

Q1

FY 2024/25

EMBRACER GROUP
INTERIM REPORT

APRIL-JUNE 2024

Adjusted EBIT amounted to SEK 828 million

FIRST QUARTER, APRIL-JUNE 2024 (COMPARED TO APRIL-JUNE 2023)

- > Net sales decreased by -24% (-23% organic growth) to SEK 7,933 million (10,450).
The sales split per operating segment:
 - > PC/Console Games: decreased by -34% to SEK 2,656 million (3,996).
 - > Mobile Games: decreased by -3% to SEK 1,389 million (1,438).
 - > Tabletop Games: decreased by -5% to SEK 3,039 million (3,184).
 - > Entertainment & Services: decreased by -54% to SEK 848 million (1,832).
- > EBIT amounted to SEK -1,440 million (421), an EBIT margin of -18% (4%). Adjusted EBIT decreased by -51% to SEK 828 million (1,673), corresponding to an Adjusted EBIT margin of 10% (16%).
- > Cash flow from operating activities amounted to SEK -177 million (1,359). Net investments in intangible assets amounted to SEK -1,051 million (-1,911). Free cash flow after changes in working capital amounted to SEK 47 million (-599).
- > Basic earnings per share was SEK -1.80 (1.99) and diluted earnings per share SEK -1.80 (1.99). Adjusted earnings per share was SEK 0.00 (1.33). Adjusted earnings per share after full dilution was SEK 0.00 (1.23).

Key performance indicators, Group	Apr-Jun 2024	Apr-Jun 2023	Apr 2023-Mar 2024
Net sales, SEK m	7,933	10,450	42,206
EBIT ¹⁾ , SEK m	-1,440	421	-20,519
EBIT margin	-18%	4%	-49%
Adjusted EBIT, SEK m	828	1,673	7,063
Adjusted EBIT margin	10%	16%	17%
Cash flow from operating activities, SEK m	-177	1,359	7,888
Net investments in intangible assets, SEK m	1,051	1,911	7,009
Net sales growth	-24%	47%	12%
Total game development projects	127	215	141
Total game developers	6,659	11,356	7,699
Total headcount	10,844	16,605	12,069

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.



CEO COMMENTS

SIGNIFICANTLY IMPROVED CASH FLOW AND LOWERED NET DEBT

We started FY 2024/25 in line with management expectations, growing profitability YoY in both the Mobile and Tabletop segments. As expected, the performance in PC/Console and Entertainment & Services was softer YoY due to a lower release activity.

Q1 total net sales were SEK 7.9 billion, with Adjusted EBIT of SEK 0.8 billion and a SEK 0.7 billion free cash flow improvement YoY. For the first time ever, on a trailing 12-month basis, free cash flow exceeded SEK 2 billion. Excluding the divested assets from Saber Interactive and Gearbox Entertainment, the pro forma EBITDAC was above SEK 5.9 billion.

The transformation of our PC/Console business continues, and the pipeline of games looks solid. We still expect to release completed games with a value of SEK 3.9 billion for the financial year. Our highly anticipated game *Kingdom Come: Deliverance II*, is now confirmed for global release on February 11, 2025.

The process to separate into three standalone publicly listed entities is progressing according to plan. Asmodee will host a capital markets day during the third quarter of the current financial year ahead of its spin-off.

In the quarter, Embracer's net sales decreased by -24% YoY to SEK 7.9 billion (organic growth of -23%), in line with management expectations. The YoY decline is primarily due to tough comparisons and few new product releases within PC/Console Games and Entertainment & Services. Adjusted EBIT amounted to around SEK 0.8 billion. Free cash flow was positive despite fewer new releases and was supported by lower capex.

We are confident in our pipeline for the financial year, and still expect the value of completed game development for the year to be around SEK 3.9 billion. Our teams are committed to making and delivering better games. Our highly anticipated game *Kingdom Come: Deliverance II*, is now confirmed for global release on February 11, 2025, which we believe enables some final polish and a better release window. We look very much forward to Gamescom next week to share more details about this game and other titles.

In Q2, we expect a solid Adjusted EBIT growth YoY for Tabletop Games and broadly stable development for Mobile Games. The Adjusted EBIT contribution from PC/Console Games and Entertainment & Services is expected to be fairly limited albeit an improvement compared to Q1. In Q2, new releases with confirmed release dates within PC/Console Games include *Disney Epic Mickey: Rebrushed*, *Monster Jam Showdown*, the full release of *Satisfactory* (currently in Early Access), as well as additional content for *Remnant II*.

SOLID FOUNDATION FOR BETTER STRATEGIC EXECUTION

It is already evident that we are on a path towards significant net debt reduction, driven by improved free

cash flow and divestments. On a trailing 12-month basis, free cash flow amounted to over SEK 2 billion for the first time. Capex is now materially lower YoY, with a reduction from around SEK 2.0 billion a year ago to SEK 1.1 billion in this quarter. Our trailing 12-month basis EBITDAC improved from around SEK 3.0 billion to around SEK 4.1 billion YoY. Excluding the divested assets from Saber Interactive and Gearbox Entertainment, the EBITDAC improved from SEK 4.1 billion to SEK 5.9 billion. In addition, we have significantly lowered our net debt. In Q1, we utilized the proceeds from the divestment of Gearbox to reduce debt.

In July 2024, we further strengthened our financial position by securing a new EUR 600 million revolving credit facility with improved terms, which replaced Embracer's remaining revolving credit facility. We also entered into an agreement with the Swedish Export Credit Corporation for a SEK 500 million bilateral loan. We expect inflow from the divestment of assets from Saber in September 2024 and before December 31, 2024, respectively. As of Q1, our pro forma net debt, excluding the debt ring-fenced to Asmodee, amounted to below SEK 3 billion, and we expect a solid free cash flow in the coming 12 months.

MOBILE AND TABLETOP THE PROFIT LEADERS IN Q1

Due to a lack of notable new releases and a tough comparison from the successful release of *Dead Island 2* in the corresponding quarter last year, the organic growth in the PC/Console Games segment was -30% in the quarter. Excluding the release of *Dead Island 2* in the comparison quarter, the organic growth was 15% in

Q1. The 5% Adjusted EBIT margin is impacted by amortization of releases with low ROI from the past 24 months. The new content that came out for *Deep Rock Galactic*, *Remnant II* and *Dead Island 2* performed well in line with management expectations.

We have a clear plan to improve profitability within PC/ Console Games. Firstly, our resources are increasingly focused on our own and controlled key IPs, which typically have better unit economics. Secondly, through this year and next, we expect our updated capital allocation process, with improved standards for new and continued investment to improve ROI from new game releases as our pipeline increasingly consists of higher quality games. Lower and more focused capex investments will positively impact our EBITDAC and free cash flow generation and gradually also our profit margins. Thirdly, we will continue to make improvements as part of our ordinary business to further improve profitability, operational efficiency and capital allocation. We remain excited about our PC/ Console pipeline, and strong execution on our game releases is key to driving stronger margins. Our studios and creative talents are best-in-class and we believe our outlook for the long-term is bright.

The Mobile Games operating segment had another strong quarter, with over 20% Adjusted EBIT growth YoY to SEK 518 million. The Adjusted EBIT margin came in at 37%, again with stronger-than-expected profitability, driven by a product mix shift, lower user acquisition costs and optimization of the balance between current and future potential profits. The organic growth amounted to -12% in the quarter with pro forma growth of -8%.

Easybrain had a largely stable top line development while DECA Games saw, as management expected, negative organic growth due to its transition to lower sales but higher margin product strategy. Conditions to scale user acquisition costs and top line growth improved somewhat towards the end of the quarter.

In the Tabletop Games segment, Adjusted EBIT grew by 20% YoY to around SEK 250 million in Q1, with a notably improved margin YoY supported by a better product mix and with an improved free cash flow. The organic growth amounted to -3% in the quarter, supported by the successful launch of *Star Wars™*: Unlimited, offset by a slower performance for distributed games in parts of Europe. *Star Wars*: Unlimited Set 3, *Twilight of the Republic*, will be released in the third quarter of the financial year.

The Entertainment & Services segment had a soft quarter with organic growth amounting to around -50% YoY as a result of fewer new releases and products, for both PLAION Partner Publishing & Film and Freemode. Adjusted EBIT contribution was slightly negative in the quarter. The lower adjusted EBIT YoY is mainly explained by stronger licensing revenue in the comparison period.

Looking forward, this holiday season will see the release of *The Lord of the Rings: The War of the Rohirrim*, the first anime feature film, set more than 150 years before the original *The Lord of the Rings* trilogy.

WORLD CLASS INTELLECTUAL PROPERTY

Through the strength of our deep library of intellectual property, we have unique opportunities to further engage and expand reach into our player communities. This is particularly evident with our *The Lord of the Rings* and *The Hobbit* franchises. Nearly two years have passed since Middle Earth Enterprises joined the group, and we have embarked on this journey as stewards of these iconic, evergreen properties.

We have been diligently working with our own creative teams, other world-class creators, and our passionate fanbase in laying the foundation and strategic long-term planning for these franchises. As previously announced, we have entered a new collaborative long-term partnership with Warner Bros. Pictures and New Line Cinema for upcoming film projects, as well as with Amazon Games to create an expansive MMO set in the Middle-earth universe.

In addition to these major partnerships, with our new greenlight process we are actively testing and prototyping multiple new game concepts, exploring a wide range of immersive and authentic gameplay within the Middle-earth world. An honest and tactical approach to world-building and authentic storytelling is at the core of these efforts, as we believe that engaging deeply and early with the community is essential to creating experiences that truly resonate.

SPIN-OFF PROCESSES ON TRACK, WITH ASMDEE FIRST UP

The process to transform into three standalone publicly listed entities is progressing according to plan. It will enable each entity to better focus on their respective core strategies and offer more differentiated and distinct equity stories for existing and new shareholders.

The planned listing and distribution of shares in Asmodee remains on track to take place this financial year. The listing and distribution of shares in “Coffee Stain & Friends” is planned for calendar year 2025.

With several key milestones reached recently, the spin-off of Asmodee will be first up. To improve awareness, Asmodee will host a capital markets day during the third quarter of the current financial year. The full capital structure, including both equity and debt, is being reviewed.

Asmodee is well-positioned to build on its strategy and continue to prosper as a standalone entity. As per LTM June 2024, Asmodee generated net sales of SEK 14.7 billion, with Adjusted EBIT of SEK 2.1 billion and EBITDAC of SEK 2.2 billion. The company has a solid earnings growth outlook, with its strong game portfolio and sales channel presence bolstered by the

successful release of in-house developed trading card game *Star Wars: Unlimited*, which remains in high demand.

On a separate note, we would like to reaffirm that we have fully exited all our operations in Russia. The only remaining entities are dormant legal structures with no employees, operations, or assets. The closure of these legal entities is a technical process that may take some time, as it is dependent on approval from Swedish and local authorities.

We are now nearing a new and exciting chapter for the businesses and people that make up the Embracer Group. The fundamentals of the games market remain solid and continue to show resilience. As we continue to support our organizations in their transformation into three standalone publicly listed entities on Nasdaq Stockholm, we remain focused on unlocking the significant untapped potential within Embracer.

To conclude, I would like to extend my sincere thanks to all our team members, shareholders, customers, gamers, and business partners for their ongoing contributions. Together, we are well positioned to achieve our strategic objectives and drive long-term growth. We are living in challenging and difficult times in many places across the world. That makes it even more important and encouraging to see our teams and gamers from near and far coming together to create experiences together, irrespective of distances and boundaries.

August 15, 2024, Karlstad, Värmland, Sweden

Lars Wingefors
Co-founder & Group CEO



FINANCIAL COMMENTS

NET SALES

Net sales, SEK m	Apr-Jun 2024	Apr-Jun 2023	Change	Apr 2023-Mar 2024
PC/Console Games	2,656	3,996	-34%	14,410
Mobile Games	1,389	1,438	-3%	5,916
Tabletop Games	3,039	3,184	-5%	14,797
Entertainment & Services	848	1,832	-54%	7,082
Total	7,933	10,450	-24%	42,206

Total net sales in the quarter amounted to SEK 7,933 million, corresponding to a decrease of -24%. The negative Net sales growth in the quarter was primarily related to the PC/Console Games segment and Entertainment & Services segment. In the PC/Console Games segment, the negative organic growth is explained by tough comparisons as the corresponding quarter last year included the successful *Dead Island 2* release combined with few notable new releases in the current quarter. Entertainment & Services segment had no notable new releases within PLAION Partner Publishing & Film this quarter.

Organic growth in the quarter amounted to -23% and the pro forma growth amounted to -23%. The Mobile Games segment is negatively affected by DECA Games' (including CrazyLabs) previous transition to lower sales but higher margin product strategy. In the Tabletop Games segment, negative growth is related mainly to lower performance in distributed games, partly mitigated by the continued success of *Star Wars: Unlimited* and a strong slate of boardgames releases.

Net sales growth	Apr-Jun 2024		
	Net sales growth	Organic growth	Pro forma growth
PC/Console Games	-34%	-30%	-30%
Mobile Games	-3%	-12%	-8%
Tabletop Games	-5%	-3%	-3%
Entertainment & Services	-54%	-54%	-54%
Total	-24%	-23%	-23%



Kingdom Come: Deliverance II
Deep Silver | Warhorse Studios

EBIT AND ADJUSTED EBIT

EBIT amounted to SEK -1,440 million (421) in the quarter, yielding an EBIT margin of -18% (4%). The decrease is mainly related to lower net sales SEK 7,933 million (10,450) compared to the previous year.

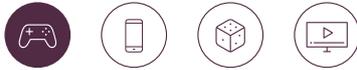
The financial impact of Gearbox Entertainment is included in the quarter up to closing date 11th of June, affecting EBIT with SEK -574 million ([note 6](#)) and Adjusted EBIT with SEK -22 million. The effect in EBIT is mainly due to lower proceeds when realizing equity instruments received as consideration combined with higher net assets in the closing balance. The effect of those items mainly explain the increase in total other operating expenses that amounted to SEK -598 million (-56) in the quarter. Personnel cost related to acquisitions amounted to SEK -1,104 million (-412) where SEK -800 million relates to the divestment of Gearbox Entertainment.

Adjusted EBIT decreased by -51% and amounted to SEK 828 million (1,673) in the quarter, yielding a 10% margin (16%). The decrease in Adjusted EBIT in the quarter is mainly related to the PC/Console Games segment where the successful release of *Dead Island 2* in the comparable period had significant impact and also previous year notable licensing revenue from the *The Lord of the Rings* IP within Entertainment & Services segment. Adjusted EBIT from Gearbox Entertainment of SEK -22 million also had a negative impact in the quarter.

EBIT, SEK m	Apr-Jun 2024	Apr-Jun 2023	Change	Apr 2023- Mar 2024
PC/Console Games	-1,649	126	-1,409%	-7,887
Mobile Games	365	291	25%	1,029
Tabletop Games	13	-71	118%	-6,119
Entertainment & Services	-113	185	-161%	-413
Corporate	-55	-110	50%	-7,129
Total	-1,440	421	-442%	-20,519

Adjusted EBIT, SEK m	Apr-Jun 2024	Apr-Jun 2023	Change	Apr 2023- Mar 2024
PC/Console Games	138	837	-84%	2,441
Mobile Games	518	424	22%	1,921
Tabletop Games	248	206	20%	2,079
Entertainment & Services	-21	283	-107%	853
Corporate	-55	-77	-29%	-231
Total	828	1,673	-51%	7,063





OPERATING SEGMENT PC/CONSOLE GAMES

The PC/Console Games operating segment includes the following five operative groups: THQ Nordic, PLAION, Amplifier Game Invest, 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

33% (38%)

INTELLECTUAL PROPERTY (IP)

243 (266)

INTERNAL HEADCOUNT

5,438 (10,469)

INTERNAL STUDIOS

66 (103)

Key performance indicators, PC/Console Games

	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Net Sales, SEK m	2,656	3,996	14,410
of which Digital products, SEK m	1,631	2,646	9,609
of which Physical products, SEK m	179	550	1,490
of which Other products ¹⁾ , SEK m	846	800	3,311
Net Sales growth	-34%	74%	7%
EBIT, SEK m	-1,649	126	-7,887
EBIT margin	-62%	3%	-55%
Adjusted EBIT, SEK m	138	837	2,441
Adjusted EBIT, margin	5%	21%	17%
Type of income			
New releases sales, SEK m	146	1,607	4,185
Back catalog sales ²⁾ , SEK m	1,665	1,589	6,914
Other ¹⁾ , SEK m	846	800	3,311

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

²⁾ See Definitions, quarterly information.

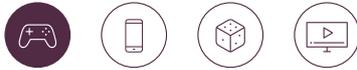
SEGMENT HIGHLIGHTS

Net sales in the quarter for PC/Console Games amounted to SEK 2,656 million, decreased by -34% compared to the same period last year, or -30% organically and -30% pro forma. The negative organic growth is mainly explained by a tough comparison quarter driven by the successful release of *Dead Island 2* in the corresponding quarter of the previous year. Excluding *Dead Island 2*, organic growth in the quarter would have been 15%.

EBIT amounted to SEK -1,649 million (126) where Items affecting comparability amounts to SEK -602 million (-45), yielding a -62% (3%) EBIT margin. Adjusted EBIT amounted to SEK 138 million (837), yielding a 5% (21%) Adjusted EBIT margin. The Adjusted EBIT declined notably YoY in Q1 mainly due to tough comparison figures from last year and few new releases in the quarter. The margin remained impacted by games development amortization combined with the soft performance for releases over the past two years.

Revenue from new releases amounted to SEK 146 million in the quarter, a decrease of -91% YoY, which is an effect of no notable releases during the quarter and with *Dead Island 2* released in the comparison quarter. Among the new releases in the quarter *Homeworld 3*, *MotoGP™24*, *Gigantic: Rampage Edition* and *Oddsparks: An Automation Adventure* were the main revenue drivers.





Revenue from back catalog titles (including platform deals) amounted to SEK 1,665 million in the quarter, an increase of 5% YoY. The top-10 back catalog revenue drivers included *Remnant II*, *Dead Island 2*, *Star Trek Online*, *Deep Rock Galactic*, *Neverwinter Online*, *Welcome to Bloxburg*, *Kingdom Come Deliverance*, *Marvel's Guardians of the Galaxy*, *SOUTH PARK: SNOW DAY!* and *AEW: Fight Forever*.

Other revenue amounted to SEK 846 million in the quarter, an increase of 6% YoY.

In total, divested assets, including Gearbox and Shiver, contributed with net sales of SEK 322 million, Adjusted EBIT of SEK -29 million and EBITDAC of SEK -111 million in the quarter.

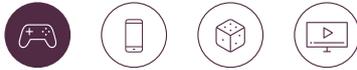
Important new releases in FY 2024/25 include *Kingdom Come: Deliverance II* set for release on the 11th of February 2025, *Killing Floor 3*, *Disney Epic Mickey: Rebrushed*, *Hyper Light Breaker*, *Metro: Awakening*, *Gothic 1 Remake*, *Titan Quest II* alongside a number of other products without publicly disclosed release dates.

In Q2, new releases include *Disney Epic Mickey: Rebrushed*, *Monster Jam Showdown*, *Space for Sale*, *Warhammer 40,000: Speed Freeks* and *Nobody Wants to Die*. Additionally, the third and final DLC for *Remnant II*, called *The Dark Horizon*, is set for release, while the full release of *Satisfactory* (currently in Early Access) is also expected in the quarter.

After the quarter PLAION announced a worldwide publishing partnership (both digital and physical) with Skydance Games to bring its blockbuster game *MARVEL 1943: Rise of Hydra* to players in 2025. PLAION also announced a free update and game mode for *Dead Island 2*, set to go live on October 22nd bringing a wave of new content and features designed to elevate player's experience. Set to also release in 2025, Arc Games and Chief Rebel announced *Fellowship*, the first-ever multiplayer online dungeon adventure ("MODA") game, including fan-favorite elements of MMOs, MOBAs and ARPGs. Finally, THQ Nordic announced during its annual showcase a sequel to its popular *Wreckfest* and *The Eternal Life of Goldman*, among other new titles.

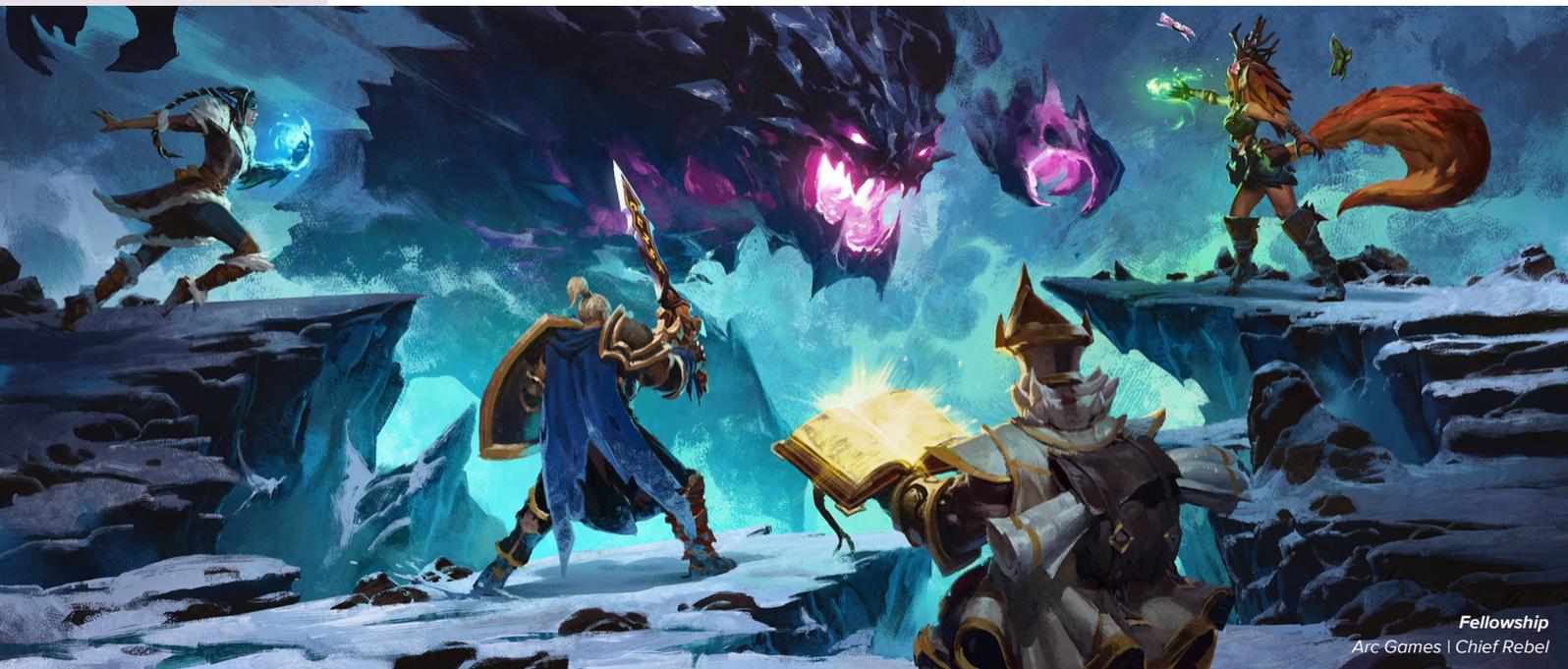
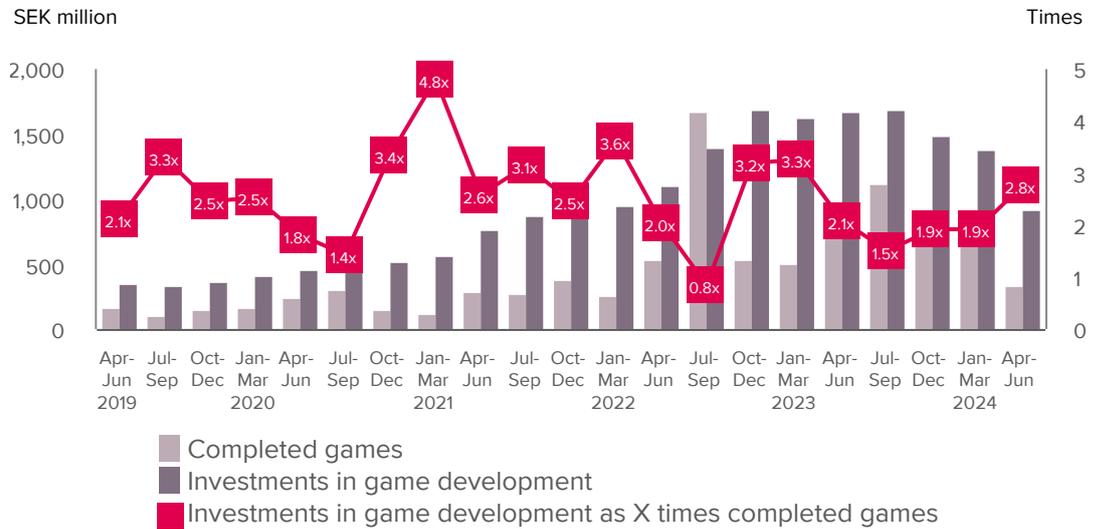
There is a clear plan to improve profitability within the operating segment PC/Console Games. Resources are increasingly focused on own and controlled key IPs, which typically have better unit economics. An updated capital allocation process, with improved standards for new and continued investment, is also expected to improve ROI from new game releases. Further, continuous improvements as part of the ordinary business are expected to yield improved operational efficiency and capital allocation.





GAME DEVELOPMENT INVESTMENTS AND COMPLETED GAMES

The finalized value of the completed and released games during the quarter amounted to SEK 336 million (803), driven by the release of *Gigantic: Rampage Edition*, *Dead Island 2 DLC* and *Remnant II DLC*. *Homeworld 3* is not included as completed games as Gearbox is treated as asset held for sale as of Q4 FY 2023/24. In total, SEK 929 million (1,672) were invested in the quarter. The ratio of investments to completed games increased from 2.1x to 2.8x YoY, 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.



Fellowship
Arc Games | Chief Rebel



ANNOUNCED PC/CONSOLE RELEASES AS OF AUGUST 15, 2024

Title	Publishing Label	IP Owner	Main Developer	Platforms
<i>Hyper Light Breaker</i>	Arc Games	External	External	PC
<i>Fellowship</i>	Arc Games	Own	External	PC
<i>Snow Bros. Wonderland</i>	Clear River Games	Own	Internal	PS4, PS5, Switch
<i>Truxton Extreme</i>	Clear River Games	Own	Internal	PS5
<i>Omega 6 The Triangle Stars</i>	Clear River Games	External	External	PC, Switch
<i>Rushing Beat X: Return of Brawl Brothers</i>	Clear River Games	External	External	TBC
<i>Gimmick! 2</i>	Clear River Games	External	Internal	PC, PS5, Switch, PS4
<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>Tides of Tomorrow</i>	Deep Silver / PLAION	Own	Internal	PC
<i>Tomb Raider (final title TBC)</i>	External	Own	Internal	TBC
<i>Perfect Dark</i>	External	External	Internal	PC, XB XIS
<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>Akimbot</i>	PLAION	External	External	PC, PS5, XB XIS
<i>Let's Sing 2025</i>	PLAION	Own	Internal	PS5, XB XIS, Switch, PS4, XB1
<i>MARVEL 1943: Rise of Hydra</i>	PLAION	External	External	TBC
<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 1 Remake</i>	THQ Nordic	Own	Internal	PC, PS5, XB XIS
<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 II</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>The Eternal Life of Goldman</i>	THQ Nordic	External	External	PC, PS5, XB XIS, Switch
<i>Wreckfest 2</i>	THQ Nordic	Own	Internal	PC, PS5, XB XIS
<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	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Net Sales, SEK m	1,389	1,438	5,916
Net Sales growth	-3%	-3%	2%
EBIT, SEK m	365	291	1,029
EBIT margin	26%	20%	17%
Adjusted EBIT, SEK m	518	424	1,921
Adjusted EBIT, margin	37%	29%	32%
User Acquisition Cost (UAC), SEK m	502	641	2,466
User Acquisition Cost (UAC), % of Net Sales	36%	45%	42%
Total installs, million	230	257	1,025
Total Daily Active Users (DAU), million	27	33	31
Total Monthly Active Users (MAU), million	209	312	258

SEGMENT HIGHLIGHTS

Net sales in the quarter for Mobile Games amounted to SEK 1,389 million, decreased by -3% compared to the same period last year, or by -12% organically and -8% pro forma. The segment continues to deliver strong adjusted EBIT margins and profitability, which is mainly driven by Easybrain. DECA Games (including CrazyLabs) saw negative organic growth, due to a previous transition to lower sales but higher margin product strategy. Pro forma growth was stronger than organic growth thanks to a continued strong performance for *Alien Invasion*.

Underlying market trends stabilized in the quarter, with lower volatility with regard to user acquisition costs and monetization. There was some recovery towards the end of the quarter, with improved conditions to scale user acquisition costs, albeit still partly challenging.

EBIT amounted to SEK 365 million (291), yielding a 26% (20%) EBIT margin. Adjusted EBIT amounted to SEK 518 million (424), yielding a 37% (29%) Adjusted EBIT margin. User acquisition costs amounted to SEK 502 million (641), or 36% (45%) 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 relatively stronger performance for Easybrain and for CrazyLabs' hybrid casual game *Alien Invasion*.

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



SHARE OF GROUP SALES

18% (14%)

INTELLECTUAL PROPERTY (IP)

50 (48)

INTERNAL HEADCOUNT

1,093 (1,196)

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	Apr-Jun 2024	Apr-Jun 2023	Apr 2023-Mar 2024
Net Sales, SEK m	3,039	3,184	14,797
of which Digital products, SEK m	43	32	158
of which Physical products, SEK m	2,972	3,121	14,522
of which Other products, SEK m	24	32	117
Net Sales growth	-5%	20%	13%
EBIT, SEK m	13	-71	-6,119
EBIT margin	0%	-2%	-41%
Adjusted EBIT, SEK m	248	206	2,079
Adjusted EBIT, margin	8%	6%	14%

SEGMENT HIGHLIGHTS

Net Sales for the Tabletop Games segment in the quarter amounted to SEK 3,039 million, decreased by -5% compared to the same period last year, impacted by last year's divestment of Miniature Market. Organic and Proforma growth of -3% on a constant currency basis was in line with management expectations for the quarter.

EBIT amounted to SEK 13 million (-71), yielding a 0% (-2%) EBIT margin. Adjusted EBIT amounted to SEK 248 million (206), yielding a 8% (6%) Adjusted EBIT margin. The Adjusted EBIT margin improved YoY supported by better product mix driven by *Star Wars: Unlimited*, fewer clearances this quarter and continued positive impact on a run-rate basis from actions in the restructuring program.

Asmodee delivered a strong free cash flow in Q1, above expectations and above last year's quarter, partly thanks to the continuation of its inventory reduction program.

Revenue was driven by the continued success of *Star Wars: Unlimited*, together with a strong slate of new boardgames releases. From a geographical perspective, growth was the strongest in the US. Net sales for the quarter was negatively impacted by a lower performance of distributed games in Central Europe and the UK compared to last year's quarter.

Star Wars: Unlimited Set 3, Twilight of the Republic, will release in the last quarter of calendar 2024. Asmodee, together with its 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.

asmodee

SHARE OF GROUP SALES

38% (30%)

INTELLECTUAL PROPERTY (IP)

425 (397)

INTERNAL HEADCOUNT

2,404 (2,579)

INTERNAL STUDIOS

23 (22)



Asmodee had a strong pipeline of novelties and new releases in the quarter. A number of new titles reached the market including *CATAN – New Energies* from CATAN Studio, *Star Wars: Bounty Hunter* from Zygomatic, *Harmonies* from Libellud, *Word Traveler* from Office Dog, *Let's Hit Each Other with Fake Swords* from Exploding Kittens and a new addition to the Access+ range: *Dixit Universe Access+*.

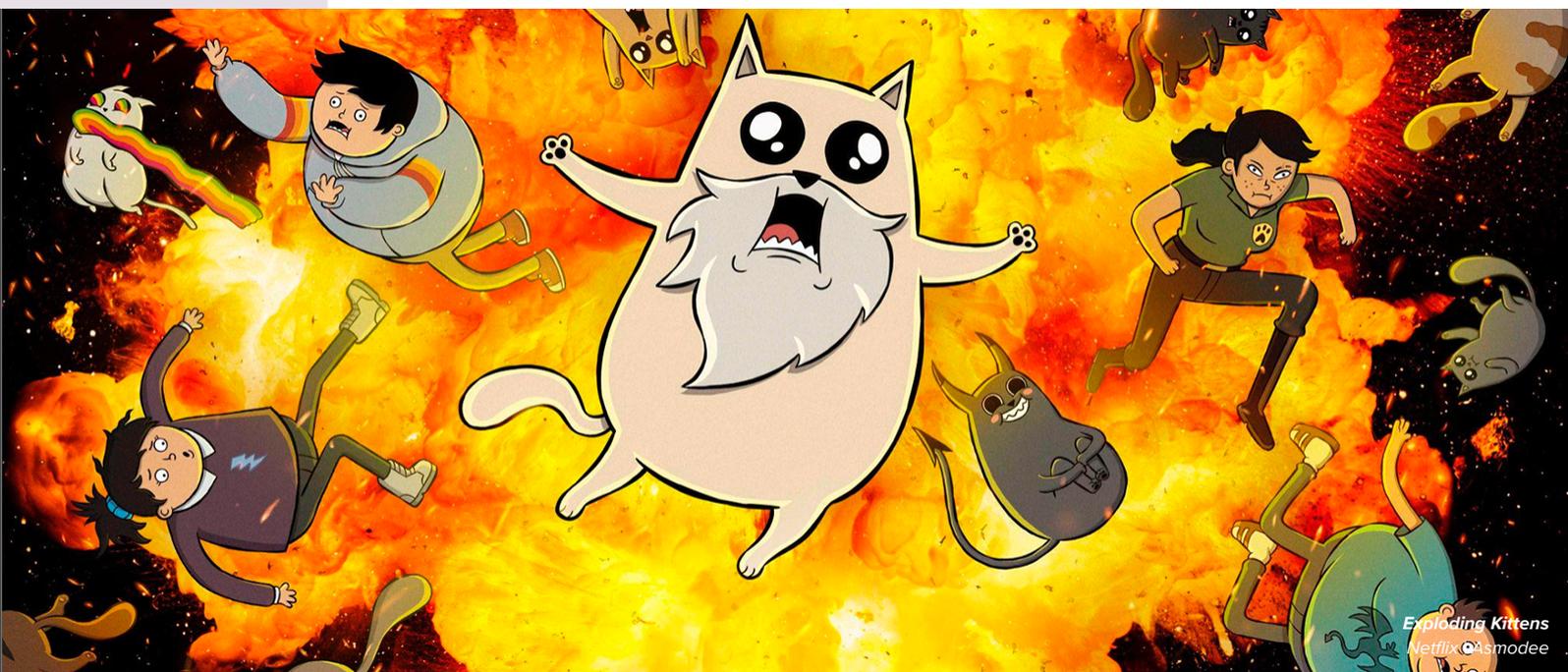
Asmodee's digital boardgaming platform, Board Game Arena, has crossed the threshold of 10M lifetime users recently. BGA stands as the fastest-growing online board game platform globally, with five million hours played each month.

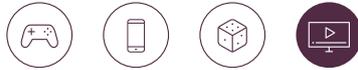
In July Asmodee released *Star Wars: Unlimited Set 2 Shadows of the Galaxy*, receiving positive reviews from the community, *Arkham Horror RPG*, *The Mandalorian™: Adventures* and *Survive the Island*. New releases on distributed products will also include anticipated sets for *Pokémon (Scarlet & Violet)* and *Magic: The Gathering (Assassin's Creed®)*.

Finally, during the quarter, Netflix released the trailer for the upcoming movie premiere of *Werewolves of Miller's Hollow*, based on one of Asmodee's IP, with a release set for October 2024. At the same time, Canal+, the leading French pay TV network, has aired the trailer for the upcoming TV series also based on *Werewolves of Miller's Hollow*.

After the quarter, Netflix released the Exploding Kittens TV show in 90 countries, localized in 38 languages.

In early August Asmodee announced that they have entered a multi-year partnership with the LEGO Group, joining forces to create and distribute new shared play experiences. The partnership will create an exciting range of high-quality LEGO board games for all types of players. *Monkey Palace*, slated to release in the coming quarter, will kick off the partnership and will be followed next year with a new LEGO boardgame in development named *Brick Like This!*.





OPERATING SEGMENT ENTERTAINMENT & SERVICES

The Entertainment & Services segment consists of three operative groups: Dark Horse Media, Freemode and PLAION's Partner Publishing & Film Businesses. Dark Horse is a leading IP-focused creator, publisher, and distributor of comic books, art books & merchandise. Freemode is an ecosystem of fan-centric game and entertainment related businesses, including Middle-earth Enterprises and Limited Run Games.

SHARE OF GROUP SALES

11% (18%)

INTELLECTUAL PROPERTY (IP)

193 (194)

INTERNAL HEADCOUNT

827 (967)

INTERNAL STUDIOS

3 (3)

Key performance indicators, Entertainment & Services

	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Net Sales, SEK m	848	1,832	7,082
of which Digital products, SEK m	128	342	643
of which Physical products, SEK m	675	1,084	5,469
of which Other products, SEK m	45	407	970
Net Sales growth	-54%	173%	34%
EBIT, SEK m	-113	185	-413
EBIT margin	-13%	10%	-6%
Adjusted EBIT, SEK m	-21	283	853
Adjusted EBIT, margin	-2%	15%	12%

SEGMENT HIGHLIGHTS

Net sales in the quarter for Entertainment & Services amounted to SEK 848 million, decreased by -54% compared to the same period last year, or -54% organically and -54% pro forma in constant currency. The negative organic growth is explained primarily by tough comparisons for PLAION Partner Publishing & Film, with no notable new releases this quarter compared to two notable releases in the comparison quarter. Additionally, Middle-earth Enterprises within Freemode had notably lower activity and tough comparison figures.

EBIT amounted to SEK -113 million (185), yielding a -13% (10%) EBIT margin. Adjusted EBIT amounted to SEK -21 million (283), yielding a -2% (15%) Adjusted EBIT margin. The lower adjusted EBIT compared to previous year is mainly explained by the notable licensing revenue from *The Lord of the Rings* IP in the comparison period. The Adjusted EBIT margin was impacted by a lower volume and a product mix more geared to physical businesses.

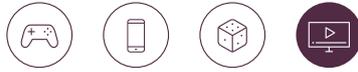
Freemode had a slower quarter compared to recent quarters, with no notable new partner releases. The most recent partner release, the PC/Console game: *The Lord of the Rings: Return to Moria™* is set for release on Steam and Xbox this month, providing an opportunity to broaden the player base and financial performance.

Middle-earth Enterprises' revenue stream varies between quarters as the inflow has a dependency on agreements and partnership deals with new creators and business partners.

During the quarter, Middle-earth Enterprises won the award in the Entertainment & Media Team of the Year category at the prestigious World Trademark Review (WTR) Industry Awards. Since 2007, WTR has annually recognized outstanding trademark work.

Looking beyond the reporting quarter, the outlook and future of *The Lord of the Rings* franchise is bright. We have been diligently working with our owned creative teams, other world-class creators, and our passionate fanbase in laying the foundation and strategic long-





term planning for this franchise. As previously announced, we have entered a new collaborative long-term partnership with Warner Bros. Pictures and New Line Cinema for upcoming film projects, as well as with Amazon Games to create an expansive MMO set in the Middle-earth universe.

In addition to these major partnerships, with our new greenlight process we are actively testing and prototyping multiple new game concepts, exploring a wide range of immersive and authentic gameplay within the Middle-earth world. An honest and tactical approach to world-building and authentic storytelling is at the core of these efforts, as we believe that engaging deeply and early with the community is essential to creating experiences that truly resonate. New live-action movies are in the pipeline, and, as covered in the CEO Comment section, a significant game slate is starting to take shape. This holiday season marks a significant milestone with the introduction of the first *The Lord of the Rings* anime feature film, *The Lord of the Rings: The War of the Rohirrim*.

For Dark Horse's comics, the back catalog was the revenue driver in Q1 led by volumes of the *Berserk* series. *Avatar: The Last Airbender* continues to meet better sales performance, attributed to an increased consumer interest driven by the live-action Netflix program and increased exposure for the comics on Webtoons. After the quarter, Netflix also premiered the first episode of the fourth season of Dark Horse's hit series *The Umbrella Academy*.



The Lord of the Rings: The War of the Rohirrim

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OTHER FINANCIAL INFORMATION

NET PROFIT/LOSS FOR THE PERIOD

Net profit/loss for the quarter amounted to SEK -2,197 million (2,251), a decrease of SEK -4,448 million compared to the same period previous year. The decrease is mainly related to lower EBIT (see page 6) and lower net financial items.

Net financial items amounted to SEK -347 million (2,171) in the quarter. Net interest income/expenses and other financial income/expenses amounted to SEK -403 million (-236). 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 -36 million (1,667). Exchange rate gain/losses amounted to SEK 92 million (740), mainly related to the revaluation of intercompany financial receivables.

Income tax amounted to SEK -410 million (-341) in the quarter. Current income tax amounted to SEK -228 million (-504) and deferred income tax amounted to SEK -147 million (163). Provision for Pillar II top-up tax amounted to SEK -35 million (-).

CONDENSED CASH FLOW

SEK m	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Operating activities			
Cash flow from operating activities before changes in working capital	211	1,870	7,503
Cash flow from changes in working capital	-388	-511	384
Cash flow from operating activities	-177	1,359	7,888
Cash flow from investing activities	2,732	-2,350	-9,954
Cash flow from financing activities	-2,810	120	832
Cash flow for the period	-255	-871	-1,234
Cash and cash equivalents at the beginning of period	3,507	4,662	4,662
Exchange-rate differences in cash and cash equivalents	-31	161	80
Cash and cash equivalents at the end of period	3,221	3,952	3,507

Cash flow from operating activities amounted to SEK -177 million (1,359) in the quarter, whereof cash flow from working capital amounted to SEK -388 million (-511). Cash flow from operating activities includes payment of personnel cost related to acquisitions amounted to SEK -1,217 million (-272) which combined with the lower Adjusted EBITDA mainly explains the difference compared to previous year.

Cash flow from investing activities amounted to SEK 2,732 million (-2,350) in the quarter where cash flow from divestment of subsidiaries amounted to SEK 4,171 million (0), mainly related to the divestment of Gearbox Entertainment. Investments in intangible assets amounted to SEK -1,052 million (-1,911), where SEK -980 million (-1,757) is invested in the portfolio of on-going game development and the majority -929 million relates to the PC/Console Games segment.

Free cash flow after changes in working capital amounted to SEK 47 million (-599) (see page 51) where reduced investments in intangible assets and net working capital more than compensated the lower Adjusted EBITDA compared to previous year. Gearbox Entertainment also impacted with a negative free cash flow of SEK -40 million.

Cash flow from financing activities amounted to SEK -2,810 million (120) in the quarter where proceeds from borrowings amounted to SEK 11,110 million (635) and Repayment of loans amounted to SEK -13,281 million (-340). Both the proceeds and the repayments are mainly related to the refinancing agreement in Asmodee Group signed in April 2024 together with the proceeds received from the divestment of Gearbox Entertainment described further in detail on Page 17. Dividend to owner with non-controlling interest amounted to SEK -495 million (0), this is an effect related to the preparation of Asmodee the spin-off project further described on page 21 in Significant events during the quarter.



NET DEBT AND AVAILABLE FUNDS

Net debt/Net cash, SEK m ¹⁾	Jun 30, 2024	Jun 30, 2023	Mar 31, 2024
Cash	3,221	3,952	3,507
Current investments	—	17	0
Current liabilities to credit institutions	-15,420	-17,962	-8,994
Current account credit facilities	-89	-88	-35
Non-current liabilities to credit institutions	-1,987	-2,671	-10,885
Net Debt (-) / Net Cash (+)	-14,275	-16,752	-16,407

¹⁾ Reclassification of the assets and liabilities under IFRS 5, as per [Note 6](#), 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 June 30, 2024, the group had non-interest-bearing deferred considerations and obligations related to historical business combinations with an expected cash settlement of SEK 4.0 billion with an estimated maturity structure (see page 18). The group also had short term interest-bearing receivable amounting to SEK 2.1 billion related to the divestment of Saber to be repaid no later than December 31, 2024.

In April 2024, Embracer Group secured a financing agreement at Asmodee Group 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 Group 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 existing revolving credit facilities by SEK 1 billion to SEK 8 billion.

On June 20, 2024, Embracer Group repaid SEK 3.2 billion of the existing revolving credit facility that matured in May 2025 by the net proceed from the divestment of Gearbox Entertainment.

After the quarter on July 11, 2024, Embracer announced it had secured a new EUR 600 million revolving credit facility with a two year tenor, with an option to extend for an additional year. The new facility replaces Embracer's remaining SEK 4.8 billion (approximately EUR 420 million) revolving credit facility. The terms and conditions for the new facility have been improved, including a notably lower interest margin for utilized credit, which will reduce interest expenses.

On July 19, 2024, Embracer entered into an agreement with the Swedish Export Credit Corporation (SEK) for a bilateral loan of SEK 500 million. The loan has a two year tenor, with an option to extend for an additional year. The terms for the loan are comparable to the revolving credit facility secured on July 11, 2024.

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 and has substantial headroom to it.

Available funds, SEK m	Jun 30, 2024	Jun 30, 2023	Mar 31, 2024
Cash	3,221	3,952	3,507
Current investments	—	17	0
Unutilized credit facilities	1,955	1,066	1,749
Available funds	5,176	5,035	5,256



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 June 30, 2024 the debt portion amounted to SEK 1,928 million and the equity portion amounted to SEK 1,426 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 June 30, 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 1,362 million mainly driven by divestments, payments as part of divestments and ordinary payments. The total outstanding obligation amounts to SEK 4,011 million of which SEK 1,136 million is related to Asmodee.

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	510	63	573
2025/2026	208	292	500
2026/2027	1,248	786	2,034
2027/2028	320	42	362
2028/2029	247	59	306
2029/2030	176	24	200
2030/2031	36	—	36
	2,745	1,266	4,011

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 5](#). 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 June 30, 2024, the debt amounted to SEK 1,082 million 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 June 30, 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 5](#). Obligations related to future personnel costs related to acquisitions which will be settled in



shares are accounted for in the group's balance sheet, to the extent that they have been earned by the employee and are 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	26	7	33
To be issued	31	2	33
Total number of shares	57	9	66

The number of shares to be paid as additional purchase price can vary but never exceed 33 million according to the earnout agreements. If all shares are issued, the dilution in capital will amount to 1.78% and 2.41% of the voting rights as of June 30, 2024, and the total number of shares after full dilution will be 1,383 million. Expectations of shares to be issued as per June 30, 2024 based on target achievement is within the interval 5 to 10 million. If shares within this interval are issued, the dilution in capital will amount to 0.34-0.76% and 0.25-0.56% of the voting rights as of June 30, 2024. Since the last quarter, maximum number of shares to be issued as payment of additional purchase price has decreased with 74 million shares. The decrease is mainly due to effects of the spin-off preparations of Asmodee, communicated in a press release (April 22, 2024) and the divestment of Gearbox Entertainment.

The 33 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 9 million shares due to several target achievements.

Specific items related to historical acquisitions

The forecast is based on the average exchange rates for the period April 2024 to June 2024. The forecast includes closed acquisitions/divestments as per June 30, 2024. The forecast is based on the purchase price allocations as per June 30, 2024, which contain only finalized purchase price allocations and with all the divestments during the quarter taken in consideration.

SEK m	24/25									Total
	Q2	Q3	Q4	25/26	26/27	27/28	28/29	29/30	30/31	
Amortization of surplus values of acquired intangible assets	560	527	527	2,013	1,740	1,529	1,478	1,374	1,287	11,035
Personnel costs related to acquisitions	106	99	101	366	148	33	9	—	—	862
Specific items related to historical acquisitions	666	626	628	2,379	1,888	1,562	1,487	1,374	1,287	11,897



PARENT COMPANY

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

The parent company's net sales for April-June 2024 were SEK 20 million (31), and profit before tax was SEK 9,518 million (532) including dividend from subsidiaries amounting to SEK 9,888 million related to the spin-off preparations of Asmodee. Profit after tax was SEK 9,610 million (445).

Cash and current investments as of June 30, 2024 were SEK 336 million (0). Available funds amounted to SEK 1,086 million as of June 30, 2024. The parent company's equity at the end of the period was SEK 64,654 million (60,099).



*Embracer Group AB
Karlstad, Sweden*

SIGNIFICANT EVENTS DURING 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. On the same occasion Stéphane Carville and Anton Westbergh were appointed to the executive management of Embracer Group. 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 amounted 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.
- > As part of the spin-off preparation for Asmodee, Embracer Group agreed with the management of Asmodee to replace the existing put/call-option with a direct minority shareholding in Asmodee (Asmodee Group AB). The original put/call-option entitled the option holders to, given fulfillment of certain financial and operational targets, exchange their indirect ownership in Asmodee to a direct ownership in Embracer Group through a maximal amount of 41 million B shares in Embracer Group. Due to the new agreement the book value of the put/call-option of SEK 0.9 billion (representing 41 million Embracer Group B shares) was converted to equity. The non-controlling interests in Asmodee had a book value of SEK 1.3 billion at the time of the new agreement. This conversion maintains and enforces long-term incentives and alignment with Embracer for the management of Asmodee while facilitating the spin-off project. The refinancing of Asmodee previously described was completed through a SEK 10.5 billion debt-push from Embracer Group AB whereby approx. SEK 10 billion was paid in dividend to Embracer Group AB, used to repay existing debt and SEK 0.5 billion was paid to the minority owners in Asmodee. At the end of the quarter, non-controlling interests in Asmodee had a book value of SEK 0.8 billion.
- > 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 USD 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.
- > On the 23rd of May, Embracer announced that Johan Ekström has decided to step down from his role as CFO and deputy CEO. Müge Bouillon, currently deputy CFO, is appointed CFO effective as of September 1, 2024. Johan Ekström will remain within Embracer until March 31, 2025. Following the CFO transition on September 1, Johan will focus on the separation of Embracer into three separate companies. Further, Embracer announced, effective as of June 1, Phil Rogers, CEO of Crystal Dynamics – Eidos and leader of newly formed “Middle-earth Enterprises & Friends”, assumes the role as Deputy CEO of Embracer in addition to his current role. Both Müge Bouillon and Phil Rogers will be members of the Executive Management Team.
- > On the 11th of June, the sale of Gearbox Entertainment to Take-Two Interactive Software, Inc. was closed.
- > On the 20th of June, Embracer announced a repayment of SEK 3.2 billion (USD 300 million) of its revolving credit facility with maturity date in May 2025. The repayment was made by the net proceeds already received from the recent sale of Take-Two Interactive Software, Inc. common stock, received as purchase price for the sale of Gearbox Entertainment.



SIGNIFICANT EVENTS AFTER THE QUARTER

- > On the 11th of July, Embracer announced it had secured a new EUR 600 million revolving credit facility with a two-year tenor, with an option to extend it for an additional year. The new facility replaces Embracer's remaining revolving credit facility, which matures in May 2025.
- > On the 19th of July, Embracer entered into an agreement with the Swedish Export Credit Corporation for a bilateral loan of SEK 500 million (approximately EUR 43 million). The loan has a two year tenor, with an option to extend for an additional year. The terms for the loan are comparable to the revolving credit facility secured in July 2024.



Hyperlight Breaker
Arc Games | Heart Machine

SUSTAINABILITY AND GOVERNANCE

SUSTAINABILITY

During the quarter, we focused on the coming Corporate Sustainability Reporting Directive (CSRD). We initiated the division of our double materiality and gap analysis to align processes and targets with the distinct needs based on our intention to separate the Group into three standalone publicly listed entities. The CSRD requires companies to report on the impact of corporate activities on the environment and society and requires audit (assurance) of reported information. Although all entities must adhere to the same legal requirements, variations in their core businesses, geographical exposure, and value chains will shape the content of their respective external reporting.

We also participated in panels and roundtable discussions at Almedalen, an annual political forum in Visby, Sweden, where politicians, businesses, NGOs, and other stakeholders gather to discuss pressing societal issues. Alongside members of the Swedish parliament, NGOs, and other gaming and entertainment industry representatives, we explored how video games can drive positive societal change. Topics included games as a cultural expression, the role of game development in enhancing the EU's competitiveness, supporting young people with neuropsychiatric disabilities through gaming, and developing a national strategy for video games.

GOVERNANCE

To strengthen our commitment to privacy transparency and accountability for our players, partners, and employees, we launched the Data Privacy Center this quarter. The Data Privacy Center provides detailed information about Embracer Group's privacy practices and goals. It also includes a report on the number of government requests we have received and our responses to them. You can access the Data Privacy Center on our website at <https://embracer.com/governance/data-privacy-center/>.

During the quarter the Executive Management Team saw new members being added through Müge Bouillon, appointed CFO effective as of September 1, 2024, Stéphane Carville and Anton Westbergh. Phil Rogers was appointed Deputy CEO in addition to his current role, effective as of June 1, 2024.



ANALYSTS FOLLOWING EMBRACER GROUP

AS OF AUGUST 15, 2024

Company	Name	Mail
ABG Sundal Collier	Simon Jönsson	simon.jonsson@abgsc.se
BNP Paribas Exane	Nicolas Langlet	nicolas.langlet@exanebnpparibas.com
Barclays	Nick Dempsey	nick.dempsey@barclays.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
Handelsbanken Capital Markets	Jesper Stugemo	jesper.stugemo@handelsbanken.se
JP Morgan	David Peat	david.peat@jpmorgan.com
Jefferies	Sebastian Patulea	spatulea@jefferies.com
Kepler Cheuvreux	Rasmus Engberg	rengberg@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 JUNE 30, 2024					Change from Mar 31, 2024
Name	Class A shares	Class B shares	Share of capital, %	Share of votes, %	Class A and B shares
1 Lars Wingefors AB	52,260,204	210,238,330	19.45%	39.92%	
2 Savvy Gaming Group		99,884,024	7.40%	5.44%	
3 S3D Media Inc ¹⁾		83,570,714	6.19%	4.55%	
4 DNB Asset Management AS		71,447,081	5.29%	3.89%	2,074,575
5 Canada Pension Plan Investment Board (CPP)		51,517,000	3.82%	2.81%	
6 Alecta Tjänstepension		46,064,000	3.41%	2.51%	2,500,000
7 PAI Partners		39,044,571	2.89%	2.13%	
8 Handelsbanken Fonder		33,569,702	2.49%	1.83%	542,709
9 Vanguard		33,537,531	2.48%	1.83%	743,989
10 Didner & Gerge Fonder		31,300,000	2.32%	1.70%	2,281,158
TOP 10	52,260,204	700,172,953	55.74%	66.60%	
OTHERS	1,739,796	595,771,910	44.26%	33.40%	
TOTAL	54,000,000	1,295,944,863	100.00%	100.00%	

Source: Monitor by Modular Finance.
Shareholder lists are available on embracer.com and are updated in real time.

¹⁾ A shares previously 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.

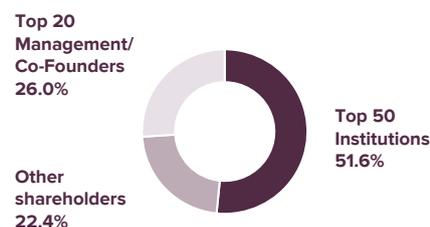
INTERNATIONAL OWNERSHIP TOP 50 INSTITUTIONAL

AS OF JUNE 30, 2024 BY CAPITAL



INSTITUTIONAL OWNERSHIP VS MANAGEMENT

AS OF JUNE 30, 2024 BY CAPITAL



OTHER
INFORMATION

TOP 20 MANAGEMENT & CO-FOUNDER OWNERS AS OF JUNE 30, 2024

Owner ^{1) 2)}	Co-Founder	Class A shares	Class B shares	Share of capital, %	Share of votes, %
1 Lars Wingefors AB	Embracer Group	52,260,204	210,238,330	19.4%	39.9%
2 Founders/Management	Easybrain		43,770,306	3.2%	2.4%
3 Ken Go	Deca Games		10,374,962	0.8%	0.6%
4 Founders/Management	4A		4,892,140	0.4%	0.3%
5 Management	CrazyLabs		4,402,714	0.3%	0.2%
6 Founders	Ghostship Games		4,038,206	0.3%	0.2%
7 Founders/Management	Aspyr		3,549,742	0.3%	0.2%
8 Richard Stitselaar and Kimara Rouwit	Vertigo Games		3,416,420	0.3%	0.2%
9 Luisa Bixio	Milestone		2,424,341	0.2%	0.1%
10 Klemens Kundratitz	PLAION		2,255,856	0.2%	0.1%
11 Anton Westbergh	Coffee Stain		2,412,666	0.2%	0.1%
12 Alan Wilson	Tripwire		1,482,887	0.1%	0.1%
13 Dennis Gustafsson	Tuxedo Labs		1,408,031	0.1%	0.1%
14 William Munk II	Tripwire		1,107,594	0.1%	0.1%
15 David Hensley	Tripwire		1,107,594	0.1%	0.1%
16 Klemens Kreuzer	THQ Nordic		1,000,000	0.1%	0.1%
17 John Coleman	Vertigo Games		586,016	0.0%	0.0%
18 Stefan Ljungqvist	Experiment 101		360,360	0.0%	0.0%
19 Lee Guinchar	Embracer Freemode		205,580	0.0%	0.0%
20 Martin de Ronde	Vertigo Games		205,150	0.0%	0.0%
TOP 20		52,260,204	299,238,895	26.0%	44.8%
ALL OTHER SHAREHOLDERS		1,739,796	996,705,968	74.0%	55.2%
TOTAL		54,000,000	1,295,944,863	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 Gearbox, Randy Pitchford (CEO, Gearbox Entertainment) has been removed from the top 20 Management list.

TOP 50 INSTITUTIONAL OWNERS AS OF JUNE 30, 2024

 Change from
Mar 31, 2024

Name	Class A shares	Class B shares	Share of capital, %	Share of votes, %	Class B shares
1 Savvy Gaming Group		99,884,024	7.40%	5.44%	
2 DNB Asset Management AS		71,447,081	5.29%	3.89%	2,074,575
3 Canada Pension Plan Investment Board (CPP)		51,517,000	3.82%	2.81%	
4 Alecta Tjänstepension		46,064,000	3.41%	2.51%	2,500,000
5 PAI Partners		39,044,571	2.89%	2.13%	
6 Handelsbanken Fonder		33,569,702	2.49%	1.83%	542,709
7 Vanguard		33,537,531	2.48%	1.83%	743,989
8 Didner & Gerge Fonder		31,300,000	2.32%	1.70%	2,281,158
9 SEB Fonder		29,849,376	2.21%	1.63%	316,433
10 Norges Bank		21,742,484	1.61%	1.18%	
11 DNB Asset Management SA		19,750,353	1.46%	1.08%	-757,342
12 Skandia Fonder		19,681,242	1.46%	1.07%	488,312
13 Folksam		16,632,581	1.23%	0.91%	393,026
14 Tredje AP-fonden		13,330,092	0.99%	0.73%	-2,905,331
15 BlackRock		12,565,439	0.93%	0.68%	1,072,164
16 Swedbank Robur Fonder		12,466,348	0.92%	0.68%	210,330
17 TIN Fonder		11,987,981	0.89%	0.65%	-46,725
18 Första AP-fonden		10,500,000	0.78%	0.57%	5,250,000
19 Länsförsäkringar Fonder		9,582,760	0.71%	0.52%	59,393
20 Andra AP-fonden		9,226,695	0.68%	0.50%	
21 Nordea Funds		7,915,542	0.59%	0.43%	1,130,458
22 Livförsäkringsbolaget Skandia		7,616,726	0.56%	0.41%	215,022
23 Eric M. Mindich		7,500,000	0.56%	0.41%	
24 Storebrand Fonder		7,162,554	0.53%	0.39%	796,495
25 Swedbank Försäkring		6,622,617	0.49%	0.36%	-99,473
26 LOYS AG		5,968,000	0.44%	0.33%	-3,182,000
27 Jofam AB		5,500,000	0.41%	0.30%	
28 VanEck		5,153,480	0.38%	0.28%	-543,160
29 Lancelot Asset Management AB		4,750,001	0.35%	0.26%	1
30 State Street Global Advisors		4,411,574	0.33%	0.24%	-5,358
31 Öhman Fonder		3,687,455	0.27%	0.20%	1,381,354
32 Belleli Holding B.V.		3,416,420	0.25%	0.19%	-100,000
33 Nordea Liv & Pension		3,075,218	0.23%	0.17%	-220,987
34 Bankinter		2,963,995	0.22%	0.16%	
35 Handelsbanken Liv Försäkring AB		2,737,303	0.20%	0.15%	-40,165
36 Dimensional Fund Advisors		2,603,633	0.19%	0.14%	491,904
37 Ruth Asset Management		2,572,911	0.19%	0.14%	
38 Redwood Capital Ltd		2,568,053	0.19%	0.14%	
39 Kåpan Pensioner Försäkringsförening		2,562,489	0.19%	0.14%	2,364,989
40 Nordnet Pensionsförsäkring		2,122,135	0.16%	0.12%	-172,518
41 eQ Asset Management Oy		2,085,347	0.15%	0.11%	-114,653
42 Charles Schwab Investment Management Inc		2,065,809	0.15%	0.11%	83,783
43 Provobis Holding AB		2,000,000	0.15%	0.11%	
44 Singular Asset Management SGiIC SA		1,990,000	0.15%	0.11%	-150,000
45 Aktia Asset Management		1,950,000	0.14%	0.11%	
46 Svenska Handelsbanken AB for PB		1,885,994	0.14%	0.10%	-4,000
47 Enter Fonder		1,773,940	0.13%	0.10%	-335,000
48 Kammarkollegiet		1,675,997	0.12%	0.09%	
49 Nordnet Fonder		1,525,108	0.11%	0.08%	388,955
50 AQR Capital Management		1,470,757	0.11%	0.08%	1,200,255
TOP 50 INSTITUTIONAL	0	703,012,318	52.08%	38.29%	
OTHERS	54,000,000	592,932,545	47.92%	61.71%	
TOTAL	54,000,000	1,295,944,863	100.00%	100.00%	

Source: Monitor by Modular Finance.


**OTHER
INFORMATION**

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 and assumptions are described in [Note 2](#) in this report.

AUDITOR'S REVIEW

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

FORTHCOMING REPORTS

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
Full Year report 2024/25	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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MotoGP™24
Milestone

SIGNATURES AND ASSURANCE

The Board of Directors and Chief Executive Officer offer their assurance that this interim report for the first 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, August 15, 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 August 15, 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 marketplace regulations, Embracer Group AB is under no obligation to update the information, opinions or forward-looking statements in this report.



Warhammer 40,000: Speed Freeks
PLAION | Caged Element

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Amounts in SEK m	Note	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Net sales	3,4	7,933	10,450	42,206
Other operating income		117	90	575
Total operating income		8,050	10,540	42,780
Work performed by the Company for its own use and capitalized		774	1,458	5,351
Goods for resale		-2,874	-3,915	-16,773
Other external expenses	7	-1,645	-2,391	-8,998
Personnel expenses	8	-3,537	-3,440	-14,237
Depreciation, amortization and impairment		-1,607	-1,781	-21,738
Other operating expenses	9	-598	-56	-6,902
Share of profit of an associate after tax		-2	6	-2
Operating profit/loss (EBIT)		-1,440	421	-20,519
Net financial items	10	-347	2,171	1,784
Profit/loss before tax		-1,786	2,592	-18,735
Income tax		-410	-341	558
Net profit/loss for the period		-2,197	2,251	-18,177
<i>Net profit/loss for the period attributable to:</i>				
Equity holders of the parent		-2,183	2,250	-18,177
Non-controlling interests		-14	0	-1
Earnings per share				
Basic earnings per share (SEK)		-1.80	1.99	-15.28
Diluted earnings per share (SEK)		-1.80	1.99	-15.28

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK m	Note	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Net profit/loss for the period		-2,197	2,251	-18,177
Other comprehensive income				
<i>Items that may be reclassified to profit or loss (net of tax):</i>				
Exchange differences on translation of foreign operations		-1,517	3,071	886
Cash flow hedges		-2	-1	1
<i>Items that will not be reclassified to profit or loss (net of tax):</i>				
Remeasurement of defined benefit plans for employees		—	0	-5
Total other comprehensive income for the period, net of tax		-1,518	3,070	882
Total comprehensive income for the period, net of tax		-3,715	5,321	-17,296
<i>Total comprehensive income attributable to:</i>				
Equity holders of the parent		-3,688	5,320	-17,295
Non-controlling interests		-27	0	-1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK m	Note	Jun 30, 2024	Jun 30, 2023	Mar 31, 2024
ASSETS				
Non-current assets				
Goodwill		30,678	50,734	31,210
Intangible assets		36,059	47,909	37,036
Property, plant and equipment		884	1,214	881
Right-of-use assets		1,481	1,597	1,349
Investments in associates		256	250	254
Non-current financial assets		493	664	501
Deferred tax assets		1,638	1,801	1,776
Total non-current assets		71,489	104,168	73,008
Current assets				
Inventories		3,385	4,545	3,218
Trade receivables		4,634	5,702	4,960
Contract assets		48	885	13
Other receivables		3,585	1,881	3,788
Prepaid expenses		701	646	457
Current investments		—	17	0
Cash and cash equivalents		3,203	3,952	3,341
Total current assets		15,556	17,629	15,777
Assets held for sale	6	602	—	6,911
TOTAL ASSETS		87,648	121,797	95,696

CONT.>>

>>CONTINUED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK m	Note	Jun 30, 2024	Jun 30, 2023	Mar 31, 2024
EQUITY AND LIABILITIES				
Equity				
Share capital		2	2	2
Other contributed capital		61,801	57,455	60,932
Reserves		4,321	8,016	5,826
Retained earnings, including net profit/loss		-16,861	6,086	-14,341
Total equity attributable to equity holders of the parent		49,264	71,559	52,419
Non-controlling interests		866	65	64
Total equity		50,130	71,623	52,482
Non-current liabilities				
Liabilities to credit institutions		1,876	2,671	10,795
Other non-current liabilities		189	207	171
Lease liabilities		1,141	1,177	1,024
Other provisions		50	119	52
Contingent considerations	5	1,761	3,643	1,980
Non-current put/call options on non-controlling interests	5	893	1,851	1,496
Deferred considerations	5	9	376	10
Non-current employee benefits		19	11	13
Non-current liabilities to employees related to historical acquisitions	5	994	704	910
Deferred tax liabilities		5,831	8,102	5,885
Total non-current liabilities		12,762	18,860	22,336
Current liabilities				
Liabilities to credit institutions		15,350	17,962	8,946
Current account credit facilities		89	88	35
Advances from customers		138	94	143
Trade payables		2,170	3,268	2,197
Lease liabilities		390	482	381
Contract liabilities		1,206	1,916	1,511
Contingent considerations	5	167	432	219
Current put/call options on non-controlling interests	5	—	324	285
Deferred considerations	5	405	1,712	474
Tax liabilities		636	938	499
Current liabilities to employees related to historical acquisitions	5	88	369	144
Other current liabilities		745	452	906
Accrued expenses		3,117	3,277	2,967
Total current liabilities		24,500	31,315	18,708
Liabilities attributable to assets held for sale	6	256	—	2,170
TOTAL EQUITY AND LIABILITIES		87,648	121,797	95,696

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in SEK m	Equity attributable to equity holders of the parent						
	Share capital	Other contributed capital	Reserves ¹⁾	Retained earnings including profit for the period	Total equity attributable to equity holders of the parent	Non-controlling interests	Total equity
Opening balance 2023-04-01	2	55,886	4,945	3,835	64,668	53	64,721
Net profit/loss	—	—	—	2,250	2,250	0	2,251
Other comprehensive income	—	—	3,072	0	3,072	0	3,072
Total comprehensive income for the period	—	—	3,072	2,250	5,322	0	5,322
<i>Transactions with the owners</i>							
Share-based remuneration according to IFRS 2	—	1,569	—	—	1,569	—	1,569
Transactions with non-controlling interests	—	—	—	—	—	11	11
Total	—	1,569	—	—	1,569	11	1,580
Closing balance 2023-06-30	2	57,455	8,016	6,086	71,559	65	71,623
Opening balance 2024-04-01	2	60,932	5,826	-14,341	52,419	64	52,482
Net profit/loss	—	—	—	-2,183	-2,183	-14	-2,197
Other comprehensive income	—	—	-1,505	—	-1,505	-14	-1,518
Total comprehensive income for the period	—	—	-1,505	-2,183	-3,688	-27	-3,715
<i>Transactions with the owners</i>							
New share issue	—	244	—	—	244	—	244
Share-based remuneration according to IFRS 2	—	626	—	—	626	—	626
Dividend to non-controlling interests	—	—	—	—	—	-495	-495
Transactions with non-controlling interests	—	—	—	-337	-337	1,324	988
Total	—	870	—	-337	533	829	1,362
Closing balance 2024-06-30	2	61,801	4,321	-16,861	49,264	866	50,130

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⁾	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Operating activities			
Profit/loss before tax	-1,786	2,592	-18,735
Adjustments for non-cash items, etc.	2,081	-493	27,215
Income tax paid	-83	-229	-977
Cash flow from operating activities before changes in working capital	211	1,870	7,503
Cash flow from changes in working capital			
Change in inventories	-195	-269	618
Change in operating receivables	294	-304	-307
Change in operating liabilities	-487	62	74
Cash flow from operating activities	-177	1,359	7,888
Investing activities			
Acquisition of property, plant and equipment	-72	-103	-317
Proceeds from sales of property, plant and equipment	—	—	6
Acquisition of intangible assets	-1,052	-1,911	-7,042
Proceeds from sales of intangible assets	1	—	33
Acquisition of subsidiaries, net of cash acquired ¹⁾	-249	-113	-2,261
Divestment of subsidiaries, net of cash	4,171	—	—
Acquisition of financial assets	-79	-226	-408
Proceeds from sales of financial assets	12	3	35
Cash flow from investing activities	2,732	-2,350	-9,954
Financing activities			
New share issue	—	—	2,000
Issuance costs	—	—	-42
Proceeds from borrowings	11,110	635	2,113
Paid dividend to owners with non-controlling interests	-495	—	—
Repayment of loans	-13,281	-340	-2,596
Payment of lease liabilities	-144	-175	-643
Cash flow from financing activities	-2,810	120	832
Cash flow for the period	-255	-871	-1,234
Cash and cash equivalents at the beginning of period	3,507	4,662	4,662
Exchange-rate differences in cash and cash equivalents	-31	161	80
Cash and cash equivalents at the end of period	3,221	3,952	3,507

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

²⁾ Reclassification of the assets and liabilities under IFRS 5, as per Note 6, 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 interim report comprises of the Swedish parent company Embracer Group AB (publ) ("Embracer"), with corporate registration number 556582-6558, and its subsidiaries. The Group conducts management and development of intellectual property rights, development and publishing of PC games, console games, mobile games, board games and VR games and has partner publishing and niche positions in film and comic book publishing. The parent company is a limited liability company with its registered office in Karlstad, Sweden. The address of the head office is Tullhusgatan 1B, 652 09 Karlstad, Sweden.

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 2023/24. A complete description of the Group's applied accounting policies can be found in Note 1 in the Annual Report for FY 2023/24. For the parent company's applied accounting policies, see Note P1.

The group is covered by the OECD's model rules for Pillar II. Legislation on Pillar II has been adopted in Sweden, where Embracer Group AB is based, and has entered into force on January 1, 2024. The legislation is applied to the group starting from financial year 2024/25.

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 [34-44](#) 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.

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 2023/24, with additions described below.

Non-current assets held for sale and discontinued operations

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 is part in a divestment separate from the divestment of Saber Interactive. The divestments have therefore been presented as separate disposal group.

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 2023/24 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. As no further information has been communicated or actions has taken place the assesment from year-end 2023/24 remain.

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.

The same accounting principles are used for the segments as for the Group.

Apr-Jun 2024	PC/Console Games	Mobile Games	Tabletop Games	Entertainment & Services	Total segments	Eliminations	Group functions	Group total
Revenue from external customers	2,656	1,389	3,039	848	7,933	-	-	7,933
Revenue from transactions with other operating segment	6	-	-	8	14	-14	-	-
Total revenue	2,662	1,389	3,039	856	7,947	-14	-	7,933
Adjusted EBIT	138	518	248	-21	883	-	-55	828
Amortization of surplus values of acquired intangible assets	-166	-108	-204	-88	-566	-	-	-566
Transaction costs	-	-	-	-	0	-	-	-
Personnel costs related to acquisitions	-1,023	-46	-32	-3	-1,104	-	-	-1,104
Remeasurement of contingent consideration	4	-	-	-	4	-	-	4
Items affecting comparability	-602	-	-	-	-602	-	-	-602
EBIT	-1,649	365	13	-113	-1,385	-	-55	-1,440
Net financial items								-347
Profit/loss before tax								-1,786

Apr-Jun 2023	PC/Console Games	Mobile Games	Tabletop Games	Entertainment & Services	Total segments	Eliminations	Group functions	Group total
Revenue from external customers	3,996	1,438	3,184	1,832	10,450	-	-	10,450
Revenue from transactions with other operating segment	6	-	-	6	12	-12	-	-
Total revenue	4,002	1,438	3,184	1,838	10,462	-12	-	10,450
Adjusted EBIT	837	424	206	283	1,750	-	-77	1,673
Amortization of surplus values of acquired intangible assets	-358	-107	-203	-89	-757	-	-	-757
Transaction costs	-1	-	0	-6	-7	-	-	-7
Personnel costs related to acquisitions	-310	-25	-73	-4	-412	-	-	-412
Remeasurement of participation in associated companies	3	-	-	-	3	-	-	3
Items affecting comparability	-45	-	-	-	-45	-	-33	-78
EBIT	126	291	-71	185	531	-	-110	421
Net financial items								2,171
Profit/loss before tax								2,592

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

NOTE 4 REVENUE FROM CONTRACTS WITH CUSTOMERS

Apr-Jun 2024	PC/Console Games	Mobile Games	Tabletop Games	Entertainment & Services	Group total
Type of products					
Digital products	1,631	1,384	43	128	3,186
Physical products	179	–	2,972	675	3,827
Other ¹⁾	846	5	24	45	920
Revenue from contracts with customers	2,656	1,389	3,039	848	7,933

Apr-Jun 2023	PC/Console Games	Mobile Games	Tabletop Games	Entertainment & Services	Group total
Type of products					
Digital products	2,646	1,423	32	342	4,442
Physical products	550	0	3,121	1,084	4,755
Other ¹⁾	800	15	32	407	1,254
Revenue from contracts with customers	3,996	1,438	3,184	1,832	10,450

Apr 2023-Mar 2024	PC/Console Games	Mobile Games	Tabletop Games	Entertainment & Services	Group total
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

¹⁾ See Operating segment, page 7-14

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	
Apr-Jun 2024	1,835	821	2,656
Apr-Jun 2023	2,923	1,073	3,996

PC/Console Games	New releases	Back catalog	Other	Total
Apr-Jun 2024	146	1,665	846	2,656
Apr-Jun 2023	1,607	1,589	800	3,996

PC/Console Games	IP-rights		Total
	Owned titles	Publishing titles	
Apr 2023-Mar 2024	9,514	4,896	14,410

PC/Console Games	New releases	Back catalog	Other	Total
Apr 2023-Mar 2024	4,185	6,914	3,311	14,410

NOTE 5 FINANCIAL INSTRUMENTS

Reclassification of the assets & liabilities under IFRS 5, as per Note 6 has been returned to the balances in Note 5. 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 June 30, 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 June 30, 2023	Level 1	Level 2	Level 3	Total
Ownership interests in other entities	—	6	—	6
Current investments	29	—	—	29

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 liabilities measured at fair value

Financial liabilities measured at fair value as of June 30, 2024	Level 1	Level 2	Level 3	Total
Contingent consideration	—	—	1,928	1,928
Put/call options on non-controlling interests	—	—	893	893
Liabilities to employees related to acquisitions	—	—	1,082	1,082

Financial liabilities measured at fair value as of June 30, 2023	Level 1	Level 2	Level 3	Total
Contingent consideration	—	—	4,075	4,075
Put/call options on non-controlling interests	—	—	2,174	2,174
Liabilities to employees related to acquisitions	—	—	1,073	1,073

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

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-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Opening balance	3,935	8,471	8,471
Payment - shares to be issued	-55	—	-30
Payment - clawback shares	-230	-1,366	-2,278
Payment - cash	-167	-24	-258
FX effects	56	-70	167
Reclassifications	—	-32	-32
Disposals/divestments	-184	—	-251
Change in fair value recognized in consolidated statement of profit or loss	-1	-906	-1,853
Closing balance	3,354	6,073	3,935

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 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 -198 million and a lower discount factor of 1.5 percentage points will have an impact with SEK 179 million.

CONT. >>

>> NOTE 5 CONTINUED

The Group's contingent considerations will be settled in cash or with issued shares. As at June 30, 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	1,439	489	1,928	1,426		3,354

As of June 30, 2024	Classified as financial liability	Of which already issued	Classified as equity	Of which already issued
Maximum number of shares related to contingent consideration	39,829,333	12,190,153	17,465,230	13,915,719

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 loss of SEK 21 million. This amount is included as part of net financial items in the consolidated statement of profit or loss. Due to the spin-off preparation of Asmodee, communicated in a press release (April 22, 2024) SEK 906 million has been reclassified to non-controlling interest in equity during the period.

Put/call option on non-controlling interests	Apr-Jun 2024	Apr-Jun 2023	Apr 2023-Mar 2024
Opening balance	1,782	2,905	2,905
FX-effects	-4	51	-274
Reclassifications	-906	—	—
Change in fair value recognized in consolidated statement of profit or loss	21	-782	-850
Closing balance	893	2,174	1,782

As of June 30, 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	893	—	893

As of June 30, 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	—	—

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-Jun 2024	Apr-Jun 2023	Apr 2023-Mar 2024
Opening balance	1,434	1,090	1,090
Accrual of personnel cost in consolidated statement of profit or loss	239	196	923
Payment - cash after the acquisition day	-1,217	-272	-582
Change in fair value recognized in consolidated statement of profit or loss	10	53	32
Disposals/divestments	713	—	—
FX-effects	-97	6	-29
Closing balance	1,082	1,073	1,434

As of June 30, 2024, the Group's liabilities to employees related to acquisitions will be settled in cash.

CONT. >>

>> NOTE 5 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.

	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Deferred considerations			
Opening balance	487	2,019	2,019
Acquisitions	—	—	193
Payment - cash	-81	-78	-1,956
FX-effects	4	95	147
Reclassifications	—	32	32
Disposals/divestments	—	—	-10
Discount effect recognized in consolidated statement of profit or loss	5	20	62
Closing balance	415	2,088	487

As of June 30, 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	415	—	415

As of June 30, 2024	Classified as deferred consideration	Of which already issued
Maximum number of shares related to deferred considerations	—	—

NOTE 6 DIVESTMENT OF GROUP COMPANIES

Divestment of group companies

During Q4 FY 2023/24 an agreement was entered into to divest Gearbox Entertainment. The transaction was closed June 11, 2024. Further on, divestments of the subsidiaries Madhead,

Shiver Entertainment and Rare Earth Games closed during the quarter. Details from these divestments, are presented below:

Divestment of entities during the quarter	Gearbox Entertainment	Other*	Total
Total consideration	4,046	426	4,472
Carrying amount of net assets sold	4,788	462	5,250
Gain (loss) on sale before income tax and reclassification of foreign currency translation reserve	-742	-36	-778
Reclassification of foreign currency translation reserve	168	7	176
Income tax expense on gain	—	—	—
Gain (loss) on sale after income tax	-574	-28	-602
Net cash consideration received	4,046	252	4,299
Less: Cash and cash equivalents in divested companies	-101	-27	-128
Impact on the Groups' cash and cash equivalents	3,945	225	4,171

*Constitutes of the entities Mad Head, Shiver Entertainment and Rare Earth Games.

The equity instrument received as consideration in the Gearbox Entertainment divestment were converted to cash shortly after the reception of the instrument.

The carrying amount of the assets and liabilities at the date of each sale were:

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

Assets and liabilities included in the sale	Gearbox Entertainment	Other	Total
Goodwill	885	276	1,161
Intangible assets	3,973	108	4,081
Property, plant and equipment	133	7	140
Right-of-use assets	140	36	176
Other non-current financial assets	135	27	162
Trade receivables	92	32	124
Contract assets	484	—	484
Other current assets	303	12	315
Cash and cash equivalents	101	36	137
Total assets	6,246	534	6,780
Lease liabilities	-139	-37	-176
Trade payables	-51	-1	-52
Contract Liabilities	-160	-4	-164
Other liabilities	-1,108	-30	-1,138
Total liabilities	-1,458	-72	-1,530
Net assets	4,788	462	5,250

CONT. >>

>> NOTE 6 CONTINUED

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

During Q4 FY 2023/24 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 one group of assets included in the transaction. Digic has been 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.

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 June 30, 2024:	Digic
Goodwill	282
Intangible assets	140
Property, plant and equipment	11
Right-of-use assets	14
Trade receivables	6
Contract assets	6
Other receivables	33
Prepaid expenses	93
Cash and cash equivalents	18
Total assets included in disposal group held for sale	602
Liabilities to credit institutions	144
Advances from customers	10
Trade payables	19
Lease liabilities	13
Deferred tax liabilities	6
Tax liabilities	8
Other liabilities	32
Accrued expenses	24
Total liabilities included in disposal group held for sale	256
Net assets	347

NOTE 7 RELATED PARTY TRANSACTIONS

Related party transaction	Related party	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Consulting service	Logvreten AB ¹⁾ (supplier)	0	0	0
Transportation services/Rent	Sola Service i Karlstad AB ²⁾ (supplier)	-3	-5	-19
Transportation services	Empterwik Special Services Ltd ²⁾ (supplier)	-6	-8	-25
Sale of goods/services	Bröderna Wingefors AB ²⁾ (supplier)	0	-	-
Consulting service	LW Comics ²⁾ (supplier)	0	0	0
Consulting service	LVP Advisory Ltd ³⁾ (supplier)	0	-	0
Total		-9	-13	-44

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

²⁾ The company is part of Lars Wingefors AB

³⁾ Closely related party to David Gardner has controlling influence over the company

NOTE 8 PERSONNEL EXPENSES

SEK m	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Personnel expenses	-2,432	-3,034	-12,197
Personnel costs related to acquisitions - Excluding FX gain/loss	-1,105	-406	-2,040
Total	-3,537	-3,440	-14,237

NOTE 9 OTHER OPERATING EXPENSES

SEK m	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Other operating expenses	4	-3	-38
Transaction costs related to acquisitions	-	-7	-8
Divestment of subsidiaries	-602	-39	-6,856
FX gain/loss related to Personnel costs related to acquisitions ¹⁾	-	-6	0
Total	-598	-56	-6,902

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

NOTE 10 NET FINANCIAL ITEMS

SEK m	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Interest income and other financial income	35	14	78
Interest expense and other financial expense	-438	-250	-1,328
Sum	-403	-236	-1,250
Change in fair value contingent consideration and put/call options on non-controlling interests	-31	1,687	2,735
Interest deferred consideration	-5	-20	-62
Exchange rate gains/losses	92	740	362
Total financial net	-347	2,171	1,784

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	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Net sales	20	31	85
Other operating income	0	—	30
Total operating income	20	31	115
Operating expenses			
Other external expenses	-29	-53	-185
Personnel expenses	-35	-27	-132
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	-1	-1	-4
Other operating expenses	-271	-29	-7,246
Operating profit/loss	-315	-79	-7,451
Net financial items	9,889	648	451
Profit/loss after financial items	9,574	569	-7,000
Appropriations	-55	-37	186
Profit/loss before tax	9,518	532	-6,815
Income tax	92	-87	-14
Net profit/loss for the period	9,610	445	-6,829

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

PARENT COMPANY BALANCE SHEET

Amounts in SEK m	Jun 30, 2024	Jun 30, 2023	Mar 31, 2024
ASSETS			
Non-current assets			
Intangible assets	2	4	3
Tangible assets	7	9	7
Shares in Group companies	49,146	42,796	48,400
Receivables from Group companies	18,256	33,007	20,747
Other long term receivables	55	81	51
Deferred tax assets	92	—	—
Total financial assets	67,550	75,884	69,198
Total non-current assets	67,559	75,897	69,208
Current assets			
Receivables from Group companies	4,291	2,472	3,869
Other receivables	331	—	326
Prepaid expenses and accrued income	78	45	60
	4,701	2,517	4,255
Cash and cash equivalents	336	0	486
Total current assets	5,037	2,517	4,742
TOTAL ASSETS	72,595	78,414	73,950
EQUITY AND LIABILITIES			
Restricted equity	2	2	2
Unrestricted equity	64,652	60,097	54,798
Total equity	64,654	60,099	54,800
Untaxed reserves	274	162	274
Provisions	85	167	118
Long-term liabilities			
Liabilities to credit institutions	—	—	8,999
Liabilities to Group companies	1,220	—	—
Total long-term liabilities	1,220	—	8,999
Current liabilities			
Liabilities to credit institutions	4,290	17,136	8,000
Trade payables	166	28	51
Liabilities to Group companies	1,847	629	1,432
Other current liabilities	18	105	33
Accrued expenses and prepaid income	42	88	243
Total current liabilities	6,362	17,986	9,759
TOTAL EQUITY AND LIABILITIES	72,595	78,414	73,950

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

2023/24, For description of the Group's applied accounting principles, see Note P1 in the Annual Report for FY 2023/24.

NOTE P2 OTHER OPERATING EXPENSES

SEK m	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Other operating expenses	-271	-29	-58
Loss sale of subsidiaries	-	-	-7,188
Total	-271	-29	-7,246

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 net of tax and interest expense 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.	Adjusted EBITDA 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 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, contingent consideration agreements that are not classified as part of the consideration transferred, as there is a requirement for continued employment to receive the amount. Accordingly, the amount is classified as consideration for future services), 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	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
EBIT	-1,440	421	-20,519
Depreciation, amortization and impairment	1,607	1,781	21,738
EBITDA	167	2,202	1,218
Personnel costs related to acquisitions	1,104	412	2,025
Remeasurement of participation in associated companies	—	-3	-3
Remeasurement of contingent consideration	-4	0	18
Transaction costs	—	7	8
Items affecting comparability ¹⁾	602	78	8,112
Adjusted EBITDA	1,869	2,697	11,377
Depreciation, amortization and impairment	-1,607	-1,781	-21,738
Items affecting comparability ¹⁾	—	—	14,406
Amortization of surplus values of acquired intangible assets	566	757	3,018
Adjusted EBIT	828	1,673	7,063

ADJUSTED EARNINGS PER SHARE - DERIVATION

Amounts in SEK m	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Net profit for the period attributable to equity holders of the parent	-2,183	2,250	-18,177
Adjustments			
Personnel costs related to acquisitions	1,104	412	2,025
Remeasurement of participation in associated companies	—	-3	-3
Remeasurement of contingent consideration	-4	0	18
Transaction costs	—	7	8
Amortization of surplus values of acquired intangible assets	566	757	3,018
Change in fair value contingent consideration and put/call options on non-controlling interests	7	-1,705	-2,800
Interest expense contingent consideration	30	38	127
Items affecting comparability ¹⁾	602	78	22,517
Adjustments before tax	2,304	-415	24,909
Tax effects on adjustments	-122	-160	-1,539
Adjustments after tax	2,182	-575	23,371
Total	0	1,675	5,194
Average number of shares, million	1,342	1,259	1,318
Adjusted Earnings per share, SEK	0.00	1.33	3.94
Average number of shares after full dilution, million	1,375	1,367	1,424
Adjusted Earnings per share after full dilution, SEK	0.00	1.23	3.65

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

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ORGANIC GROWTH - DERIVATION			
Amounts in SEK m	Apr-Jun 2024	Apr-Jun 2023	Change
Net sales	7,933	10,450	-24%
Net sales from acquired/divested companies ¹⁾	-429	-784	
Difference in exchange rate	—	100	
Organic growth output	7,504	9,766	-23%

PRO FORMA GROWTH - DERIVATION			
Amounts in SEK m	Apr-Jun 2024	Apr-Jun 2023	Change
Net sales	7,933	10,450	-24%
Net sales from acquired/divested companies ²⁾	-322	-723	
Difference in exchange rate	—	101	
Pro forma growth output	7,611	9,828	-23%

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	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Cash flow for the period	-255	-871	-1,234
Cash flow from financing activities	2,810	-120	-832
Net cash flow from acquired/divested companies	-3,922	113	2,261
Transaction costs	—	7	8
Payment personnel cost related to acquisitions	1,217	272	582
Cash flow effect IAC costs	197	—	672
Free cash flow after working capital	47	-599	1,456

ITEMS AFFECTING COMPARABILITY, IAC			
Amounts in SEK m	Apr-Jun 2024	Apr-Jun 2023	Apr 2023- Mar 2024
Other external expenses	—	-32	-269
Personnel expenses	—	-7	-720
Profit or loss sale of subsidiaries	-602	-39	-6,856
Other operating expenses ³⁾	—	0	-267
Total IAC cost affecting EBITDA	-602	-78	-8,112
Write-down intangible assets	—	—	-2,931
Write-down tangible assets	—	—	-39
Impairment of goodwill	—	—	-11,095
Impairment of other intangible assets	—	—	-340
Total IAC cost affecting EBIT	-602	-78	-22,517

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

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	2022/23	2023/2024				2024/2025	
	Full year	Full year	Full year	Apr-Jun	Jul-Sep	Oct-Dec	Jan-Mar	Full year	Apr-Jun
Net sales, SEK m	9,000	17,067	37,665	10,450	10,831	12,050	8,875	42,206	7,933
Sales growth, Group, YoY %	71%	90%	121 %	47 %	13 %	4 %	-5 %	12 %	-24%
EBIT, SEK m	2,058	-1,126	194	421	-836	273	-20,378	-20,519	-1,440
EBIT, margin, %	23%	-7%	1 %	4 %	-8 %	2 %	-230 %	-49 %	-18%
Adjusted EBIT, SEK m	2,858	4,465	6,366	1,673	1,814	2,150	1,426	7,063	828
Adjusted EBIT, margin, %	32%	26%	17 %	16 %	17 %	18 %	16 %	17 %	10%
Adjusted EBITDA, SEK m	4,016	5,942	9,866	2,697	2,923	3,269	2,488	11,377	1,869
Adjusted EBITDA, margin, %	45%	35%	26 %	26 %	27 %	27 %	28 %	27 %	24%
Basic shares weighted average, million ¹⁾	719	905	1,069	1,130	1,202	1,211	1,215	1,190	1,213
Diluted shares weighted average ¹⁾	719	921	1,081	1,130	1,202	1,211	1,216	1,191	1,214
Average number of shares, million ¹⁾	796	1,031	1,252	1,259	1,331	1,339	1,340	1,318	1,342
Average number of shares after full dilution, million ¹⁾	798	1,086	1,360	1,367	1,438	1,446	1,446	1,424	1,375
Basic earnings per share, SEK	-3.49	1.08	4.17	1.99	-0.47	-1.44	-14.92	-15.28	-1.80
Diluted earnings per share, SEK	-3.49	1.06	4.12	1.99	-0.47	-1.44	-14.92	-15.28	-1.80
Adjusted Earnings per share, SEK ¹⁾	3.15	3.69	4.41	1.33	0.81	0.20	1.62	3.94	0.00
Adjusted Earnings per share after full dilution, SEK	3.14	3.50	4.06	1.23	0.75	0.19	1.50	3.65	0.00
Cash flow from operating activities, SEK m	3,825	4,070	5,383	1,359	2,250	2,477	1,801	7,888	-177
Organic growth, YoY, %	—	—	—	20 %	-2 %	-4 %	-10 %	1 %	-23%
Gross Margin, %	60%	72%	63 %	63 %	63 %	57 %	62 %	61 %	64%
Specific items related to historical acquisitions									
Amortization of surplus values of acquired intangible assets	-510	-1,316	-2,973	-757	-779	-759	-722	-3,018	-566
Transaction costs, SEK m	-150	-367	-290	-7	0	0	-1	-8	—
Personnel costs related to acquisitions	-181	-4,277	-2,631	-412	-435	-377	-800	-2,025	-1,104
Remeasurement of participation in associated companies, SEK m	41	416	—	3	—	—	—	3	—
Remeasurement of contingent consideration, SEK m	—	-46	—	—	-14	-3	-1	-18	4
Total	-801	-5,591	-5,894	-1,174	-1,229	-1,138	-1,525	-5,065	-1,666
Investments									
External game development and advances, SEK m	697	1,233	1,291	299	312	240	280	1,131	206
Internal capitalized development, SEK m	1,291	2,293	4,788	1,458	1,437	1,303	1,153	5,351	774
Sub-total - Investment in Game development, all segments	1,988	3,526	6,079	1,757	1,749	1,543	1,433	6,482	980
Other intangible assets/IP-rights, SEK m	151	190	416	155	168	138	113	574	73
Tangible assets, SEK m	71	344	500	103	91	67	55	316	73
Total	2,210	4,060	6,995	2,014	2,008	1,749	1,601	7,372	1,125
Completed games									
Completed games, PC/Console, SEK m	837	1,218	3,248	803	1,120	780	718	3,421	336
Other KPIs									
Game development projects, PC/Console									
Announced Game Dev projects	53	64	56	62	63	55	43	43	34
Unannounced Game Dev projects	107	159	165	153	138	124	98	98	93
Total	160	223	221	215	201	179	141	141	127
Headcount									
Total internal game developers	4,036	7,240	9,971	10,014	9,503	9,143	6,312	6,312	5,631
Total external game developers	1,079	1,346	1,455	1,342	1,151	1,078	1,387	1,387	1,028
Total internal employees, non-development	1,210	4,174	5,175	5,249	5,047	4,997	4,370	4,370	4,185
Total	6,325	12,760	16,601	16,605	15,701	15,218	12,069	12,069	10,844
Number of studios									
Total number External Studios	66	63	56	59	53	50	41	41	37
Total number Internal Studios	60	118	138	139	135	132	109	109	103
Total	126	181	194	198	188	182	150	150	140
IP-rights	225	815	896	905	923	921	913	913	911

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 ten operative groups: THQ Nordic, PLAION, Coffee Stain, Amplifier Game Invest, DECA Games, Easybrain, Asmodee Group, Dark Horse, Freemode and Crystal Dynamics – Eidos. The Group has 103 internal game development studios and is engaging more than 10,000 employees in more than 40 countries.