

Press Release
Karlstad, Sweden, 17 November 2025

Embracer Group intends to list Coffee Stain Group with a pro-forma net cash position, as of 30 September 2025, of SEK 500 million

On 22 May 2025, Embracer Group AB ("Embracer") announced its intention to list the class B shares of its subsidiary Coffee Stain Group AB ("Coffee Stain") on Nasdaq First North Premier Growth Market in Stockholm as a separate group through a spin-off to the shareholders of Embracer. In conjunction with Coffee Stain's Capital Markets Event being held today, Embracer announces that it will leave Coffee Stain with a pro-forma net cash position of SEK 500 million as of 30 September 2025. The strong financial position enables continued investments in the game portfolio and M&A, if attractive opportunities arise, while surplus capital will be returned to shareholders, in line with Coffee Stain's dividend policy.

Net cash position

Coffee Stain had no financial debt as of 30 September 2025. Embracer intends to leave Coffee Stain with a pro-forma net cash position, as of 30 September 2025, of SEK 500 million[1]. Cash flow generated from 30 September 2025 will remain in Coffee Stain.

Dividend policy

As disclosed in the Information Brochure published by Embracer on 20 October 2025, the Board of Directors of Coffee Stain has resolved to adopt the following dividend policy.

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

Additional information

- The distribution of Coffee Stain and listing of its class B shares on Nasdaq First North Premier Growth Market in Stockholm is expected to be completed in December 2025.

Press Release

Karlstad, Sweden, 17 November 2025

- Skandinaviska Enskilda Banken AB is acting as Lead Financial Advisor in connection with the distribution. DNB Carnegie Investment Bank AB (publ), Nordea Bank Abp, filial i Sverige and SB1 Markets, filial i Sverige are acting as Financial Advisors. Baker & McKenzie Advokatbyrå KB acts as legal counsel to Embracer and Coffee Stain.

[1] Excluding contingent considerations of SEK 35m.

For more information, please contact:

Oscar Erixon

Head of Investor Relations

Phone: + 46 730 24 91 42

Email: oscar.erixon@embracer.com

Arman Teimouri

Head of Media & Public Affairs

Phone: +46 793 33 05 60

Email: arman.teimouri@embracer.com

Press Release
Karlstad, Sweden, 17 November 2025

About Embracer Group

Embracer Group is a global group of creative and entrepreneurial businesses in PC, console and mobile games, as well as other related media. The Group has an extensive catalog of over 450 owned or controlled franchises. With its head office based in Karlstad, Sweden, Embracer Group has a global presence through its operative groups: THQ Nordic, PLAION, Coffee Stain, DECA Games, Dark Horse, Freemove and Crystal Dynamics – Eidos. The Group includes 69 internal game development studios and engages nearly 7,000 talents across nearly 30 countries.

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

Subscribe to press releases and financial information [here](#).

About Coffee Stain Group

Coffee Stain Group brings together Scandinavian game developers and publishers with a portfolio of community-driven games primarily for PC and console. It has a proven track record of building successful titles such as Goat Simulator, Satisfactory, Deep Rock Galactic, Valheim, Teardown and Welcome to Bloxburg. The Group consists of around 250 employees and 13 game studios including Coffee Stain, Ghost Ship and Tuxedo Labs.

For more information, visit cofeestain.com

Subscribe to press releases and financial information [here](#).

IMPORTANT INFORMATION

Embracer or Coffee Stain have not made and do not intend to make any offer of securities in any jurisdiction. This press release is not a prospectus within the meaning of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and this press release has not been approved by any regulatory authority in any jurisdiction. A company description is planned to be published in connection with the contemplated admission to trading of Coffee Stain's class B shares on Nasdaq First North Premier Growth Market.

This press release does not identify or purport to identify any risks (direct or indirect) that may be associated with an investment in Embracer or Coffee Stain. The information contained in this press release are only intended to describe the background to the distribution of all shares in Coffee Stain and do not purport to be complete or exhaustive.

Press Release
Karlstad, Sweden, 17 November 2025

Attachments

Embracer Group intends to list Coffee Stain Group with a pro-forma net cash position, as of 30 September 2025, of SEK 500 million