

EMBRACER⁺ GROUP

Embracer Group acquires Aspyr Media

3 February 2021

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Saber Interactive acquires Aspyr



Today's speakers



MICHAEL ROGERS
Co-founder
CEO



TED STALOCH
Co-founder
EVP Publishing



Management team

Daily leaders



MICHAEL ROGERS

Co-founder
CEO

+24 years with Aspyr

Lifelong game enthusiast and driven entrepreneur



TED STALOCH

Co-founder
EVP Publishing

+24 years with Aspyr

Driving licensing and development teams

Senior team

Collective experience of 100+ years within the gaming industry



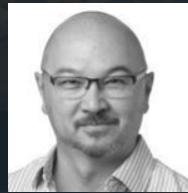
RYAN ANSON
VP HR



ANABEL BALDERAS
Head of Finance



DANIEL HAGEN
IT Director



DAN PRIGG
VP Production

VISION

Creating games celebrated across the universe

VALUES

We create value in all our relationships



QUALITY

We perform beyond the value expected in our products, services, and results



TRUST

We do what we say. You can count on us.



LONGEVITY

We build long-term value across products, services, and relationships



RELATIONSHIP

We strive to have people want to work with us today and tomorrow



PROFITABILITY

We create profitable partnerships and projects

About Aspyr



25-years in development and publishing

Over 200 games for all platforms



HQ'd in Austin, TX, we are 140+ and growing

Our employees stay with Aspyr for an average of almost 8 years - so we truly are all in this together



Founder-owned and operated, Michael & Ted founded Aspyr Media in 1996

With the mission of bringing the industry's most celebrated games to new platforms



Trusted business development relationships

11 of 15 of the world's largest video game publishers



An extensive global network of external specialized teams

Supporting product and publishing needs to create efficiency and scale

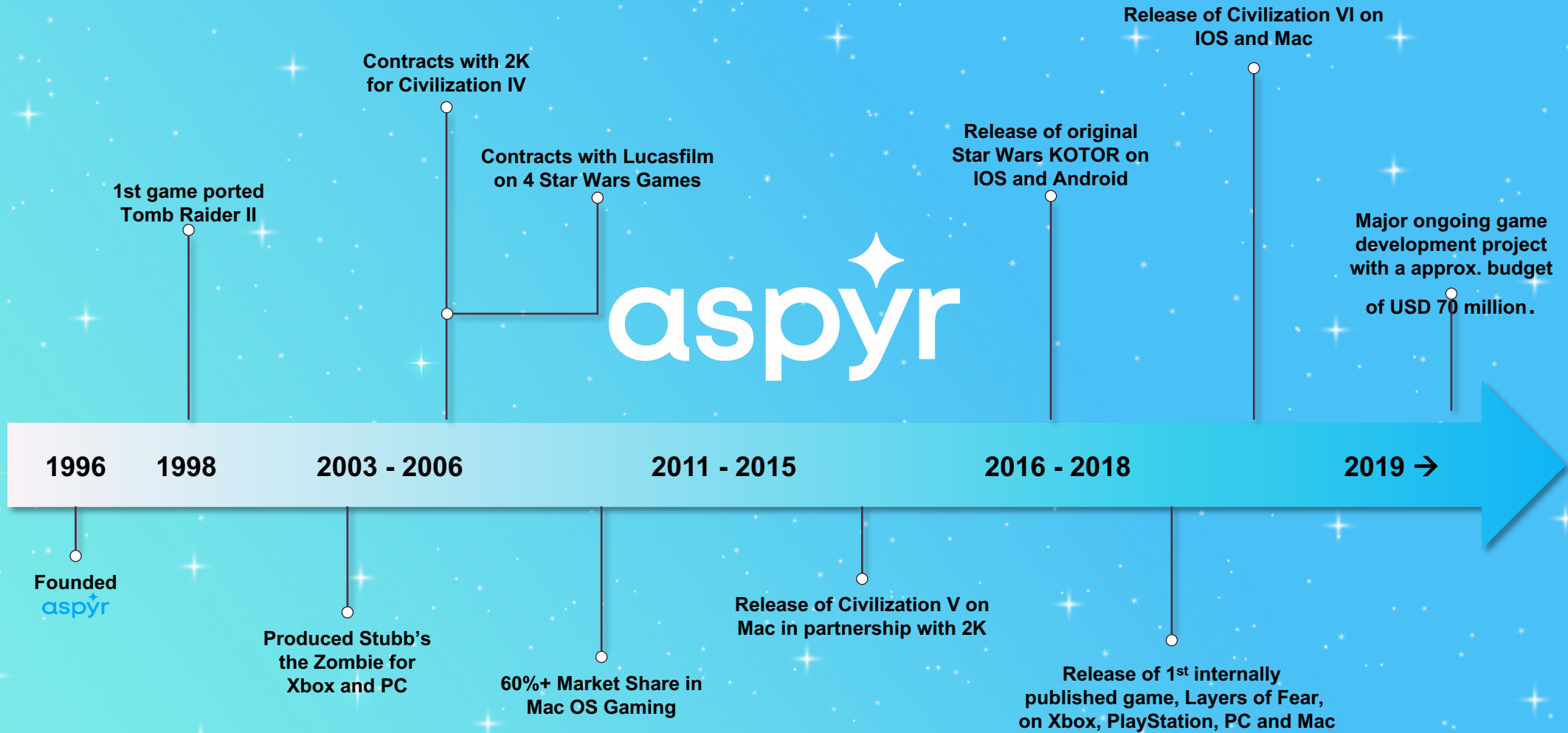


Aspyr Studio Libraries: a proprietary technology

Helps reduce port times by 75% - we can easily expand the reach of partner brands to new audiences

Timeline

Selected corporate and commercial highlights



Publishing

Best in class Sales, Marketing and Business Development specialists

Supported by operational expertise who launch digital and physical video games globally



Publishing Technology

ProLog

In game player communication platform that benefits players, developers and publishers by:

- Increasing sales
- Increasing engagement
- Increasing player communication
- Increasing customer satisfaction

Key Partner Relationships

Maintains partnerships with key publishers and platform owners to continue to port and publish games on additional platforms

- Typical agreement: Aspyr incurs **development costs**. Then works with the publisher and distribution partners to **bring the game to market**.
- **Minimal expenses** related to the maintenance and upgrades of games.
- Incoming revenue is **predominantly profit** (except for publishing royalties, varying by game)

Studio

Relentless over-delivery for our players and partners

Creative
Leadership

Engineering
Expertise

Quality Assurance
& Production

Lifelong Support

Studio Technology

Aspyr Studio Libraries

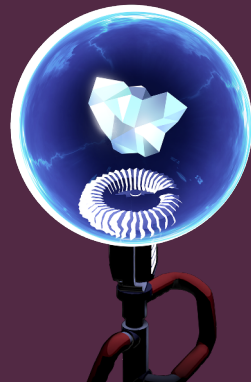
- Allows Windows games to be customized and played on non-Windows platforms
- Works on proprietary engines as well as industry standard technology
- Supports Mac, Linux, iOS, Android, Switch, Xbox and PS4 as targets

Typical content profiles

Small:

6-12 month projects

Externally created independent IP that allow Aspyr to perform low-risk market experiments around customers, monetization, genres, or technology and opportunities for IP/studio ownership



Medium:

12-24 month projects

Internally and externally developed branded games including re-releases, remakes and small scale branded original games which provide a foundation for future investments



Large:

24+ month projects

Internally and externally developed games including remakes and large scale original development which come with a large established audience



Transaction

Upfront purchase price

\$100m (cash and debt free basis)
Paid with \$60m in cash, \$40m in shares

Acquired from founders Michael Rogers and Ted Staloch

Potential earn-outs

Earn-out 1

\$25m (\$12.5m in cash, \$12.5m in shares)

Payable if founders have remained with Aspyr and if a commercial product has been released each year until March 2026

Earn-out 2

Up to \$325m (50% in cash, 50% in shares)

Payable as a share of the accumulated EBIT in excess of a \$70m threshold measured over a 7-year period (40% for seller). To earn maximum Earn-Out 2 the accumulated EBIT has to exceed USD 961 million.

Financial performance

LTM Dec20¹
USD

40.6m

REVENUE

11.4m

OPERATIONAL EBIT²

Post deal structure

**EMBRACER+
GROUP**



aspyr

Aspyr Media, Inc.
HQ: Austin, Texas, US

✓ **Aspyr will remain independent under Saber Interactive**

1) Aspyr's FY ends in June

2) Financials based on unaudited management accounts and estimates prepared under local GAAP. Operational EBIT is indicative.

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