

# EMBRACER+ GROUP

Embracer Group acquires Sola Media

August 13, 2020

# KOCH FILMS ACQUIRES SOLA MEDIA

Established, focused player with stable profits and cash flow, significant pipeline visibility and a great fit with Koch Films



## Sola in brief

- Sales agent of international film- and TV-rights, distributing children and family films across the globe
- Founded in 2004 by Solveig Langeland, a Norwegian-born industry veteran
- Small team of hand-picked industry experts, based in Stuttgart, Germany
- “Distributor of the year” award 2018 at Cartoon Movie in Bordeaux

## Acquisition highlights

- Strategic focus on, and extensive experience in, attractive niche – animated children and family films
- Significant pipeline visibility with 12 signed projects
- Established business with stable profitability and cash conversion
- Notable synergies where i.a. Sola provides additional access to content and Koch Films provides additional access to markets

## Financials in brief

- Estimated net sales of €4–5m and operating EBIT of around €1m per year on average over the coming years

## Deal terms

- Koch Films (wholly-owned subsidiary of Embracer Group) acquires 100% of Sola Media for €2.3m, of which 80% in cash and 20% in Embracer B shares

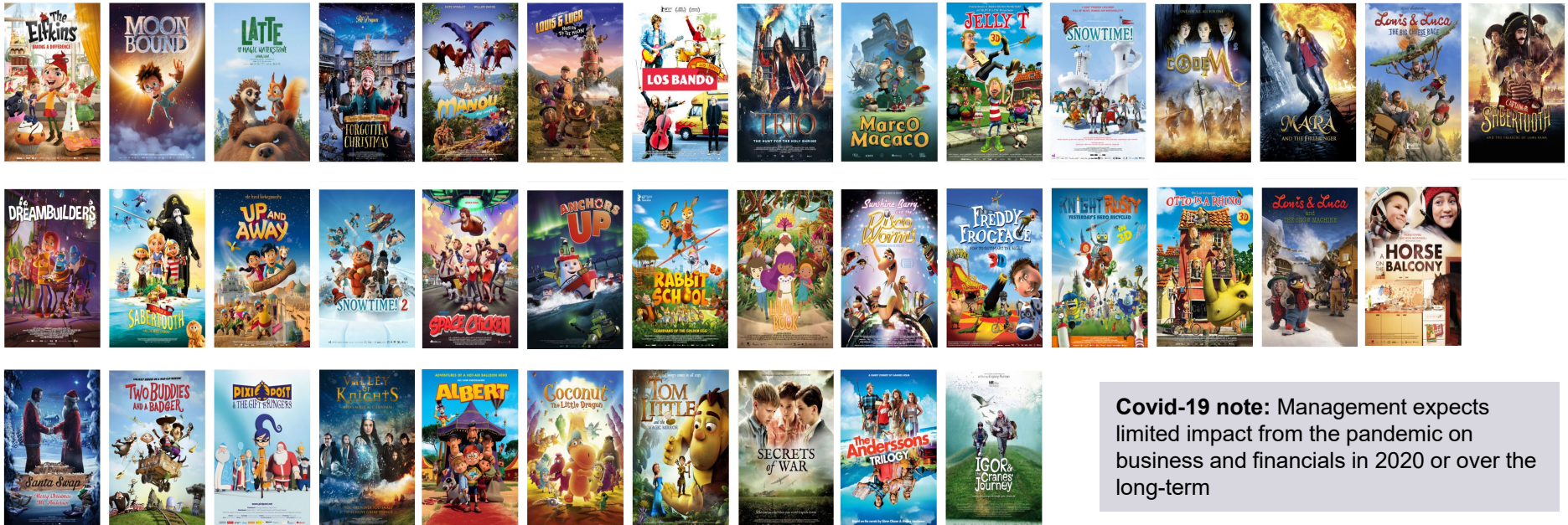
# STRATEGY AND FUTURE

## Strict focus and careful selection

- Focus on children and family films – a less glamorous segment but with a stable audience and less perceived competition and risk
- Increasing focus on animation films with animal characters which have more universal appeal

## Future

- Sola to remain independent with Solveig Langeland committed to remaining as managing director
- Taking bigger role in production phase, securing early hold on attractive projects
- Longer-term goal is to integrating backwards into development and establishing own IP



**Covid-19 note:** Management expects limited impact from the pandemic on business and financials in 2020 or over the long-term



# RECENT RELEASES AND PIPELINE

Significant pipeline visibility with 12 signed projects



Release: Sep 2019



Nov 2019



Dec 2019



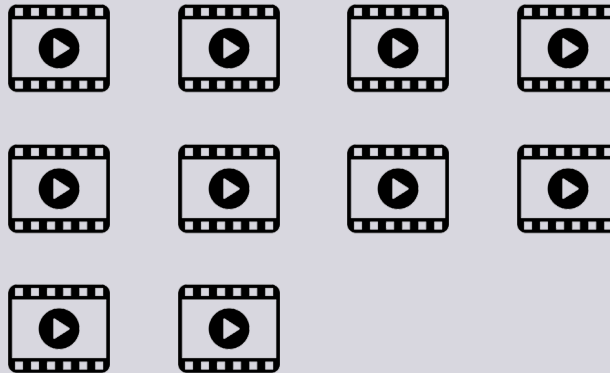
Jan 2020



Feb 2020



Q1 2021



12 signed pipeline projects

- 12 signed pipeline projects to be released during the coming four years
- *Latte & the Magic Waterstone* is the first Sola project to be distributed through Netflix – will bring in a healthy, fixed quarterly income over the coming 4 years. ([Trailer](#))

# TEAM

Small, hand-picked team of industry experts with dedication, enthusiasm and customer focus



**Maren Maier**

Delivery Management  
and Acquisitions

Sola since 2014

Master of Arts in  
Literature, Art and  
Media/Languages from  
University of Konstanz



**Isabel Schneider**

Marketing and Festival  
Coordinator

Sola since 2019

Masters degree in  
Communication  
Management, University  
of Hohenheim



**Solveig Langeland**

Managing Director

Founded Sola in 2004

MBA, University of  
Southern California  
Experience from i.a. IBM,  
US Bank and film  
distribution



**Barbie Heusinger**

Sales

Sola since 2018

Master of Audio-visual  
Business Management,  
Universidad Carlos III,  
Madrid

(Independent contractor)



**Johannes Busse**

Sales

Sola since 2012

Bachelor in  
Communication  
Management, University  
of Hohenheim





# LATTIE

## AND THE MAGIC WATERSTONE

Out on Netflix now

**EMBRACER<sup>+</sup>**  
**GROUP**