,538,070	958,671,065	72.7%	56.9%
TOTAL		66,798,274	1,272,742,483	100.0%	100.0%

¹⁾ Holdings by management above are in general owned through various wholly owned companies. Holdings include clawback shares that are issued but subject to restrictions and in some cases these shares are not part of the transferred consideration in the PPA but is classified as remuneration for future services according to IFRS2.

²⁾ Following the divestment of Saber Interactive, the founders of Saber Interactive, Matthew Karch and Andrey Iones, have been removed from top 20 Management list.

³⁾ The divestment of Gearbox is expected to close in Q1 FY 2024/25 whereby Randy Pitchford (CEO, Gearbox Entertainment) will be removed from the top 20 Management list.



Name	Class A shares	Class B shares	Share of capital, %	Share of votes, %	Change from
					Dec 31, 2023
Savvy Gaming Group		99,884,024	7.46%	5.15%	
DNB Asset Management AS		68,961,689	5.15%	3.55%	18,276,361
Canada Pension Plan Investment Board (CPP)		43,663,200	3.26%	2.25%	
Alecta Tjänstepension		41,064,000	3.07%	2.12%	
PAI Partners		39,044,571	2.91%	2.01%	
Handelsbanken Fonder		33,026,993	2.47%	1.70%	4,976,020
Vanguard		32,705,442	2.44%	1.69%	231,734
SEB Fonder		29,532,943	2.20%	1.52%	2,017,743
Didner & Gerge Fonder		28,868,842	2.16%	1.49%	150,000
Norges Bank		21,742,484	1.62%	1.12%	
DNB Asset Management SA		19,612,813	1.46%	1.01%	3,899,104
Skandia Fonder		19,192,930	1.43%	0.99%	4,420,213
Folksam		16,281,263	1.22%	0.84%	394,049
Tredje AP-fonden		16,235,423	1.21%	0.84%	7,650,635
Swedbank Robur Fonder		12,156,018	0.91%	0.63%	-6,598,480
TIN Fonder		12,034,706	0.90%	0.62%	
BlackRock		11,464,792	0.86%	0.59%	-1,589,700
Länsförsäkringar Fonder		9,520,675	0.71%	0.49%	-516,449
Andra AP-fonden		9,226,695	0.69%	0.48%	
Avanza Pension		7,579,978	0.57%	0.39%	-1,050,757
Livförsäkringsbolaget Skandia		7,401,704	0.55%	0.38%	1,790,902
Swedbank Försäkring		6,722,090	0.50%	0.35%	1,452,607
Nordea Funds		6,636,502	0.50%	0.34%	266,068
LOYS AG		6,620,000	0.49%	0.34%	650,000
Storebrand Fonder		6,366,059	0.48%	0.33%	-85,967
VanEck		5,696,640	0.43%	0.29%	1,034,563
Jofam AB		5,500,000	0.41%	0.28%	1,139,000
Första AP-fonden		5,250,000	0.39%	0.27%	3,250,000
State Street Global Advisors		4,449,710	0.33%	0.23%	467,092
Government of Japan Pension Investment Fund		4,343,291	0.32%	0.22%	
Lancelot Asset Management AB		3,375,000	0.25%	0.17%	
Nordea Liv & Pension		3,296,205	0.25%	0.17%	389,064
Bankinter		2,963,995	0.22%	0.15%	
Handelsbanken Liv Försäkring AB		2,777,468	0.21%	0.14%	398,995
Ruth Asset Management		2,572,911	0.19%	0.13%	
ALB S.r.l		2,424,341	0.18%	0.12%	
Nordnet Pensionsförsäkring		2,294,653	0.17%	0.12%	-3,080,158
eQ Asset Management Oy		2,200,000	0.16%	0.11%	950,000
Dimensional Fund Advisors		2,111,117	0.16%	0.11%	156,020
Enter Fonder		2,108,940	0.16%	0.11%	325,000
Provobis Holding AB		2,000,000	0.15%	0.10%	
Aktia Asset Management		1,950,000	0.15%	0.10%	-2,337,500
Charles Schwab Investment Management Inc		1,941,080	0.14%	0.10%	227,981
Svenska Handelsbanken AB for PB		1,889,994	0.14%	0.10%	-22,000
Northern Trust		1,670,835	0.12%	0.09%	25,550
Kammarkollegiet		1,633,748	0.12%	0.08%	
Nordea Funds (Lux)		1,461,188	0.11%	0.08%	169,309
KBC Asset Management		1,338,392	0.10%	0.07%	
Singular Asset Management SGIIC SA		1,395,000	0.10%	0.07%	900,000
Global X Management Company LLC		1,393,522	0.10%	0.07%	170,588
TOPP 50 INSTITUTIONAL	0	673,583,866	50.28%	34.71%	
OTHERS	66,798,274	599,158,617	49.72%	65.29%	
TOTAL	66,798,274	1,272,742,483	100.00%	100.00%	

Source: Monitor by Modular Finance.



RISKS AND UNCERTAINTY FACTORS

Embracer Group is exposed to risks, particularly the dependence on key persons for the success of game development, the sales performance of launched games, dependence on a few distributors and the success and performance of acquisitions. The complete risk analysis is found in the company's most recent Annual Report. Additional significant risks are described in note 2 in this report.

AUDITOR'S REVIEW

This Full Year Report has not been subject to review by the Company's auditor.

FORTHCOMING REPORTS

Annual Report 2023/24	June 20, 2024
Interim Report Q1, April-June 2024	August 15, 2024
Annual General Meeting 2024	September 19, 2024
Interim Report Q2, July-September 2024	November 14, 2024
Interim Report Q3, October-December 2024	February 13, 2025
Interim Report Q4, January-March 2025	May 22, 2025

FOR MORE INFORMATION

Find more information about the Company at its website: embracer.com

For any questions on this report, please contact:

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Beatrice Flink Forsgren, *Head of Brand & Communication*

beatrice.forsgren@embracer.com, +46 54 53 56 07



SIGNATURES AND ASSURANCE

The Board of Directors and Chief Executive Officer offer their assurance that this full year report and interim report for the fourth quarter gives a true and fair view of the Group's and parent company's operations, financial position and results of operations and describes the significant risks and uncertainties facing the Group and the parent company.

Karlstad, Sweden, May 23, 2024

Kicki Wallje-Lund
Chair of the Board

Yasmina Brihi
Board member

Cecilia Driving
Board member

David Gardner
Board member

Bernt Ingman
Board member

Jacob Jonmyren
Board member

Cecilia Qvist
Board member

Lars Wingefors
CEO and Board member

This report is information that is mandatory for Embracer Group to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 07:00 CEST on May 23, 2024.

This report contains forward-looking statements that reflect the Board of Directors' and management's current views with respect to certain future events and potential financial performance. Forward-looking statements are subject to risks and uncertainties. Results could differ materially from forward-looking statements as a result of, among other factors, (i) changes in economic, market and competitive conditions, (ii) success of business initiatives, (iii) changes in the regulatory environment and other government actions, (iv) fluctuations in exchange rates and (v) business risk management.

This report is based solely on the circumstances at the date of publication and except to the extent required under applicable law or applicable market place regulations, Embracer Group AB is under no obligation to update the information, opinions or forward-looking statements in this report.



*Gigantic Rampage Edition
Arc Games | Abstraction Games*

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Amounts in SEK m	Note	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Net sales	3,4	8,875	9,356	42,206	37,665
Other operating income		211	117	575	409
Total operating income		9,086	9,473	42,780	38,074
Work performed by the Company for its own use and capitalized		1,153	1,474	5,351	4,788
Goods for resale		-3,675	-3,905	-16,773	-14,768
Other external expenses	9	-1,881	-2,250	-8,998	-8,704
Personnel expenses	10	-3,743	-2,676	-14,237	-12,449
Depreciation, amortization and impairment	5	-14,578	-2,122	-21,738	-6,523
Other operating expenses	11	-6,733	-140	-6,902	-436
Share of profit of an associate after tax		-8	52	-2	213
Operating profit/loss (EBIT)		-20,378	-95	-20,519	194
Net financial items	12	1,509	753	1,784	4,822
Profit/loss before tax		-18,869	658	-18,735	5,015
Income tax		744	112	558	-553
Net profit/loss for the period		-18,125	770	-18,177	4,462
<i>Net profit/loss for the period attributable to:</i>					
Equity holders of the parent		-18,125	737	-18,177	4,454
Non-controlling interests		0	33	-1	8
Earnings per share					
Basic earnings per share (SEK)		-14.92	0.68	-15.28	4.17
Diluted earnings per share (SEK)		-14.92	0.67	-15.28	4.12

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK m	Note	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Net profit/loss for the period		-18,125	770	-18,177	4,462
Other comprehensive income					
<i>Items that may be reclassified to profit or loss (net of tax):</i>					
Exchange differences on translation of foreign operations		2,252	387	886	4,802
Cash flow hedges		-1	10	1	8
<i>Items that will not be reclassified to profit or loss (net of tax):</i>					
Remeasurement of defined benefit plans for employees		-5	9	-5	10
Total other comprehensive income for the period, net of tax		2,247	406	882	4,820
Total comprehensive income for the period, net of tax		-15,878	1,176	-17,296	9,282
<i>Total comprehensive income attributable to:</i>					
Equity holders of the parent		-15,878	1,148	-17,295	9,275
Non-controlling interests		0	28	-1	7

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK m	Note	Mar 31, 2024	Mar 31, 2023
ASSETS			
Non-current assets			
Goodwill	5	31,210	48,524
Intangible assets		37,036	45,579
Property, plant and equipment		881	1,148
Right-of-use assets		1,349	1,423
Investments in associates		254	253
Non-current financial assets		501	369
Deferred tax assets		1,776	1,777
Total non-current assets		73,008	99,073
Current assets			
Inventories		3,218	4,081
Trade receivables		4,960	5,253
Contract assets		13	790
Other receivables		3,788	1,484
Prepaid expenses		457	710
Current investments	6	0	18
Cash and cash equivalents		3,341	4,662
Total current assets		15,777	16,998
Assets held for sale	8	6,911	—
TOTAL ASSETS		95,696	116,071

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK m	Note	Mar 31, 2024	Mar 31, 2023
EQUITY AND LIABILITIES			
Equity			
Share capital		2	2
Other contributed capital		60,932	55,886
Reserves		5,826	4,945
Retained earnings, including net profit		-14,341	3,835
Total equity attributable to equity holders of the parent		52,419	64,668
Non-controlling interests		64	53
Total equity		52,482	64,721
Non-current liabilities			
Liabilities to credit institutions		10,795	19,560
Other non-current liabilities		171	52
Lease liabilities		1,024	1,044
Other provisions		52	118
Contingent considerations	6,7	1,980	4,497
Non-current put/call options on non-controlling interests	6,7	1,496	2,905
Deferred considerations	6	10	329
Non-current employee benefits		13	10
Non-current liabilities to employees related to historical acquisitions	6	910	720
Deferred tax liabilities		5,885	7,965
Total non-current liabilities		22,336	37,201
Current liabilities			
Liabilities to credit institutions		8,946	683
Current account credit facilities		35	17
Advances from customers		143	79
Trade payables		2,197	2,809
Lease liabilities		381	444
Contract liabilities		1,511	2,012
Contingent considerations	6,7	219	1,837
Current put/call options on non-controlling interests	6,7	285	—
Deferred considerations	6	474	1,690
Tax liabilities		499	638
Current liabilities to employees related to historical acquisitions	6	144	370
Other current liabilities		906	451
Accrued expenses		2,967	3,119
Total current liabilities		18,708	14,150
Liabilities attributable to assets held for sale	8	2,170	—
TOTAL EQUITY AND LIABILITIES		95,696	116,071

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in SEK m	Equity attributable to equity holders of the parent						Non-controlling interests	Total equity
	Share capital	Other contributed capital	Reserves ¹⁾	Retained earnings including profit for the period	Total equity attributable to equity holders of the parent			
Opening balance 2022-04-01	2	42,433	124	-612	41,947	228	42,175	
Net profit/loss	—	—	—	4,454	4,454	8	4,462	
Other comprehensive income	—	—	4,821	—	4,821	0	4,820	
Total comprehensive income for the period	—	—	4,821	4,454	9,275	7	9,282	
<i>Transactions with the owners</i>								
New share issue	—	12,155	—	—	12,155	—	12,155	
Issuance costs	—	10	—	—	10	—	10	
Tax effect issuance costs	—	-2	—	—	-2	—	-2	
Share-based remuneration according to IFRS 2	—	1,290	—	—	1,290	—	1,290	
Transactions with non-controlling interests	—	—	—	-6	-6	-183	-189	
Total	—	13,453	—	-6	13,446	-183	13,263	
Closing balance 2023-03-31	2	55,886	4,945	3,835	64,668	53	64,721	
Opening balance 2023-04-01	2	55,886	4,945	3,835	64,668	53	64,721	
Net profit/loss	—	—	—	-18,177	-18,177	-1	-18,177	
Other comprehensive income	—	—	882	—	882	0	882	
Total comprehensive income for the period	—	—	882	-18,177	-17,295	-1	-17,296	
<i>Transactions with the owners</i>								
New share issue	—	2,026	—	—	2,026	—	2,026	
Excess value	—	-18	—	—	-18	—	-18	
Issuance costs	—	-43	—	—	-43	—	-43	
Tax effect issuance costs	—	9	—	—	9	—	9	
Share-based remuneration according to IFRS 2	—	3,072	—	—	3,072	—	3,072	
Transactions with non-controlling interests	—	—	—	—	—	11	11	
Total	—	5,046	—	—	5,046	11	5,057	
Closing balance 2024-03-31	2	60,932	5,826	-14,341	52,419	64	52,482	

¹⁾ Includes currency translation difference and cash flow hedge reserve as well as revaluation of defined benefit plans to employees.

CONSOLIDATED CASH FLOW STATEMENT

Amounts in SEK m ²⁾	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Operating activities				
Profit/loss before tax	-18,869	658	-18,735	5,015
Adjustments for non-cash items, etc.	20,456	779	27,215	3,432
Income tax paid	-239	-158	-977	-902
Cash flow from operating activities before changes in working capital	1,348	1,280	7,503	7,545
Cash flow from changes in working capital				
Change in inventories	310	-4	618	-801
Change in operating receivables	909	1,783	-307	-361
Change in operating liabilities	-766	-1,416	74	-1,000
Cash flow from operating activities	1,801	1,643	7,888	5,383
Investing activities				
Acquisition of property, plant and equipment	-56	-178	-317	-500
Proceeds from sales of property, plant and equipment	0	—	6	3
Acquisition of intangible assets	-1,549	-1,855	-7,042	-6,495
Proceeds from sales of intangible assets	33	48	33	499
Acquisition of subsidiaries, net of cash acquired ¹⁾	-143	-403	-2,261	-8,935
Change in current investments	0	-13	0	-18
Acquisition of financial assets	-38	48	-408	-92
Proceeds from sales of financial assets	10	27	35	48
Cash flow from investing activities	-1,743	-2,327	-9,954	-15,489
Financing activities				
New share issue	—	9	2,000	10,335
Issuance costs	—	—	-42	-9
Proceeds from borrowings	657	-159	2,113	6,120
Repayment of loans	-866	-561	-2,596	-7,443
Payment of lease liabilities	-168	-166	-643	-502
Cash flow from financing activities	-377	-877	832	8,501
Cash flow for the period	-319	-1,561	-1,234	-1,605
Cash and cash equivalents at the beginning of period	3,683	6,198	4,662	5,810
Exchange-rate differences in cash and cash equivalents	143	25	80	457
Cash and cash equivalents at the end of period	3,507	4,662	3,507	4,662

¹⁾ The change in the quarter refers mainly to historical acquisitions.

²⁾ Reclassification of the assets and liabilities under IFRS 5, as per note 8, has been returned to the balances when the cash flow was calculated. The change in net working capital for the quarter and the year is, therefore, not affected by this reclassification as it does not have a cash effect before completion of the transactions.

NOTES

NOTE 1 SIGNIFICANT ACCOUNTING POLICIES

This full year report comprises of the Swedish parent company Embracer Group AB ("Embracer"), with corporate registration number 556582-6558, and its subsidiaries. The Group conducts management and development of intellectual property rights, publishing, development of computer, video and mobile games, and publishes and distributes films. The parent company is a limited liability company with its registered office in Karlstad, Sweden. The address of the head office is Tullhusgatan 1 B, 652 09 Karlstad.

The Group's interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and applicable parts of the Swedish Annual Accounts Act (1995:1554). For the parent company, the interim report has been prepared in compliance with the Swedish Annual Accounts Act and Recommendation RFR 2 Accounting for Legal Entities.

For the Group, the same accounting policies and methods of computation have been applied as in the Annual Report for FY 2022/2023, with additions described below. A complete description of the Group's applied accounting policies can be found in Note 1 in the Annual Report for FY 2022/2023. For the parent company's applied accounting policies, see note P1.

The group is covered by the OECD's model rules for Pillar Two. Legislation on Pillar Two has been adopted in Sweden, where Embracer Group AB is based, and will enter into force on 1 April 2024. As the legislation on Pillar Two had not entered into force on the balance sheet date, the Group has no related current tax exposure. The Group applies the exemption for reporting and disclosing deferred tax assets and liabilities related to income taxes from Pillar Two, which is set out in the amendments to IAS 12 issued in May and adopted by the EU in November 2023.

The IASB has published amendments to standards that take effect on, or after January 1, 2023. The standards have not had any significant impact on the financial reports.

Disclosures in accordance with IAS 34.16A appear in addition to the financial statements and its related notes in the interim information on page [39-51](#) that from an integral part of this financial report.

All amounts are presented in million Swedish kronor ("SEK m"), unless otherwise indicated. Rounding differences may occur.

Accounting policy - Non-current assets held for sale and discontinued operations

In addition to the accounting principles described in the annual report for FY 2022/2023, the Group has applied the accounting principles in IFRS 5 *Non-current Assets Held for Sale and Discontinued Operations* after entering into an agreement to divest subsidiaries in the operating group Gearbox Entertainment. Closing of the transaction is expected to take place in Q1 FY 2024/2025. In addition, the divestment of the previous operating group Saber Interactive is not yet finalized for two of the subsidiaries included in the transaction, Digic and Madhead. The transaction is expected to close during Q1 FY 2024/2025. Gearbox Interactive and Digic and Madhead have been classified as disposal groups held for sale in accordance with IFRS 5 as a result of the divestment agreements, refer to note 8.

NOTE 2 KEY ESTIMATES AND ASSUMPTIONS

When preparing the financial statements, management and the Board of Directors must make certain assessments and assumptions that impact the carrying amount of asset and liability items and revenue and expense items, as well as other provided information.

Actual outcome may differ from the estimates if the estimates or circumstances change. The key estimates and assumptions made when preparing the interim report correspond to the ones described in Note 2 in the Annual Report for FY 2022/2023, with additions described below.

Non-current assets held for sale and discontinued operations

Following the divestment of Saber Interactive and the classification of Gearbox Entertainment as a disposal group held for sale, the Group has assessed whether the criteria for classification as Discontinued operation in IFRS 5 have been met. Neither Saber Interactive nor Gearbox Entertainment forms separate operating segments within Embracer, but constitutes parts of separate operating groups and parts of separate cash-generating units within the operating segment PC/Console Games. A discontinued operation is, in accordance with IFRS 5 among other criteria, a component of an entity that either has been disposed of or is classified as held for sale and represents a separate major line of business or geographical area of operations. As only parts of the operating groups are included in the divestment, the criterion is not assessed to be met for neither Saber Interactive nor Gearbox Entertainment.

To be classified as non-current assets (or disposal groups) held for sale, the disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and its sale must be highly probable. The criteria are assessed to be met when the divestment agreements were entered into as the criterion that a sale shall be highly probable was then considered to be met. Digic and Madhead are parts in a divestment separate from the divestment of Gearbox Entertainment. The divestments have therefore been presented as separate disposal groups.

Further, on April 22, 2024, Embracer announced its intention to separate the Group into three standalone publicly listed entities: Asmodee Group ("Asmodee"), "Coffee Stain & Friends" and "Middle-earth Enterprises & Friends". Shares of Asmodee and "Coffee Stain & Friends" are intended to be distributed as a dividend to the shareholders of Embracer Group and listed on Nasdaq Stockholm, in accordance with the Lex ASEA rules. "Middle-earth Enterprises & Friends" is intended to remain within the current listed company Embracer Group, which will subsequently be renamed.

The Group has assessed whether Asmodee and "Coffee Stain and Friends", meet the classification criteria for non-current assets (or disposal groups) as held for distribution to owners. The Group has concluded that they do not qualify as disposal groups held for distribution to owners at year-end 2023/2024 as the distribution was not highly probable at that date. As Asmodee and "Coffee Stain and Friends" did not meet the criteria to be classified as held for distribution at year-end, they cannot be classified as discontinued operations at that date.

NOTE 3 OPERATING SEGMENTS

For accounting and monitoring, the Group has divided its operations into four operating segments based on how the chief operating decision maker reviews the operations for allocation of resources and assessment of performance. Embracer's CEO is identified as the Group's chief operating decision maker (CODM). The division of operating segments is based on differences in the goods and services that Embracer offers.

PC/Console Games - This part of the business conducts development and publishing of premium games for PC and console.

Mobile Games - This part of the business conducts development and publishing of mobile games.

Tabletop Games - This part of the business conducts development, publishing and distribution of tabletop games, card games and strategic trading card games.

Entertainment & Services - This part of the business is engaged in development, publishing and distribution of comic books, conducts wholesale of publishing titles of games for console and PC as well as films, conducts publishing and external distribution of films and TV-series and produce and distribute merchandise.

The CODM primarily uses the performance measure Adjusted EBIT to assess the operating segments' performance. The CODM does not follow up on the assets and liabilities of the segments for allocation of resources or assessment of performance.

Jan-Mar 2024	PC/Console Games	Mobile Games	Tabletop Games	Entertainment & Services	Total segments	Eliminations	Group functions	Group total
Revenue from external customers	3,126	1,366	3,117	1,265	8,875	-	-	8,875
Revenue from transactions with other operating segment	9	-	-	7	16	-16	-	-
Total revenue	3,135	1,366	3,117	1,272	8,891	-16	-	8,875
Adjusted EBIT	514	514	380	48	1,456	-	-30	1,426
Amortization of surplus values of acquired intangible assets	-327	-105	-200	-90	-722	-	-	-722
Transaction costs	-1	-	0	0	-1	-	-	-1
Personnel costs related to acquisitions	-714	-93	10	-3	-800	-	-	-800
Remeasurement of contingent consideration	-1	-	-	-	-1	-	0	-1
Items affecting comparability	-5,474	-60	-7,224	-667	-13,425	0	-6,854	-20,279
EBIT	-6,004	256	-7,034	-713	-13,494	0	-6,884	-20,378
Net financial items								1,509
Profit/loss before tax								-18,869

Jan-Mar 2023	PC/Console Games	Mobile Games	Tabletop Games	Entertainment & Services	Total segments	Eliminations	Group functions	Group total
Revenue from external customers	3,478	1,317	3,074	1,487	9,356	-	-	9,356
Revenue from transactions with other operating segment	13	-	-	6	19	-19	-	-
Total revenue	3,491	1,317	3,074	1,493	9,375	-19	-	9,356
Adjusted EBIT	338	324	250	66	978	-	-63	915
Amortization of surplus values of acquired intangible assets	-341	-203	-241	-263	-1,048	-	-	-1,048
Transaction costs	-21	0	-1	0	-22	-	-	-22
Personnel costs related to acquisitions	582	-261	-51	-6	264	-	-	264
Remeasurement of contingent consideration	0	-	-	-	0	-	-	0
Items affecting comparability	-186	-	-	-	-186	-	-16	-203
EBIT	370	-140	-43	-203	-15	-	-80	-95
Net financial items								753
Profit/loss before tax								658

CONT. >>

>> NOTE 3 CONTINUED

Apr 2023- Mar 2024	PC/Console Games	Mobile Games	Tabletop Games	Entertainment & Services	Total segments	Eliminations	Group functions	Group total
Revenue from external customers	14,410	5,916	14,797	7,082	42,206	-	-	42,206
Revenue from transactions with other operating segment	29	-	-	27	56	-56	-	-
Total revenue	14,439	5,916	14,797	7,109	42,262	-56	-	42,206
Adjusted EBIT	2,441	1,921	2,079	853	7,294	-	-231	7,063
Amortization of surplus values of acquired intangible assets	-1,399	-441	-815	-363	-3,018	-	-	-3,018
Transaction costs	-2	-	0	-6	-8	-	-	-8
Personnel costs related to acquisitions	-1,604	-286	-120	-14	-2,025	-	-	-2,025
Remeasurement of participation in associated companies	3	-	-	-	3	-	-	3
Remeasurement of contingent consideration	-15	-	-	-	-15	-	-3	-18
Items affecting comparability	-7,312	-165	-7,262	-883	-15,622	-	-6,895	-22,517
EBIT	-7,887	1,029	-6,119	-413	-13,390	-	-7,129	-20,519
Net financial items								1,784
Profit/loss before tax								-18,735

Apr 2022- Mar 2023	PC/Console Games	Mobile Games	Tabletop Games	Entertainment & Services	Total segments	Eliminations	Group functions	Group total
Revenue from external customers	13,444	5,819	13,132	5,270	37,665	-	-	37,665
Revenue from transactions with other operating segment	46	-	-	26	72	-72	-	-
Total revenue	13,490	5,819	13,132	5,296	37,737	-72	-	37,665
Adjusted EBIT	2,902	1,381	2,010	281	6,574	-	-208	6,366
Amortization of surplus values of acquired intangible assets	-1,308	-580	-781	-303	-2,973	-	-	-2,973
Transaction costs	-217	4	-41	-37	-291	-	0	-290
Personnel costs related to acquisitions	-1,096	-1,065	-360	-111	-2,631	-	-	-2,631
Remeasurement of contingent consideration	0	-	-	-	0	-	-	0
Items affecting comparability	-240	-	-	-	-240	-	-38	-278
EBIT	41	-260	828	-170	439	-	-245	194
Net financial items								4,822
Profit/loss before tax								5,015

NOTE 4 REVENUE FROM CONTRACTS WITH CUSTOMERS

Jan-Mar 2024	PC/Console Games	Mobile Games	Tabletop Games	Entertainment & Services	Group total
Type of products					
Digital products	2,034	1,361	30	180	3,606
Physical products	306	–	3,061	1,049	4,415
Other ¹⁾	787	5	26	35	854
Revenue from contracts with customers	3,126	1,366	3,117	1,265	8,875
Jan-Mar 2023					
Type of products					
Digital products	2,024	1,310	31	171	3,536
Physical products	213	–	3,013	1,301	4,526
Other ¹⁾	1,241	7	31	15	1,294
Revenue from contracts with customers	3,478	1,317	3,074	1,487	9,356
Apr 2023- Mar 2024					
Type of products					
Digital products	9,609	5,865	158	643	16,275
Physical products	1,490	–	14,522	5,469	21,481
Other ¹⁾	3,311	51	117	970	4,449
Revenue from contracts with customers	14,410	5,916	14,797	7,082	42,206
Apr 2022- Mar 2023					
Type of products					
Digital products	8,927	5,752	170	547	15,395
Physical products	1,101	–	12,847	4,658	18,606
Other ¹⁾	3,417	67	115	65	3,664
Revenue from contracts with customers	13,444	5,819	13,132	5,270	37,665

¹⁾ See Operating segment, page 9-16

CONT. >>

>> **NOTE 4 CONTINUED**

In addition to the breakdown by revenue from contracts with customers for PC/Console Games, Mobile Games and Tabletop Games and Entertainment & Services, Embracer also monitor PC/Console in categories below:

PC/Console Games	IP-rights		Total
	Owned titles	Publishing titles	
Jan-Mar 2024	2,096	1,031	3,126
Jan-Mar 2023	1,669	1,809	3,478

PC/Console Games	New releases	Back catalog	Other	Total
Jan-Mar 2024	692	1,648	787	3,126
Jan-Mar 2023	544	1,693	1,241	3,478

PC/Console Games	IP-rights		Total
	Owned titles	Publishing titles	
Apr 2023-Mar 2024	9,514	4,896	14,410
Apr 2022-Mar 2023	8,210	5,234	13,444

PC/Console Games	New releases	Back catalog	Other	Total
Apr 2023-Mar 2024	4,185	6,914	3,311	14,410
Apr 2022-Mar 2023	2,894	7,134	3,417	13,444

NOTE 5 GOODWILL

Accumulated cost	Mar 31, 2024	Mar 31, 2023
Opening balance	48,524	42,624
Business combinations	14	2,104
Reclassification to Assets held for sale	-1,016	-91
Divestment of subsidiaries	-6,307	—
FX effects	1,133	3,887
Closing balance	42,348	48,524

Accumulated impairment	Mar 31, 2024	Mar 31, 2023
Opening balance	—	—
Impairments for the year	-11,095	—
FX effects	-43	—
Closing balance	-11,138	—

Carrying amount at the end of the year	31,210	48,524
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Reclassification to Assets held for sale has been done during this quarter (see note 8)

During the fourth quarter, indications of the need for write-downs have been identified for cash-generating units (CGU).

The annual impairment test of goodwill has subsequently led to impairment of goodwill in the CGU:s presented below. The write-downs are allocated to the CGU:s as presented in the table. No write-down has been reported in previous periods.

Goodwill	Segment	Impairment for the year
Amplifier Game Invest	PC/Console	-29
Gearbox Entertainment	PC/Console	-778
Saber Interactive	PC/Console	-2,907
PC/Console		-3,714
Asmodee	Tabletop	-6,770
Tabletop		-6,770
Dark Horse	Entertainment & Services	-654
Entertainment & Services		-654
Total		-11,138

For Gearbox Entertainment SEK 901 million of the closing balance and SEK 316 million for Saber Interactive have been reclassified to Assets held for sale as per note 8.

Impairment of the goodwill value in Saber Interactive and in Gearbox Entertainment is a direct consequence of the agreements entered into for the divestment of parts of the operative groups.

Impairment of the goodwill value in Asmodee and Dark Horse is caused by macroeconomic headwinds and rising interest rates combined with prudent future expectations. Write-downs for the period amounting to SEK -11,095 million (—) have been reported on the line Depreciation, amortization and impairment in the Group's consolidated statement of profit or loss.

NOTE 6 FINANCIAL INSTRUMENTS

Reclassification of the assets & liabilities under IFRS 5, as per note 8 has been returned to the balances in note 6. The balances are, therefore, not affected by this reclassification as it does not have an effect before completion of the transactions.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The table below presents financial instruments measured at fair value based on the classification in the fair value hierarchy. The different levels are defined as follows:

Level 1 - Quoted (unadjusted) market prices for identical assets or liabilities in active markets.

Level 2 - Inputs other than quoted prices in level 1 that are observable for the asset or liability, either directly (i.e. price quotations) or indirectly (i.e. derived from price quotations).

Level 3 - Input data for the asset or liability which is not based on observable market data (i.e. unobservable input data).

Financial assets measured at fair value

Financial assets measured at fair value as of March 31, 2024	Level 1	Level 2	Level 3	Total
Ownership interests in other entities	—	6	—	6
Current investments	42	—	—	42

Financial assets measured at fair value as of March 31, 2023	Level 1	Level 2	Level 3	Total
Other non-current receivables	—	43	—	43
Derivatives	—	18	—	18

Financial liabilities measured at fair value

Financial liabilities measured at fair value as of March 31, 2024	Level 1	Level 2	Level 3	Total
Contingent consideration	—	—	2,246	2,246
Put/call options on non-controlling interests	—	—	1,782	1,782
Liabilities to employees related to acquisitions	—	—	1,434	1,434

Financial liabilities measured at fair value as of March 31, 2023	Level 1	Level 2	Level 3	Total
Contingent consideration	—	—	6,334	6,334
Put/call options on non-controlling interests	—	—	2,905	2,905
Liabilities to employees related to acquisitions	—	—	1,090	1,090
Derivatives	—	2	—	2

Current receivables and current liabilities

For current receivables and liabilities, such as trade receivables and trade payables and for liabilities to credit institutions (long- and short-term) and with variable interest rate, the carrying amount is considered to be a good approximation of the fair value.

Derivatives

Derivative instruments are measured at fair value in accordance with Level 2 in the fair value hierarchy. Interest rate derivatives are measured in accordance with the market valuation determined by the issuing party.

Contingent consideration

The fair value of contingent considerations has been calculated based on expected outcome of financial and operational targets for each individual agreement. The estimated expected settlement will vary over time depending on, among other things, the degree of fulfillment of the conditions for the contingent considerations, the development of certain exchange rates against the Swedish krona and the interest rate environment. Contingent considerations to be settled with shares are also dependent on the development of Embracer's share price.

Contingent considerations classified as financial liabilities are measured at fair value by discounting expected cash flows at a risk-adjusted discount rate of 1.8%-10.2%. Measurement is therefore in accordance with Level 3 in the fair value hierarchy. Significant unobservable input data consists of forecasted turnover and a risk-adjusted discount rate as well operational targets.

Contingent considerations	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Opening balance	8,471	11,572
Acquisitions	0	1,352
Payment - shares to be issued	-30	-1
Payment - clawback shares	-2,278	-450
Payment - cash	-258	-498
FX effects	167	47
Reclassifications	-32	-338
Disposals/divestments	-251	—
Change in fair value recognized in consolidated statement of profit or loss	-1,853	-3,213
Closing balance	3,935	8,471

During the period, unrealized gains or losses for contingent considerations recognized at the end of the reporting period amounted to a gain of SEK 1,853 million. This amount is included as part of net financial items in the consolidated statement of profit or loss.

Given the contingent considerations recognized at the end of the reporting period, a higher discount factor of 1.5 percentage points will have an impact on the fair value of SEK -216 million and a lower discount factor of 1.5 percentage points will have an impact with SEK 199 million.

CONT. >>

>> NOTE 6 CONTINUED

The Group's contingent considerations will be settled in cash or with issued shares. As at March 31, 2024, the contingent considerations are expected to be settled according to the table below.

Expected settlement	Contingent consideration classified as financial liability		Total contingent consideration classified as financial liability	Contingent consideration classified as equity		Total contingent consideration
	Cash settlement	Newly issued shares		Newly issued shares		
Total	1,638	612	2,249	1,686		3,935

As of March 31, 2024	Classified as financial liability	Of which already issued	Classified as equity	Of which already issued
Maximum number of shares related to contingent consideration	44,179,599	12,912,797	22,728,864	17,924,824

Put/call option on non-controlling interests

Put/call options on non-controlling interest refers to put/call option on non-controlling interests in business combination where the selling shareholders keep some ownership and there is a contractual obligation where Embracer will purchase the remaining interest if the holder of the option determines to exercise. The valuation and settlement is similar as for contingent consideration (level 3 fair value measurement).

The fair value of put/call options on non-controlling interests have been calculated based on expected outcome of financial and operational targets for each individual agreement. The estimated expected settlement will vary over time depending on, among other things, the degree of fulfillment of the conditions for the put/ call option on non-controlling interests, the development of certain exchange rates against the Swedish krona and the interest rate environment. Put/call option on non-controlling interests to be settled with shares are also dependent on the development of Embracer's share price.

During the period, unrealized gains or losses for put/call options on non-controlling interest recognized at the end of the reporting period amounted to a gain of SEK 850 million.

This amount is included as part of net financial items in the consolidated statement of profit or loss.

Put/call option on non-controlling interests	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Opening balance	2,905	4,259
FX-effects	-274	-169
Change in fair value recognized in consolidated statement of profit or loss	-850	-1,185
Closing balance	1,781	2,905

As of March 31, 2024, the Group's put/call option on non-controlling interests will be settled in cash or with shares according to the distribution below:

Expected settlement	Put/call options on non-controlling interest		Total, classified as financial liability
	Cash settlement	Newly issued shares	
Total	875	906	1,781

As of March 31, 2024	Classified as put/call options on non-controlling interest	Of which already issued
Maximum number of shares related to put/call options on non-controlling interest	40,840,296	-

Liabilities to employees related to acquisitions

Liabilities to employees related to acquisitions refers to part of the purchase price in historical acquisitions which according to IFRS is classified as personnel debt. Fair value for liabilities to employees related to acquisitions has been calculated based on

expected outcome of financial and operational targets for each individual agreement. The estimated expected settlement will vary over time depending on, among other things, the degree of fulfillment of the conditions.

Liabilities to employees related to acquisitions	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Opening balance	1,090	593
Accrual of personnel cost in consolidated statement of profit or loss	923	640
Payment - cash after the acquisition day	-582	-658
Change in fair value recognized in consolidated statement of profit or loss	32	238
Reclassifications	—	240
FX-effects	-29	37
Closing balance	1,434	1,090

As of March 31, 2024, the Group's liabilities to employees related to acquisitions will be settled in cash.

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>> NOTE 6 CONTINUED

Other consideration that is not classified as financial instruments at fair value

Deferred Consideration

Deferred consideration refers to future payments from business combinations and asset deals where the payment is not contingent upon future financial or operational targets.

Deferred considerations	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Opening balance	2,019	0
Acquisitions	193	2,093
Payment - cash	-1,956	-464
FX-effects	147	17
Reclassifications	32	338
Disposals/divestments	-10	—
Discount effect recognized in consolidated statement of profit or loss	62	36
Closing balance	487	2,019

As of March 31, 2024, the Group's deferred consideration will be settled in cash or with shares according to the distribution below:

Expected settlement	Deferred Consideration		Total, classified as financial liability
	Cash settlement	Newly issued shares	
Total	487	—	487

As of March 31, 2024	Classified as deferred consideration	Of which already issued
Maximum number of shares related to deferred considerations	—	—

NOTE 7 BUSINESS COMBINATIONS AND ASSET DEALS

Purchase price allocations for acquisitions during January-March 2024

During the quarter, no acquisitions were closed. Information related to acquisitions closed under previous quarters has been disclosed in the Interim Report Q1 FY 2023/24, Interim report Q2 FY 2023/24 and Interim report Q3 FY 2023/24 available at Embracer Group's website. The purchase price allocation for acquisitions closed during the financial year 2023/24 are preliminary.

Purchase price allocations for historical acquisitions

The purchase price allocations for acquisitions made in the latest 12 months are considered to be preliminary while the purchase price allocations for acquisitions made outside the 12 months-period are final. Purchase price allocations for acquisitions made in the previous financial year April 2022-March 2023 has been presented in the Annual report 2022/23 available at Embracer Group's website.

The acquisitions impact on the consolidated statement of profit or loss and statement of comprehensive income

Revenues and net profit for the acquired company since the acquisition date have been included in the Group's statement of comprehensive income for the period and is not presented separately. The revenue and EBIT that the company would have contributed if the acquisition had taken place in the beginning of the period have not been calculated due to the fact that this would be disproportionately burdensome and are not deemed to be material on an overall Group level.

Asset deals

Acquisitions can be classified as either a business combination or an asset acquisition. This is an assessment that must be made in the case for each individual acquisition. For acquisitions where the fair value of the acquired assets in essence consists of one asset or a group of similar assets, is recognized as an asset acquisition. When acquisitions of subsidiaries involve the acquisition of net assets without any significant processes, the acquisition cost of each identifiable asset and liability is divided up based on its fair value at the time of acquisition. In the case of assets acquisitions, no deferred tax is recognized at the time of the acquisition and transaction costs are added to the purchase price of the acquired net assets.

During the quarter, no asset deals were completed. Information related to asset deals closed under previous quarters has been disclosed in the Interim Report Q1 FY 2023/24, Interim report Q2 FY 2023/24 and Interim report Q3 FY 2023/24 available at Embracer Group's website.

NOTE 8 DIVESTMENT OF GROUP COMPANIES

Divestment of group companies

During Q4 FY 2023/2024 an agreement was entered into to divest subsidiaries in the operating group Saber Interactive. The transaction was closed March 28, 2024, with the exception of two subsidiaries included in the transaction, Digic and Madhead

for which the transaction is expected to close during Q1 FY2024/2025. Details from the divestment, excluding Digic and Madhead, is presented below:

	Apr 2023- Mar 2024
Divestment of entities included in Saber Interactive	
Consideration received or receivable:	
Cash	—
Assumed commitments and liabilities relating to previous contingent considerations	275
Promissory note	1,466
Transaction costs	-116
Total consideration	1,625
Carrying amount of net assets sold	9,089
Gain (loss) on sale before income tax and reclassification of foreign currency translation reserve	-7,464
Reclassification of foreign currency translation reserve	817
Income tax expense on gain	—
Gain (loss) on sale after income tax	-6,648

Including debt to be repaid by Saber Interactive Inc and the purchase price for the not yet closed Digic and Mad Head, promissory notes amounting to SEK 2,111 million (USD 198 million) is to be repaid in cash no later than December 31, 2024. During the period June 2024 until September 2024 promissory notes amounting to a total of SEK 672 million (USD 63 million) will be repaid as installments and the remainder will be paid in full at maturity.

The promissory notes will carry an interest per annum of 10 percent that will start to accrue as of October 1, 2024 up until December 31, 2024 for any amount outstanding under the promissory notes.

SEK 469 million (USD 44 million) is related to assumed commitments and liabilities by the buyer relating to previous contingent considerations (including Digic and Madhead).

Embracer is entitled to an additional consideration of up to SEK 962 million (USD 94 million) if the Buyer resells the assets for a

higher consideration subject to certain conditions and time periods. At the time of the divestment, the probability of receiving the contingent consideration is assessed to be low wherefore it is valued at SEK 0 million (USD 0 million).

In addition, the buyer is granted an option right to acquire 4A Games and Zen Studios for a fixed price within a certain time period. The exercise price stipulated in the option is assessed to correspond to the market value of the entities at the time of the divestment.

The loss is recognized as Other operating expenses in the consolidated statement of profit or loss.

The carrying amount of the assets and liabilities at the date of the sale at March 28, 2024 were:

	Mar 28, 2024
Assets and liabilities included in the sale	
Goodwill	6,101
Intangible assets	2,795
Property, plant and equipment	57
Right-of-use assets	67
Other non-current financial assets	125
Trade receivables	277
Contract assets	383
Other current assets	431
Cash and cash equivalents	89
Total assets	10,326
Lease liabilities	-65
Trade payables	-445
Other liabilities	-726
Total liabilities	-1,236
Net assets	9,089

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>> NOTE 8 CONTINUED

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

During Q4 FY 2023/2024 an agreement was entered into to divest entities in the operating group Saber Interactive. The transaction was closed March 28, 2024, with the exception of two entities included in the transaction, Digic and Madhead for which the transaction is expected to close during Q1 FY2024/2025. Digic and Madhead have been assessed to meet the criteria of a disposal group held for sale in accordance with IFRS 5.

At March 28, 2024 an agreement was entered into to divest parts of the operating group Gearbox Entertainment. The transaction is expected to close during Q1 FY 2024/2025, wherefore the entities included in the divestment are assessed to meet the criteria of a disposal group held for sale in accordance with IFRS 5.

To be classified as non-current assets (or disposal groups) held for sale, the disposal group must be available for immediate sale in its present condition subject only to terms that are usual and customary for sales of such assets (or disposal groups) and its sale must be highly probable. The criteria are assessed to be

met at the point in time when the divestment agreements were entered into.

Immediately before the initial classification as disposal group held for sale, the carrying amounts of all the assets and liabilities in the group have been measured in accordance with applicable IFRS standards. This has resulted in an impairment of goodwill allocated to each operating group by SEK 93 million related to Digic and SEK 839 million related to Gearbox entertainment.

Following the classification as disposal groups held for sale, depreciations and amortizations ceases on non-current assets included in the disposal groups. The disposal groups are, at the time of classification, measured at the lower of their carrying amount and fair value less costs to sell. This has not resulted in any additional impairment losses for the disposal groups, as the fair value less cost to sell exceeds the carrying value for the disposal groups, respectively.

From the time of classification as disposal groups held for sale, the assets and liabilities, respectively, included in the disposal groups are presented as separate line items in the consolidated statement of financial position.

Assets and liabilities included in disposal groups held for sale as at March 31, 2024:	Digic och Madhead	Gearbox Entertainment	Total
Goodwill	316	901	1,217
Intangible assets	143	3,963	4,105
Property, plant and equipment	15	134	149
Right-of-use assets	40	143	183
Financial assets	2	100	101
Deferred tax assets	—	21	21
Inventories	—	23	23
Trade receivables	110	184	294
Contract assets	4	474	478
Other receivables	36	105	141
Prepaid expenses	5	28	33
Cash and cash equivalents	17	148	166
Total assets included in disposal group held for sale	687	6,224	6,911
Liabilities to credit institutions	102	—	102
Advances from customers	12	—	12
Trade payables	17	51	69
Lease liabilities	43	148	191
Contract liabilities	17	189	206
Contingent considerations	—	47	47
Deferred considerations	—	3	3
Deferred tax liabilities	6	749	755
Tax liabilities	3	14	16
Liabilities to employees related to historical acquisitions	87	293	380
Other liabilities	53	209	262
Accrued expenses	18	108	127
Total liabilities included in disposal group held for sale	359	1,811	2,170
Net assets	328	4,413	4,742

NOTE 9 RELATED PARTY TRANSACTIONS

Related party transaction	Related party	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Consulting service	Logvreten AB ¹⁾ (supplier)	0	0	0	-1
Transportation services/Rent	Sola Service i Karlstad AB ²⁾ (supplier)	-4	-4	-19	-9
Transportation services	Empterwik Special Services Ltd ²⁾ (supplier)	-6	-10	-25	-21
Sale of goods/services	Bröderna Wingefors AB ²⁾ (supplier)	—	—	—	0
Acquisition of game collection	Lars Wingefors AB ³⁾ (supplier)	—	—	—	0
Consulting service	LW Comics ²⁾ (supplier)	—	—	0	—
Consulting service	LVP Advisory Ltd ⁴⁾ (supplier)	—	—	0	—
Total		-10	-14	-44	-31

¹⁾ Kicki Walje-Lund has controlling influence over the company

²⁾ The company is part of Lars Wingefors AB

³⁾ Lars Wingefors AB is owned by Lars Wingefors, Erik Stenberg, Mikael Brodén, Klemens Kreuzer, Reinhard Pollice and Jacob Jonmyren.

⁴⁾ David Gardner has controlling influence over the company

NOTE 10 PERSONNEL EXPENSES

SEK m	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Personnel expenses	-2,949	-2,915	-12,197	-9,854
Personnel costs related to acquisitions - Excluding FX gain/loss	-793	238	-2,040	-2,595
Total	-3,743	-2,676	-14,237	-12,449

NOTE 11 OTHER OPERATING EXPENSES

SEK m	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Other operating expenses	-8	-144	-38	-109
Transaction costs related to acquisitions	-1	-22	-8	-291
Divestment of subsidiaries	-6,724	—	-6,856	—
FX gain/loss related to Personnel costs related to acquisitions ¹⁾	—	25	—	-36
Total	-6,733	-140	-6,902	-436

¹⁾ FX gain related to Personnel costs related to acquisitions is included in Other operating income.

NOTE 12 NET FINANCIAL ITEMS

SEK m	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Interest income and other financial income	22	24	78	51
Interest expense and other financial expense	-382	-229	-1,328	-618
Sum	-360	-205	-1,250	-567
Change in fair value contingent consideration and put/call options on non-controlling interests	869	1,086	2,735	4,469
Interest deferred consideration	-5	-20	-62	-36
Exchange rate gains/losses	1,006	-108	362	956
Total financial net	1,509	753	1,784	4,822

Exchange gains/losses net include both realized and unrealized gains or losses. Change in fair value of contingent consideration and put/call options on non-controlling interests consists of interest expense and fair value change related to fluctuations in

Embracer's share price. Change in fair value contingent consideration and put/call options on non-controlling interests is mainly related to reassessment of earn-outs and the decrease in Embracer's share price during the quarter.

PARENT COMPANY'S INCOME STATEMENT

Amounts in SEK m	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Net sales	19	20	85	64
Other operating income	—	16	30	31
Total operating income	19	36	115	95
Operating expenses				
Other external expenses	-64	-61	-185	-200
Personnel expenses	-26	-35	-132	-103
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	-1	-1	-4	-3
Other operating expenses	-7,216	-4	-7,246	-9
Operating profit/loss	-7,287	-64	-7,451	-219
Net financial items	753	231	451	1,745
Profit/loss after financial items	-6,535	166	-7,000	1,526
Appropriations	136	-9	186	-894
Profit/loss before tax	-6,398	157	-6,815	631
Income tax	-145	-10	-14	-48
Net profit/loss for the period	-6,544	147	-6,829	583

Net profit/loss for the period in the parent company corresponds to the periods comprehensive income.

PARENT COMPANY BALANCE SHEET

Amounts in SEK m	Mar 31, 2024	Mar 31, 2023
ASSETS		
Non-current assets		
Intangible assets	3	4
Tangible assets	7	8
Shares in Group companies	48,400	42,504
Receivables from Group companies	20,747	33,210
Other long term receivables	51	71
Deferred tax assets	—	—
Total financial assets	69,198	75,785
Total non-current assets	69,208	75,796
Current assets		
Receivables from Group companies	3,869	1,559
Current tax assets	0	9
Other receivables	326	0
Prepaid expenses and accrued income	60	74
	4,255	1,642
Cash and cash equivalents	486	23
Total current assets	4,742	1,665
TOTAL ASSETS	73,950	77,462
EQUITY AND LIABILITIES		
Restricted equity	2	2
Unrestricted equity	54,798	59,653
Total equity	54,800	59,655
Untaxed reserves	274	162
Provisions	118	159
Non-current liabilities	8,999	17,031
Liabilities to credit institutions	8,000	—
Trade payables	51	22
Liabilities to Group companies	1,432	355
Other current liabilities	33	8
Accrued expenses and prepaid income	243	70
Total current liabilities	9,759	455
TOTAL EQUITY AND LIABILITIES	73,950	77,493

NOTE P1 THE PARENT COMPANY'S ACCOUNTING POLICIES

The interim report for the parent company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, Interim reports, and RFR 2 Accounting for legal entities. The same accounting principles, basis for calculations and assessments have been applied as applied in the Annual Report for FY 2022/2023. For description of the Group's applied accounting principles, see Note P1 in the Annual Report for FY 2022/2023.

Non-current assets held for sale and discontinued operations

In addition to the accounting principles described in the annual report for FY 2022/2023, the parent company has applied the

accounting principles in IFRS 5 Non-current Assets Held for Sale and Discontinued Operations after entering into an agreement to divest subsidiaries in the operating group Gearbox Entertainment. For additional information, refer to note 8 for the Group. The Parent company presents the income statement and balance sheet in accordance with the format prescribed in the Swedish Annual Accounts Act, wherefore non-current assets held for sale are not presented separately in the balance sheet. In the parent company, the assets concerned comprise shares in subsidiaries.

NOTE P2 OTHER OPERATING EXPENSES

SEK m	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Other operating expenses	-28	-4	-58	-9
Loss sale of subsidiaries	-7,188	-	-7,188	-
Total	-7,216	-4	-7,246	-9

NOTE P3 DIVESTMENT OF GROUP COMPANIES AND NON-CURRENT ASSETS HELD FOR SALE AND DISCONTINUED OPERATIONS

Divestment of group companies

During Q4 FY 2023/2024 an agreement was entered into to divest entities in the operating group Saber Interactive. The transaction was closed March 28, 2024. Related to the transaction, the parent company has sold the shares in group companies directly owned by the parent company to a separate

entity within the Embracer Group which, in turn, has closed the transaction with the external counterparty. Details from the sale of shares in group companies is presented below and includes only gain (loss) from the internal transaction:

Divestment of entities included in Saber Interactive	Apr 2023- Mar 2024
Consideration received or receivable:	
Cash	-
Assumed commitments and liabilities relating to previous contingent considerations	-
Promissory note	947
Carrying amount of contingent consideration	-116
Total consideration	831
Carrying amount of sold shares in group companies	8,018
Gain (loss) on sale before income tax ¹⁾	-7,188
Income tax expense on gain	-
Gain (loss) on sale after income tax	-7,188

¹⁾ The loss for the sale of shares in group companies is non-taxable and the parent company has not incurred any income tax expense as a result of the transaction.

As a result of the sale, the parent company has recognized a receivable towards the group company that closes the transaction with the external counterparty. The receivable is subject to the same terms and conditions as described in note 8 for the Group.

The loss is recognized under Other operating expenses in the income statement.

IFRS 5 Non-current Assets Held for Sale and Discontinued Operations

At March 28, 2024 an agreement was entered into to divest parts of the operating group Gearbox Entertainment. The transaction is expected to close during Q1 FY 2024/2025, wherefore the entities included in the divestment are assessed to meet the criteria of a non-current asset held for sale in accordance with IFRS 5, refer to note 8 for the Group.

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES (APMs)

In accordance with the guidelines from ESMA (European Securities and Markets Authority), regarding the disclosure of alternative performance measures, the definition and reconciliation of Embracer's alternative performance measures are presented below. The guidelines entail increased disclosures regarding the financial measures that are not defined by IFRS. The performance measures presented below are reported in this report. They are used for internal control and follow-up. Since not all companies calculate financial measures in the same way, these are not always comparable to measures used by other companies.

One important part of Embracer's strategy is to pursue inorganic growth opportunities through acquisitions. Thereby expanding the ecosystem to include more entrepreneurs within the gaming and entertainment markets. An acquisitive strategy is associated with certain complexity in terms of accounting for business combinations. The board and management of Embracer believes that it is important to separate the operational performance of the business from the acquisition part. Certain APM's 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 APMs, definitions, purpose are described more in detail below.

Name	Definition	Reason for Use
Adjusted Earnings per share	Net profit for the period excluding specific items related to historical acquisitions and items affecting comparability net of tax, change in fair value contingent consideration and put/call options on non-controlling interests net of tax and Interest expense contingent consideration net of tax divided by the average number of shares in the period. Net taxes are calculated using the effective tax rate.	Shows earnings per share after adjustments to specific items attributable to historical acquisitions, and items affecting comparability.
Adjusted Earnings per share after full dilution	Net profit for the period excluding specific items related to historical acquisitions and items affecting comparability net of tax, change in fair value contingent consideration and put/call options on non-controlling interests net of tax divided by the average number of shares after full dilution in the period. Net taxes are calculated using the effective tax rate.	Shows earnings per share after adjustments to specific items attributable to historical acquisitions and items affecting comparability with regard for full dilution.
Adjusted EBIT	EBIT excluding specific items related to historical acquisitions and items affecting comparability.	Adjusted EBIT in order to provide a true and fair picture of the underlying operational performance, by excluding specific items related to historical acquisitions and items affecting comparability.
Adjusted EBIT margin	Adjusted EBIT as a percentage of net sales.	
Adjusted EBITDA	EBITDA excluding specific items related to historical acquisitions and items affecting comparability.	Provides the best picture of the underlying entity's performance by measuring performance excluding specific items related to historical acquisitions and items affecting comparability.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of net sales.	
Average number of shares	Weighted average number of shares that are outstanding during the period. Number of shares have been recalculated with respect to split of shares.	
Average number of shares after full dilution	Weighted average number of ordinary shares and potential ordinary shares. Number of shares have been recalculated with respect to split of shares.	
EBIT margin	EBIT as a percentage of net sales.	

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Name	Definition	Reason for Use
EBITDA	Earnings before interest, taxes, depreciation and amortization.	EBITDA and EBITDA margin are reported because these are metrics commonly used by investors, financial analysts and other stakeholders to measure the Company's financial results.
EBITDA margin	EBITDA as a percentage of net sales.	EBITDA and EBITDA margin are reported because these are metrics commonly used by certain investors, financial analysts and other stakeholders to measure the Company's financial results.
EBITDAC	Adjusted EBITDA less Gross investments in intangible and tangible assets.	High level view on operational cash flow generation.
Free cash flow after working capital	Cash flow for the period, excluding cash flow from financing activities, acquisitions of subsidiaries including transaction costs, cash impact from personnel costs related to acquisitions and cash effect from items affecting comparability.	Provide a true and fair picture of the underlying operational performance, by excluding cash flow from specific items related to historical acquisitions and from items affecting comparability.
Gross margin	Net sales less goods for resale divided by net sales.	Measuring the profitability from the net sales of products and services.
Items affecting comparability	Transactions that are not related to recurring business operations, but affecting the financial outcome in a material way, and where the probability of reoccurrence over the coming year is limited.	Items affecting comparability includes events and transactions with significant effects, which are relevant for understanding the financial performance when comparing income for the current period with previous periods.
Net Debt (-) / Net Cash (+)	The company's cash and short-term investments decreased with the company's short- and long-term interest-bearing liabilities excluding leasing liabilities according to IFRS16, pension provisions, contingent consideration and put/call on non-controlling interest.	The metric is commonly used by investors, financial analysts and other stakeholders to measure the debt compared to its liquid assets. This metric is also used in calculating the Company's financial leverage.
Net investment in acquired companies	Acquisition of subsidiaries, net of cash acquired plus cash impact from specific items related to historical acquisitions, plus acquisition of IPs through asset deal structures.	A measure of cash flow allocated to inorganic growth opportunities in the reporting period.
Net sales growth	Net sales growth for the current period compared to the same period previous year.	Net sales growth is reported by the Company because it regards this KPI as contributing to investor understanding of the Company's historical progress.
Organic growth	Growth between periods where net sales from companies acquired/divested in the last five quarters have been excluded. The comparison period is adjusted for differences in exchange rates.	Growth measure for companies that has been part of Embracer Group for more than one year excluding effects of differences in exchange rates.
Pro forma growth	Growth between periods where net sales from companies acquired/divested in the last five quarters have been added/adjusted historically. The comparison period is adjusted for differences in exchange rates.	Growth measure for all companies that are a part of Embracer Group as per reporting date regardless of when the company became a part of Embracer Group excluding effects of differences in exchange rates.
Specific items related to historical acquisitions	Specific income/expenses related to historical acquisitions consist of personnel cost related to acquisitions (In connection with certain business combinations an agreement has been entered into relating to contingent consideration that is not classified as part of the transferred purchase consideration as there is a requirement for continued employment to receive the amount), amortization of surplus values of acquired intangible assets (e.g. IP-rights, publishing rights, brand name), transaction costs (Costs for legal- financial- tax- and commercial due diligence for completed transactions.), remeasurement of participation in associated companies and remeasurement of contingent consideration.	Input used to calculate Adjusted EBITDA and Adjusted EBIT.

ALTERNATIVE PERFORMANCE MEASURES

ADJUSTED EBIT AND ADJUSTED EBITDA - DERIVATION

Amounts in SEK m	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
EBIT	-20,378	-95	-20,519	194
Depreciation, amortization and impairment	14,578	2,122	21,738	6,523
EBITDA	-5,800	2,027	1,218	6,717
Personnel costs related to acquisitions	800	-264	2,025	2,631
Remeasurement of participation in associated companies	0	—	-3	—
Remeasurement of contingent consideration	1	0	18	0
Transaction costs	1	22	8	290
Items affecting comparability ¹⁾	7,485	153	8,112	228
Adjusted EBITDA	2,488	1,938	11,377	9,866
Depreciation, amortization and impairment	-14,578	-2,122	-21,738	-6,523
Items affecting comparability ¹⁾	12,794	50	14,406	50
Amortization of surplus values of acquired intangible assets	722	1,048	3,018	2,973
Adjusted EBIT	1,426	915	7,063	6,366

ADJUSTED EARNINGS PER SHARE - DERIVATION

Amounts in SEK m	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Net profit for the period attributable to equity holders of the parent	-18,125	737	-18,177	4,454
Adjustments				
Personnel costs related to acquisitions	800	-264	2,025	2,631
Remeasurement of participation in associated companies	0	—	-3	—
Remeasurement of contingent consideration	1	0	18	0
Transaction costs	1	22	8	290
Amortization of surplus values of acquired intangible assets	722	1,048	3,018	2,973
Change in fair value contingent consideration and put/call options on non-controlling interests	-901	-1,032	-2,800	-4,558
Interest expense contingent consideration	38	-34	127	125
Items affecting comparability ¹⁾	20,279	203	22,517	278
Adjustments before tax	20,940	-56	24,909	1,739
Tax effects on adjustments	-644	-207	-1,539	-678
Adjustments after tax	20,296	-263	23,371	1,062
Total	2,171	473	5,194	5,515
Average number of shares, million	1,340	1,259	1,318	1,252
Adjusted Earnings per share, SEK	1.62	0.38	3.94	4.41
Average number of shares after full dilution, million	1,446	1,367	1,424	1,360
Adjusted Earnings per share after full dilution, SEK	1.50	0.35	3.65	4.06

¹⁾ See next page for further explanation on items affecting comparability

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ORGANIC GROWTH - DERIVATION

Amounts in SEK m	Jan-Mar 2024	Jan-Mar 2023	Change
Net sales	8,875	9,356	-5%
Net sales from acquired/divested companies ¹⁾	-137	—	
Difference in exchange rate	—	317	
Organic growth output	8,738	9,673	-10%

PRO FORMA GROWTH - DERIVATION

Amounts in SEK m	Jan-Mar 2024	Jan-Mar 2023	Change
Net sales	8,875	9,356	-5%
Net sales from acquired/divested companies ²⁾	-203	-620	
Difference in exchange rate	—	302	
Pro forma growth output	8,672	9,037	-4%

¹⁾ Net sales from companies acquired in the last five quarters have been excluded.

²⁾ Net sales from acquired/divested companies in the last five quarters have been added/removed.

FREE CASH FLOW AFTER WORKING CAPITAL

Amounts in SEK m	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Cash flow for the period	-319	-1,561	-1,234	-1,605
Cash flow from financing activities	377	877	-832	-8,501
Acquisition of subsidiaries, net of cash acquired	143	403	2,261	8,935
Transaction costs	1	22	8	291
Payment personnel cost related to acquisitions	21	227	582	840
Cash flow effect IAC costs	265	—	672	—
Free cash flow after working capital	488	-32	1,456	-39

ITEMS AFFECTING COMPARABILITY, IAC

Amounts in SEK m	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Other external expenses	-161	-51	-269	-74
Personnel expenses	-335	-18	-720	-70
Loss sale of subsidiaries	-6,724	—	-6,856	—
Other operating expenses ³⁾	-265	-84	-267	-84
Total IAC cost affecting EBITDA	-7,485	-153	-8,112	-228
Write-down intangible assets	-1,442	-50	-2,931	-50
Write-down tangible assets	-15	—	-39	—
Impairment of goodwill	-11,095	—	-11,095	—
Impairment of other intangible assets	-242	—	-340	—
Total IAC cost affecting EBIT	-20,279	-203	-22,517	-278

³⁾ Whereof goods for resale SEK -265 million Jan-Mar, 2024 and Apr 2023-Mar 2024

ITEMS AFFECTING COMPARABILITY, IAC - By Project

Amounts in SEK m	Jan-Mar 2024	Jan-Mar 2023	Apr 2023- Mar 2024	Apr 2022- Mar 2023
Divestment of Saber Interactive	-7,074	—	-7,074	—
Divestment of Gearbox Entertainment	-1,513	—	-1,513	—
Restructuring program	-1,248	—	-3,387	—
Annual impairment test	-10,445	—	-10,445	—
Other Items Affecting Comparability	—	-203	-99	-278
Total IAC cost affecting EBIT	-20,279	-203	-22,517	-278
of which cash	-265	—	-672	—
of which non-cash	-20,014	-203	-21,845	-278

DEFINITIONS, QUARTERLY INFORMATION

Accumulated number of additional operative groups	Number of closed acquisitions of new operative groups.
Accumulated number of additional acquisitions added	Number of closed acquisitions which are not new operative groups including asset deals.
Clawback shares	Shares of the company issued to sellers at completion of acquisitions of companies or assets. Clawback shares are part of the earnout consideration to sellers of companies or assets. Clawback shares are held by sellers, either in escrow accounts or on regular accounts, with an agreed right for the company to receive the shares back, at no consideration, if specific earnout targets are not met. Clawback shares are kept by the sellers if earnout targets are met.
Completed games	Total book value of finished game development projects (released games) upon submission of completion. Upon completion the released games are reclassified from On-going Game Development Projects to Finished Games and amortization starts.
DAU	Average daily active users in the period.
Digital product	Product sold/transferred through digital/electronic channels.
Digital sales	Sales and transfer of products, physical and digital, through digital/electronic channels.
External game developers	Game developers engaged in game development projects by studios that are not owned by the group (external studios).
External Studios	Studios not owned by the group engaged in game development project financed by the Group.
Game development projects	On-going game development projects financed by the group and number of on-going game development projects financed by third party with notable expected royalty income.
Internal employees, non-development	Employees not directly engaged in game development (both employees and contractors).
Internal game developers	Game developers (both employees and contractors) engaged in game development projects by studios that are owned by the group (internal studios).
Internal headcount	Internal game developers + internal employees, non-development
Internal Studios	Studios owned by the group.
MAU	Average monthly active users in the period.
Net sales split – PC/Console segment	
Owned titles	Net sales of game titles that are owned IPs or titles that are controlled by the group.
Publishing titles	Net sales of game titles of IPs the group does not own or control.
New releases	Net sales of game titles that are released in the current quarter.
Back catalog	Net sales of game titles that are not released in the current quarter.
Max cash consideration	The maximum potential consideration to be paid in cash including upfront consideration and earnout consideration. The earnout consideration is based on the maximum potential consideration and is calculated based on the terms and FX-rates stated in each individual agreement.
Max share consideration	The maximum potential consideration to be paid in Embracer B-shares including upfront consideration and earnout consideration. The earnout consideration is based on the maximum potential consideration and is calculated based on the terms, FX-rates and Embracer VWAP20 Share Price stated in each individual agreement.
Max total consideration	The sum of the max cash and share consideration. Note that the total max consideration might deviate from the total consideration used in the Purchase Price Analysis following movements in FX-rates and Embracer Share price between the signing and closing date as well as if the expected achievement of the individual earnout targets deviate from the maximum scenario. The Max total consideration includes contingent consideration in cash and shares that is classified as remuneration for future services and not part of the transferred consideration in the PPA according to IFRS 2 and IAS 19. Also note that for a limited amount of acquisitions, for which there is a material difference between the expected consideration and the maximum potential consideration, the expected cash and shares consideration have been used as measure.
Number of IP:s	Number of IPs owned by the group.
Physical product	Product sold/transferred through physical channels.
Physical sales	Sales and transfer of products, physical and digital, through physical channels.
Total installs	Total accumulated installs in the period.
UAC (User Acquisition Cost)	Marketing costs in the operating segment Mobile Games.

INFORMATION BY FINANCIAL YEAR AND QUARTER

	2020/21	2021/22	2022/2023				2023/2024					
	Full year	Full year	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Full year	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Full year
Net sales, SEK m	9,000	17,067	7,118	9,569	11,622	9,356	37,665	10,450	10,831	12,050	8,875	42,206
Sales growth, Group, YoY %	71%	90%	107%	190%	128%	79%	121%	47%	13%	4%	-5%	12%
EBIT, SEK m	2,058	-1,126	-398	461	226	-95	194	421	-836	273	-20,378	-20,519
EBIT, margin, %	23%	-7%	-6%	5%	2%	-1%	1%	4%	-8%	2%	-230%	-49%
Adjusted EBIT, SEK m	2,858	4,465	1,322	2,121	2,009	915	6,366	1,673	1,814	2,150	1,426	7,063
Adjusted EBIT, margin, %	32%	26%	19%	22%	17%	10%	17%	16%	17%	18%	16%	17%
Adjusted EBITDA, SEK m	4,016	5,942	1,867	3,056	3,005	1,938	9,866	2,697	2,923	3,269	2,488	11,377
Adjusted EBITDA, margin, %	45%	35%	26%	32%	26%	21%	26%	26%	27%	27%	28%	27%
Basic shares weighted average, million ¹⁾	719	905	1,026	1,071	1,088	1,091	1,069	1,130	1,202	1,211	1,215	1,190
Diluted shares weighted average ¹⁾	719	921	1,032	1,078	1,096	1,103	1,081	1,130	1,202	1,211	1,216	1,191
Average number of shares, million ¹⁾	796	1,031	1,157	1,231	1,256	1,259	1,252	1,259	1,331	1,339	1,340	1,318
Average number of shares after full dilution, million ¹⁾	798	1,086	1,256	1,338	1,364	1,367	1,360	1,367	1,438	1,446	1,446	1,424
Basic earnings per share, SEK	-3.49	1.08	-0.16	2.21	1.39	0.68	4.17	1.99	-0.47	-1.44	-14.92	-15.28
Diluted earnings per share, SEK	-3.49	1.06	-0.16	2.20	1.38	0.67	4.12	1.99	-0.47	-1.44	-14.92	-15.28
Adjusted Earnings per share, SEK ¹⁾	3.15	3.69	1.28	2.12	0.76	0.38	4.41	1.33	0.81	0.20	1.62	3.94
Adjusted Earnings per share after full dilution, SEK	3.14	3.50	1.18	1.95	0.70	0.35	4.06	1.23	0.75	0.19	1.50	3.65
Cash flow from operating activities, SEK m	3,825	4,070	347	580	2,813	1,643	5,383	1,359	2,250	2,477	1,801	7,888
Organic growth, YoY, %	—	—	-12%	35%	-3%	-4%	-	20%	-2%	-4%	-10%	1%
Gross Margin, %	60%	72%	65%	66%	56%	58%	63%	63%	63%	57%	62%	61%
Specific items related to historical acquisitions												
Amortization of surplus values of acquired intangible assets	-510	-1,316	-555	-629	-740	-1,048	-2,973	-757	-779	-759	-722	-3,018
Transaction costs, SEK m	-150	-367	-70	-81	-117	-22	-290	-7	0	0	-1	-8
Personnel costs related to acquisitions	-181	-4,277	-1,107	-941	-847	264	-2,631	-412	-435	-377	-800	-2,025
Remeasurement of participation in associated companies, SEK m	41	416	—	—	—	—	—	3	—	—	—	3
Remeasurement of contingent consideration, SEK m	—	-46	12	-8	-4	0	0	—	-14	-3	-1	-18
Total	-801	-5,591	-1,720	-1,660	-1,708	-807	-5,894	-1,174	-1,229	-1,138	-1,525	-5,065
Investments												
External game development and advances, SEK m	697	1,233	248	408	399	236	1,291	299	312	240	280	1,131
Internal capitalized development, SEK m	1,291	2,293	866	1,097	1,351	1,474	4,788	1,458	1,437	1,303	1,153	5,351
Sub-total - Investment in Game development, all segments	1,988	3,526	1,114	1,505	1,750	1,710	6,079	1,757	1,749	1,543	1,433	6,482
Other intangible assets/IP-rights, SEK m	151	190	90	67	114	145	416	155	168	138	113	574
Tangible assets, SEK m	71	344	99	125	98	178	500	103	91	67	55	316
Total	2,210	4,060	1,303	1,698	1,962	2,033	6,995	2,014	2,008	1,749	1,601	7,372
Completed games												
Completed games, PC/Console, SEK m	837	1,218	545	1,671	531	501	3,248	803	1,120	780	718	3,421
Other KPIs												
Game development projects, PC/Console												
Announced Game Dev projects	53	64	55	61	62	56	56	62	63	55	43	43
Unannounced Game Dev projects	107	159	167	173	162	165	165	153	138	124	98	98
Total	160	223	222	234	224	221	221	215	201	179	141	141
Headcount												
Total internal game developers	4,036	7,240	8,025	9,380	9,639	9,971	9,971	10,014	9,503	9,143	6,312	6,312
Total external game developers	1,079	1,346	1,411	1,519	1,513	1,455	1,455	1,342	1,151	1,078	1,387	1,387
Total internal employees, non-development	1,210	4,174	4,441	4,832	5,091	5,175	5,175	5,249	5,047	4,997	4,370	4,370
Total	6,325	12,760	13,877	15,731	16,243	16,601	16,601	16,605	15,701	15,218	12,069	12,069
Number of studios												
Total number External Studios	66	63	63	60	59	56	56	59	53	50	41	41
Total number Internal Studios	60	118	120	132	134	138	138	139	135	132	109	109
Total	126	181	183	192	193	194	194	198	188	182	150	150
IP-rights	225	815	816	827	876	896	896	905	923	921	913	913

¹⁾ Number of shares for FY 2020/21 have been adjusted and recalculated with respect to the 2:1 split carried out on September 30, 2021.

Embracer Group is a global Group of creative and entrepreneurial businesses in PC, console, mobile and board games and other related media. The Group has an extensive catalog of over 900 owned or controlled franchises. With its head office based in Karlstad, Sweden, Embracer Group has a global presence through its eleven operative groups: THQ Nordic, PLAION, Coffee Stain, Amplifier Game Invest, DECA Games, Gearbox Entertainment, Easybrain, Asmodee Group, Dark Horse, Freemod and Crystal Dynamics – Eidos. The Group has 109 internal game development studios and is engaging more than 12,000 employees in more than 40 countries.