

**EMBRACER⁺
GROUP**

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EMBRACER GROUP
ANNUAL REPORT
2019/2020



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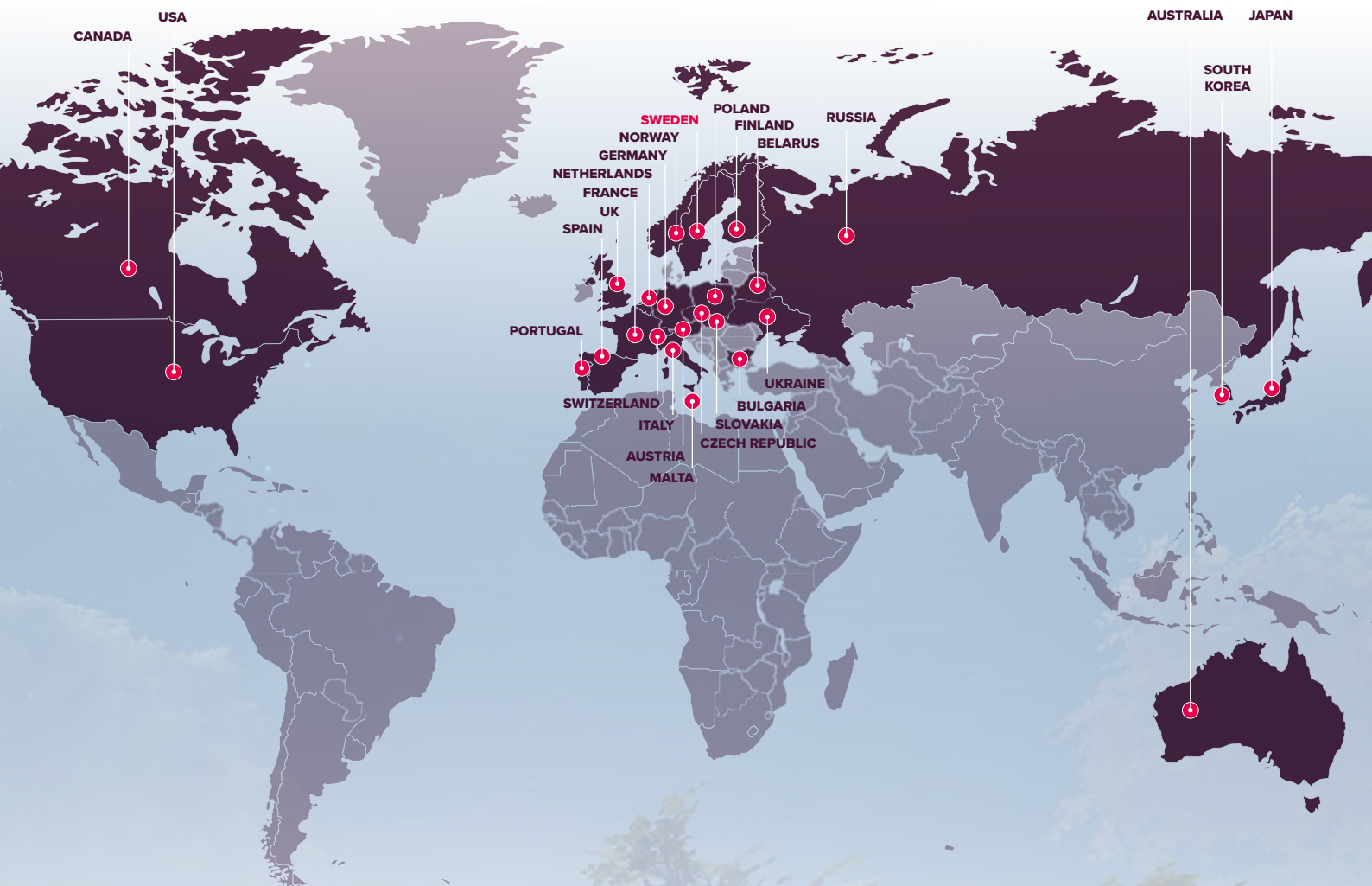
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FINANCIAL CALENDAR

Annual General Meeting 2020	16 Sep. 2020
Interim Report, April-September	18 Nov. 2020
Interim Report, April-December	18 Feb. 2021
Full Year Report 2020/2021	20 May 2021

*All figures in this report are as per year-end 2019-2020 unless otherwise stated.
The information on page 1 refers to the situation at the time of publication of the annual report.*

EMBRACER GROUP IN BRIEF



Embracer Group is the parent company of businesses developing and publishing PC, console and mobile games for the global games market.

The Group has an extensive catalogue of over 190 owned franchises, such as Saints Row, Goat Simulator, Dead Island, Darksiders, Metro, MX vs ATV, Kingdom Come: Deliverance, TimeSplitters, Satisfactory, Wreckfest, Insurgency, Destroy All Humans!, World War Z and SnowRunner, amongst many others. With its head office based in Karlstad, Sweden, Embracer Group has a global presence through its six operative groups: THQ Nordic, Koch Media/Deep Silver, Coffee Stain, Amplifier Game Invest, Saber Interactive and DECA Games. The Group has 43 internal game development studios and is engaging more than 4,000 employees and contracted employees in more than 40 countries.

Embracer Group's shares are publicly listed on Nasdaq First North Growth Market Stockholm under the ticker EMBRAC B with FNCA Sweden AB as its Certified Adviser.

HIGHLIGHTS OF THE YEAR

INVESTING FOR FUTURE GROWTH

Embracer Group continued its great journey during the financial year 1 April 2019 – 31 March 2020. Operational EBIT increased 36% and exceeded SEK 1 billion for the first time, a series of strategic investments were made including the largest acquisition in the Group's history – Saber Interactive.

COMPLETED
SEK **589** M
GAME DEVELOPMENT
INVESTMENTS

ONGOING
SEK **1.5** BILLION
GAME DEVELOPMENT
INVESTMENTS

PROJECT PIPELINE
118
PROJECTS UNDER
DEVELOPMENT
(SABER INTERACTIVE INCLUDED)

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OPERATIONAL EBIT EXCEEDS SEK 1 BILLION

The Group kept up a high release activity during the year, driving improved operational EBIT in the financial year. Sales were also firmly supported by stable performance of the Group's back catalog. The Business Area Games revenue grew 31%, now representing 61% of the Group's sales. 78% of sales were generated from owned IP:s. 73% of our revenue in 2019/2020 came from sales of digitally distributed games – compared to 51% in 2018/2019.

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CONTINUED EXPANSION THROUGH ACQUISITIONS

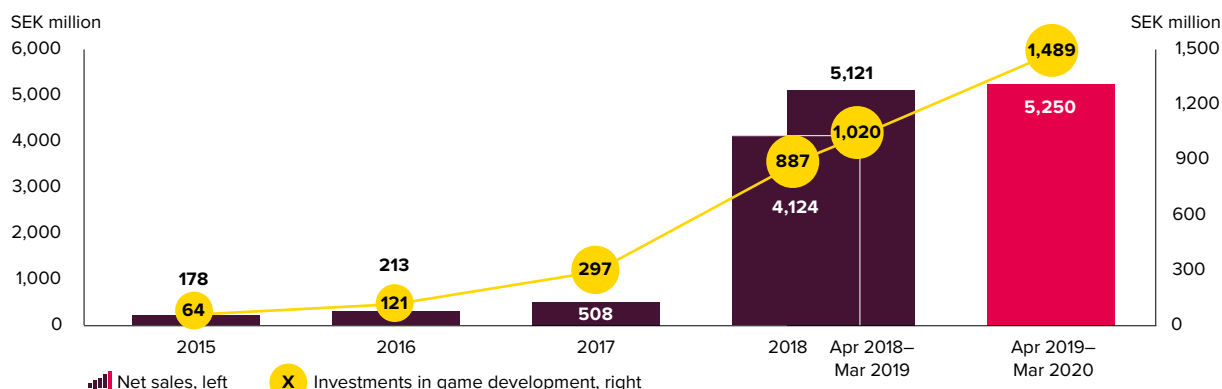
During the year, Embracer Group continued its long track-record of successful acquisitions of new game publishers, development studios, game IPs and other assets. Notable acquisitions included legendary game studio Piranha Bytes, racing game developer Milestone, Darksiders developer Gunfire Games and Tarsier Studios, the developers behind Little Nightmares. Goodbye Kansas Game Invest was also acquired, renamed as Amplifier Game Invest and announced as the Group's fourth operative group, focusing on early stage game development ventures.

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ACCELERATING INVESTMENTS IN DEVELOPMENT

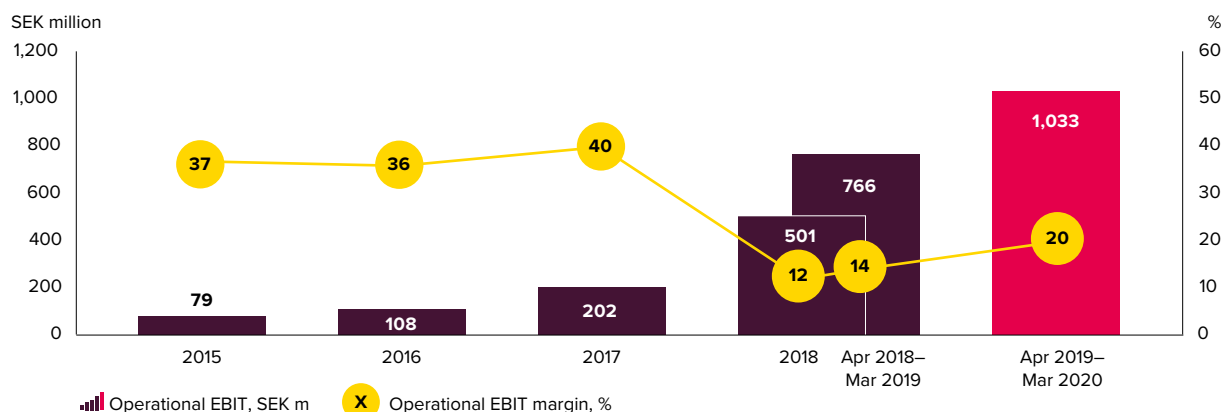
The Group released games for a record high value, representing an accumulated development cost of SEK 589 million ("Completed Games"). Investments in game development increased to SEK 1,489 million during the year, laying the foundation for accelerating future growth. The value of completed games is planned to increase to SEK 1,200-1,400 millions in the financial year 2020-2021. The game pipeline grew into 118 titles (including Saber Interactive, acquired after the financial year).

NET SALES AND INVESTMENTS IN GAME DEVELOPMENT¹⁾



¹⁾ Excluding items reported as Other intangible assets.

OPERATIONAL EBIT & MARGIN



ACQUISITION OF SABER INTERACTIVE

The acquisition of Saber Interactive was completed as of April 1, 2020. Saber Interactive is an independent developer and publisher of quality video games for PC, consoles and mobile platforms, headquartered in Maplewood, New Jersey with close to 20 years in the industry and with 600 developers across its studios in Russia, Spain, Portugal, Belarus, and Sweden.

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SUSTAINABILITY FRAMEWORK “SMARTER BUSINESS”

Embracer Group is not like any other company. Creativity, business sense and always keeping it real is what makes the Group stand out. The Group’s approach to sustainability is a decentralized framework based on four pillars, an approach called “Smarter Business”. During the year, the framework has been initiated with the objective of placing ESG/sustainability-matters on everyone’s agenda throughout the Group. This is the first sustainability report published by Embracer Group. However, it is not a statutory sustainability report as Embracer Group has not met the conditions to provide such a one. The first statutory sustainability report will be published in the 2020/2021 Annual report.

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NEW SHARE ISSUE TO LEVERAGE GROWTH

Shortly after the end of the financial year the Group carried out a directed new share issue of 18.5 million Class B shares raising SEK 1,646.5 million. The new share issue further improves the Group’s financial position and enables it to continue its growth strategy by complementing its operations by adding new game publishers, development studios or other assets.

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ACQUISITIONS DURING THE FINANCIAL YEAR

Date	Acq. Type	Company	Key IPs
May 2019	Developer, IP	Piranha Bytes	Gothic, Risen, ELEX
August 2019	Dev, Publ, IP	Milestone	Ride, MotoGP, MXGP, Monster Energy Supercross
August 2019	Developer, IP	Gunfire Games	Remnant – From the Ashes, Chronos
August 2019	VC	Goodbye Kansas Game Invest	-
August 2019	Film	KSM	-
August 2019	Merchandise	Gaya	-
August 2019	Partner Publishing	Game Outlet	-
December 2019	Developer, IP	Tarsier Studios	Statik, Little Nightmares
January 2020	Developer, IP	Misc Games	Fishing: North Atlantic
February 2020	Developer, IP	Voxler	Let’s sing

ACQUISITIONS AFTER THE FINANCIAL YEAR-END UNTIL JULY 31, 2020

April 2020	Dev, Publ, IP	Saber Interactive	World War Z, NBA2k Playgrounds, MudRunner, SnowRunner
May 2020	Developer, IP	DESTINYbit	Dice Legacy

SOLID FOUNDATION FOR FUTURE GROWTH

I am proud of what we accomplished during the past financial year. The Group had another stable year with continued momentum where we continued to build a substantial, diversified and relevant player in the dynamic gaming industry. We leveraged our M&A-strategy to drive future organic growth. Operational EBIT exceeded SEK 1 billion for the first time. Cash flow from operating activities grew to SEK 1,728 million and we invested a record SEK 1,489 in game development. Last but not least we became Embracer Group – our new name and group identity.

CONTINUED GROWTH BY ACQUISITIONS AND NEW STUDIOS

We continued our M&A strategy by the acquisition of a number of game publishers, development studios, game IPs and other assets. Notable acquisitions included legendary game studio Piranha Bytes, racing game developer Milestone, Darksiders developer Gunfire Games and Tarsier Studios, the developers behind Little Nightmares. Another notable acquisition was Goodbye Kansas Game Invest renamed Amplifier Games and announced as the Group's fourth operational group, focusing on early stage game development ventures. This is an area that I think will be an important contribution to our long-term growth potential, and a number of studios were started during the year.

In the fourth quarter we were happy to announce the acquisition of Saber Interactive, our biggest investment so far, completed on April 1, 2020. Saber had been on our radar for a long time as a leading game developer and publisher with more than 600 employees across six countries. Saber has been announced as our fifth operative group and will remain a stand-alone company within Embracer Group. We also welcomed the founder and CEO of Saber, Matthew Karch as a new board member of Embracer Group. The board has also been reinforced by the addition of industry veteran David Gardner.

EXCITING AND GROWING GAMES PORTFOLIO

I genuinely believe that we have one of the industry's most exciting games portfolios, with 118 titles at the start of the current financial year, including Saber Interactive. Current and up-coming titles engage over 3,000 game developers across the world. We expect our well invested pipeline to drive significant organic growth in revenue, operational EBIT and cash flow in the coming years.

During the year we had a high release activity, including a number of notable launches in the Darksiders series, Wreckfest, Satisfactory, Metro Redux, Saints Row IV re-elected and Monster Energy Supercross, just to mention a few.

For the current financial year, we are planning for significant growth with many high-quality releases. This can be tracked by the Completed Games metric where we disclosed the accumulated investments in games that are finished and released to the market. We are planning to more than double this key indicator, year-on-year, from SEK 589 million in the past financial year to an estimated SEK 1,200-1,400 million in the current. This growth will be underpinned by recent and upcoming new game releases, and we expected to keep up the solid performance of our back catalog supported by strong demand for many of our beloved franchises.

Looking further ahead, we expect continued organic growth driven by further increase in the value of completed games, including the first AAA games releases since Metro Exodus in the next financial year 2021-2022. From that year onwards, we expect to have AAA releases every year. In addition, to drive even more organic growth, we are continuously scouting for new attractive game development projects.

DIFFICULT CHALLENGES – IMPRESSIVE COLLABORATION EFFORTS

Since the fourth quarter of the financial year, the covid-19 pandemic has challenged us all. To safeguard the health and well-being of our employees is very important to me and that is my first priority, always. Above all, I would like to express how proud I am of the employees' way of handling the situation. Rapid transformations to online and social distancing workflows have in general gone smoothly and only caused minor operational interruptions. The Games business area had a high proportion of digital sales as the general global lockdown led to an increase in the consumption of games. For the business area Partner Publishing, the physical distribution of games has been adversely affected, but to some extent retail sales have moved to e-commerce. I believe there will continue to be a market opportunity within physical products. Going forward, I see an opportunity for us to contribute to the consolidation in this area.



INCREASING FOCUS ON GOVERNANCE AND SUSTAINABILITY

During the year we laid the foundation of our approach to ESG/Sustainability and shaped our sustainability framework; “Smarter business”. Going forward we will continue making our framework an integral part of our business throughout our global organization. Everyone contributes to making our progress in sustainability. That is why we introduced an ongoing ambassador program, with members from the whole group. We want to acknowledge and celebrate individual ideas and achievements and scale them up within the whole organization.

We are starting small and focus on what matters most, and what we believe creates the most value. We are developing performance indicators to measure and reliably monitor our progress. They will often refer to international reporting standards, such as the Sustainability Accounting Standard Board (SASB) and the Global Reporting Initiative (GRI).

During the difficult circumstances due to the covid-19 pandemic, the sustainability focus has changed rapidly from an environmental focus, towards a focus on social and governance issues. As recent events show, covid-19 is one of many great challenges we must face. We must also recognize that there are structural issues of discrimination in society. We need to encourage more actions to help change structures. Together with our group guidelines that aim to support equality, diversity and inclusion in all matters, we trust each company within the organization to listen, discuss, and act using their voice.

As the Group keeps growing, governance become increasingly important. We strengthened the capacity of the parent company during the year. New positions were added and the number of employees has more than doubled this year. In early 2020 we opened two new offices, one in Stockholm and one in Korea, but our headquarter will remain in Karlstad where we have our roots and heritage. We have made good progress in building the parent company and have implemented structured processes and management capabilities to harness the energy and creativity that is found across the Group.

WELL POSITIONED FOR FURTHER ACQUISITIONS

Our M&A strategy retains a strong pipeline of possibilities. The appetite among gaming entrepreneurs to join our forces keeps growing. Currently we are involved in several ongoing discussions which could lead to future acquisitions, including a handful of sizable companies that could form new operative groups.

Additional acquisitions within our existing operational groups will primarily be financed from operational cash-flow. Larger acquisitions will require growth capital. For this purpose, we improved our financial position further after the end of the financial year, and strengthened our M&A capacity by a new share issue, raising SEK 1,647 million. I was pleased to see strong demand from both new and existing long-term shareholders. This enables us to continue our long track-record of acquisitions.

Embracer Group is founded by entrepreneurs and is run by entrepreneurs, where the local decision-making process has been and will continue to be one of our leading keys to success. I believe that an important factor behind our growth is that we give people a lot of trust. I am a firm believer in empowering great people to make their own decisions. We share positive synergies as assets and resources, distribution and marketing power, but the companies are independently led, often by founders who stay committed to the company. We are proud that so many gaming entrepreneurs want to join our family. It makes us confident that we are on the right track when other entrepreneurs find our way of doing business attractive.

As always, I am looking forward to our most exciting year ever. By the time of the publication of this report, we are still under pressure from the global pandemic and once again I want to express my gratitude for the commitment of all of our employees to the Group. I would also like to send my thanks to all of our shareholders, customers, colleagues and business partners for contributing to the prosperity and success of our growing family. Stay well and stay safe!

AUGUST 2020, KARLSTAD

LARS WINGEFORS
FOUNDER AND CEO

STRATEGIC PRIORITIES

Embracer Groups financial goal is to achieve longterm growth in shareholder value. Since 2011, the Group has established a strong platform delivering both growth and profitability. Embracer Group has a proven track-record of combining acquired and organic growth. The growth strategy going forward is to invest in the Group's portfolio of 118 games to achieve long-term organic growth, as well as leveraging growth by acquiring great companies that share the vision of Embracer Group – at fair valuations.

INVESTING FOR LONG-TERM GROWTH

Long-term organic growth is driven by continuous investments in developing and expanding the IP portfolio including currently dormant IPs, developing and expanding internal studios as well as establishing new studios with top talent developers. The growth strategy also includes signing development projects with external studios and consolidating the partner publishing market. By increasing investments in development over time, these will outpace finalized game development.

LEVERAGING GROWTH BY M&A

Embracer Group has a proven track-record of acquiring and developing IPs, studios and publishers. The Group provides an attractive model for developers and entrepreneurs with a long-term perspective, built on empowerment by decentralization.

Being part of the Group offers advantages such as access to growth capital, distribution and marketing, know-how and development synergies. Embracer Group's M&A strategy involves extensive scouting, research and proactive engagement. This has resulted in a large and

growing pipeline of suitable acquisition candidates, with the potential of expanding each operative group as well as companies with the potential of forming a new operative group under the parent company.

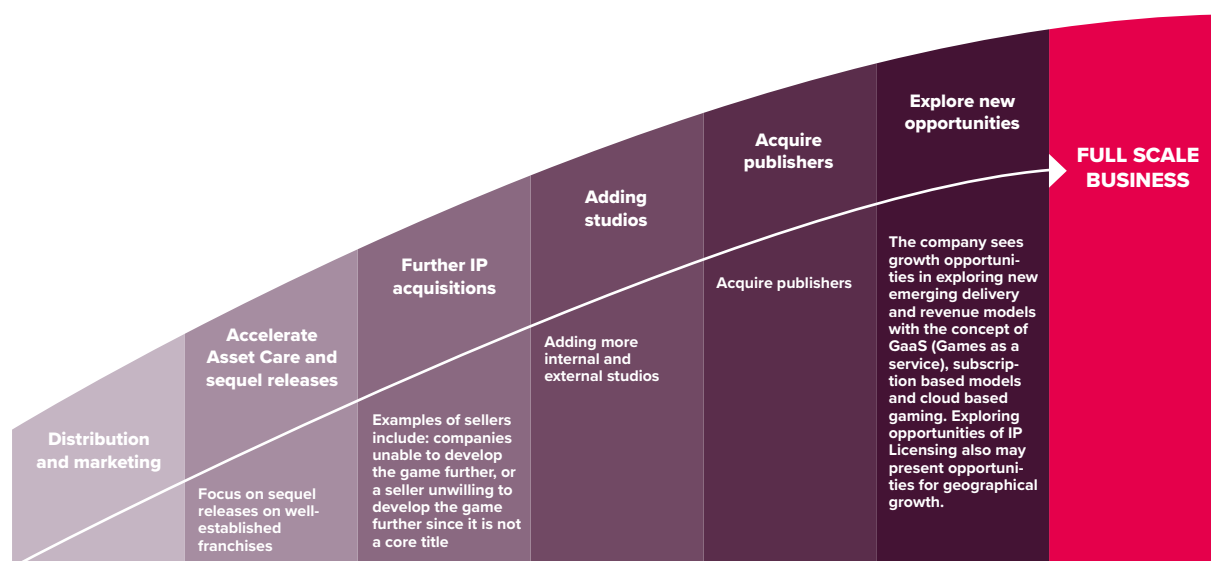
EMPOWERING PEOPLE BY DECENTRALIZATION

An explicit philosophy of decentralization is key to empowering talented developers and entrepreneurs across the Group. The model gives a certain commercial autonomy to business area CEOs, founders and studio heads to run their operations. This approach fosters creativity, speed and relevance as decisions are taken closer to local markets and niche segments.

FINANCIAL MODEL

Embracer Group's growth is based on a strong balance sheet that limits the financial risk. The Group seeks to reinvest as much as possible of operating cash flow into organic growth. By issuing equity, attractive opportunities for acquired and organic growth can be leveraged. The portfolio and development pipeline is well diversified which limits operational risk.

GROWTH MODEL OVERVIEW



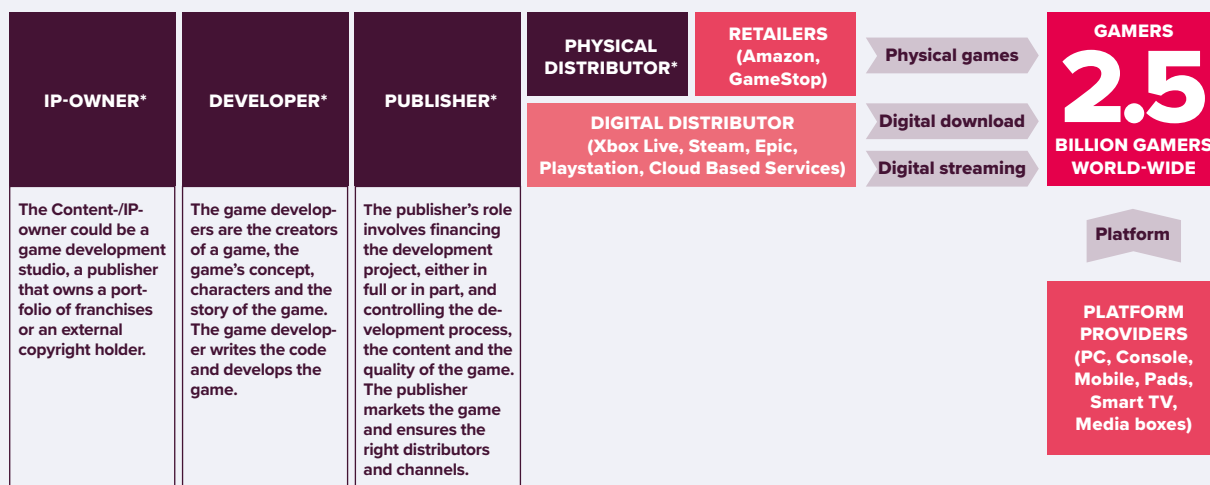
>> Future >>



Embracer Group has a proven track-record of combining acquired and organic growth

POSITION IN THE MARKET VALUE CHAIN

An IP-owner with a broad portfolio of over 150 game titles, 31 internal development studios world-wide and global publishing capacity online as well as for physical retail: Embracer Group retains a strong position in all major value creating areas of the gaming market value chain.



* Embracer Group active area.

GLOBAL GAMING MARKET TRENDS

Embracer Group is the parent company of businesses developing and publishing a wide range of PC and console games for the global games market. The gaming market represents one of the largest digital entertainment markets globally, and the PC and console segments account for about half of the total revenue generated. The two segments have been growing steadily for a long period, thus presenting a non-cyclical pattern. They are further projected to continue growing in the coming years. The majority of the company's end customers are located in North America and Europe. These two geographical markets represent a stable share of approximately half of the global games market.

ROBUST GROWTH CONTINUES IN A DYNAMIC MARKET

The global games market is going through a fast transformation. The way games are bought, distributed and consumed is changing fast. Consumer spending has been growing steadily, and is expected to continue to do so in the coming years.

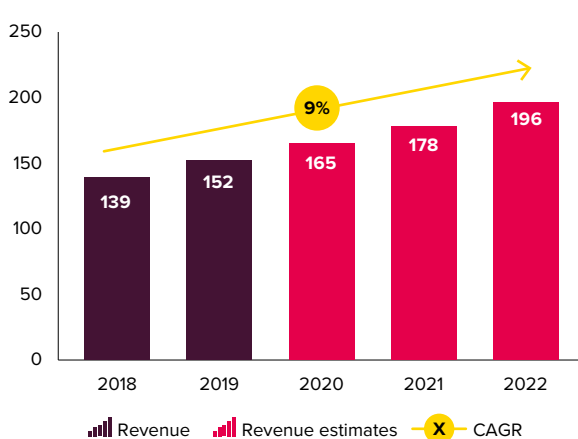
The market trends are favorable to publishers, creators and owners of quality content. To an increasing extent, games provide consumers with a broader experience than just playing. Game companies are evolving into entertainment companies in a wider sense, as consumers' engagement time is increasing. Traditional boundaries between games, media, telecom, and sports industries are dissolving. Existing marketing and distribution channels and platforms are being challenged by new and emerging companies, technologies, platforms and business models.

In the near term, revenues in the console segment are expected to be driven both by the imminent release of the next-generations consoles, as well as the massive installed base of the previous console generation. These factors together with the continued shift toward the games-as-a-service model will drive revenues generated by the console segment to USD 61.1 billion in 2022. The aggregate annual growth of the segment is projected to 9.7% for the period 2020-2022 (CAGR).

The covid-19 pandemic has led to a substantial increase in consumer demand across all segments of digital entertainment in the spring of 2020, although physical distribution was adversely affected by the close-down of retailers and interrupted logistic chains. By the time of publication of this report it is too soon to make any projections concerning the longevity of these effects. However, close-downs and social restrictions have accelerated long-term industry trends, making significant progress on the path to its digital transformation.

Downloaded and physical PC games have a robust market position. Browser game revenues, mainly outside the scope of the Group, continue to decrease as more gamers switch to downloaded and physical PC-games as well as mobile games. The aggregate annual growth for downloaded and physical PC games is projected to 5.4% for the period 2019-2022 (CAGR).

GLOBAL GAMES MARKET, REVENUE DEVELOPMENT



GAMERS WANT BROADER ENTERTAINMENT

Many console games have a core of very dedicated fans. These fans are often loyal to their games but want new content in order to keep their attention. This loyalty represents an opportunity and a potential in established games. Developing quality content is identified as key to monetize on this potential, as is the broadening of the scope of games into video and services. The shift towards global, online distribution is also a driver towards larger entities and an industry consolidation.

¹⁾ The source of data in this chapter is "Newzoo Global Esports Market Report 2020" and "UBS Evidence Lab inside: Assessing Gaming Status".



SHIFT TO DIGITAL DISTRIBUTION BOOSTS PUBLISHERS MARGINS

In recent years, a clear trend towards digitalization of the distribution of PC and console games has been evident. The trend towards digital distribution has largely been driven by the emergence of purely digital platforms such as Steam and Epic Games Store and the production of digital services on traditional physical distribution channels such as PlayStation® and Microsoft® Xbox Live. Despite fairly high sales commissions on these platforms, the trend towards digitalization has been beneficial to publishers' margins. Steam has a dominating market share for digital distribution to PC. However, competition within digital distribution has increased with the challenger Epic Games Store leaving creators with even higher percentage of revenue.

BUSINESS MODELS ARE IN TRANSITION

Subscription pricing and Streaming Delivery (Cloud Gaming) are emerging as business models for games. The typical structure of smaller, regular payments associated with online subscriptions have become an increasingly appreciated way of paying for a game.

GAMES AS A SERVICE (GAAS) REPRESENTS A GROWING OPPORTUNITY

The concept of Games as a Service (GaaS) continues to grow in importance. GaaS represents providing games or game content on a continuing revenue model, implying new ways of monetizing games either after their initial sale, or to support a free-to-play model. This also involves how games are played, developed, delivered and maintained. This has opened up for on-demand streaming of games, a radical shift from traditional game distribution models. It increases the availability of games to players whilst opening new opportunities for developers and publishers to interact with the game community, analyzing gaming behavior to drive community engagement and post-launch monetization through downloadable content (DLC) and other in-game purchases. The result

is longer game life cycles and more sustainable gamer engagement. The revenue model of games as a service is similar to subscription-based services. Established and emerging future services will need content which will be a continued growth opportunity for developers, publishers and IP-owners.

MOBILE GAMES FOR CASUAL GAMERS

In contrast to PC and console games, the mobile segment is largely made up of what is commonly referred to as casual games. Gamers usually expect to play for free, or for a comparatively small entry cost. Monetization models in general involve microtransactions that typically unlock content or aid the player's progress, requiring large volumes for any notable revenue stream. Life cycles for mobile games are often shorter and in spite of the large aggregate volume of this market segment, the number of mobile game developers that have succeeded in repeating their success is relatively limited.

Mobile extensions of certain franchises have highlighted the ability for console- and PC-games to transform into a mobile game, resulting in significant reach, engagement, and monetization.

CLOUD GAMING CHALLENGING CONSOLES

As browser PC-gaming is decreasing, an opposite trend is that an increasing portion of games data is in fact stored, computed and rendered in the cloud. In the longer term, this trend is implying less dependence of a console or gaming PC, contrary to the current trend of increasing revenue going to these platforms. In the projection of this trend, console hardware spending is headed toward content and subscriptions. When content is available online via cloud services and the customer does not have to provide the physical hardware necessary to process the game, the market expands to more gamers. While cloud gaming has made significant progress to date, a commercially-viable offering is still years away.



GAMES PORTFOLIO & BUSINESS AREAS

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EXCITING GAMES PORTFOLIO

Embracer Group is proud to have one of the industry's most exciting pipelines of upcoming games, engaging over 3,000 game developers across the world. With 118 games under development including games from recently acquired Saber Interactive, there will be increasing release activity ahead, whilst back catalog performance is expected to remain strong.

The Group released games for a record high value, representing an accumulated development cost of SEK 589 million ("Completed Games") in the financial year 2019-2020, indicating how the well invested development pipeline is driving growth. Also, a significant part of new product releases were owned IPs. The Group is steadily increasing its investments in game development, amounting to SEK 1,489 million during the past financial year. The well invested pipeline is laying the foundation for accelerating future growth. The value of completed games is planned to increase to SEK 1,200-1,400 millions in the financial year 2020/2021, driving further growth of revenue, operational EBIT and cash flow.

This growth will be underpinned by recent and upcoming new game releases such as Biomutant, Chorus,

Deep Rock Galactic, Destroy All Humans!, Iron Harvest, MotoGP 20, Ride 4, SnowRunner, Wasteland 3, WWE 2K Battlegrounds (in collaboration with 2K) and a host of other titles yet to be announced and marketed.

Back catalog sales have been stable, supported by strong demand for beloved franchises such as Darksiders, Dead Island, ELEX, Goat Simulator, Kingdom Come Deliverance, Metro, Monster Energy Supercross, MX vs ATV, Remnant: From the Ashes, Satisfactory, Saints Row and Wreckfest. As of the financial year 2021-2022, the finished games KPI is expected to continue growing and this will include the launch of the Group's first AAA games since Metro Exodus. From this year on, there are AAA releases planned for every year ahead.

RELEASES 2019/20

Title	Publishing Label	IP Owner	Platforms	Channels
<i>Darksiders 3 - Keepers of the Void DLC</i>	THQ Nordic	Own	PC, PS4, Xbox One	Online
<i>Darksiders Deathinitive Edition</i>	THQ Nordic	Own	Switch	On- and Offline
<i>Darksiders - Genesis</i>	THQ Nordic	Own	PC, Stadia	On- and Offline
<i>Darksiders Warmastered Edition</i>	THQ Nordic	Own	Switch	On- and Offline
<i>Fade to Silence</i>	THQ Nordic	Own	PC, PS4, Xbox One	On- and Offline
<i>Monster Jam - Steel Titans</i>	THQ Nordic	External	Switch	Offline
<i>Monkey King - Hero is back</i>	THQ Nordic	External	PS4	On- and Offline
<i>Rebel Cops</i>	THQ Nordic	Own	PC, Mac, Linux, PS4, Xbox One, Switch	Online
<i>Red Faction Guerilla Re-mars-tered</i>	THQ Nordic	Own	Switch	On- and Offline
<i>Remnant: From the Ashes</i>	THQ Nordic	Own	PC, PS4, Xbox One	Offline
<i>SpellForce 3 – Soul Harvest (Addon)</i>	THQ Nordic	Own	PC	Online
<i>Titan Quest: Atlantis (Addon)</i>	THQ Nordic	Own	PS4, Xbox One	Online
<i>Titan Quest: Ragnarök (Addon)</i>	THQ Nordic	Own	PS4, Xbox One	Online
<i>Wreckfest</i>	THQ Nordic	Own	PS4, Xbox One	On- and Offline
<i>Wreckfest - Deluxe Edition</i>	THQ Nordic	Own	PS4, Xbox One	On- and Offline
<i>Aces of the Luftwaffe - Squadron</i>	HandyGames	Own	iOS, Android	Online
<i>Little Big Workshop</i>	HandyGames	Own	PC	Online
<i>Lock's Quest</i>	HandyGames	Own	Android, iOS	Online
<i>This is the Police 2</i>	HandyGames	Own	Android, iOS	Online
<i>Townsmen: A Kingdom Rebuilt</i>	HandyGames	Own	PS4, Xbox One	Online
<i>Townsmen: A Kingdom Rebuilt - The Seaside Empire</i>	HandyGames	Own	PC, Switch	Online
<i>Metro Redux</i>	Deep Silver	Own	Switch	On- and Offline
<i>Saints Row IV Re-Elected</i>	Deep Silver	Own	Switch	On- and Offline
<i>Shenmue 3</i>	Deep Silver	External	PC, PS4	On- and Offline
<i>Monster Energy Supercross 3</i>	Milestone	External	PC, PS4, Xbox One, Switch, Stadia	On- and Offline



GAMES PORTFOLIO

SELECTED LAUNCHES 2019/20

During the year, a significant number of new products were released, primarily based on owned IPs. Notable releases during the year were a number of launches in the Darksiders series, Wreckfest, Satisfactory and Monster Energy Supercross, plus a large number of Asset Care launches for new platforms etc. Back catalog sales were strong all through the year driven by Metro Exodus, Satisfactory and many other titles in the Group's diversified portfolio.

DARKSIDERS – GENESIS

Publisher: THQ Nordic • Studio: Extern



Darksiders Genesis gives players their first look at the world of Darksiders before the events of the original game. Furthermore, it introduces the fourth and last horseman Strife, as well as Co-op gameplay.

SATISFACTORY UPDATE #3 PIPES

Publisher: Coffee Stain • Studio: Coffee Stain Studios



Satisfactory is a first-person open-world factory building game with a dash of exploration and combat. Pipes have entered the world of Satisfactory and with them comes a different challenge – transporting fluids.

LITTLE BIG WORKSHOP

Publisher: HandyGames • Studio: Mirage Studios



Manage your workers, stations, machines and create awesome stuff as your little big workshop grows into your dream factory!

WRECKFEST

Publisher: THQ Nordic • Studio: Bugbear Entertainment



Expect epic crashes, neck-to-neck fights over the finish line and brand-new ways for metal to bend – these are the once-in-a-lifetime moments that can only be achieved in Wreckfest.

REMNANT: FROM THE ASHES

Publisher: External • Studio: Gunfire Games



The world has been thrown into chaos by an ancient evil from another dimension. You must set out alone or alongside up to two other survivors to face down hordes of deadly enemies.

METRO REDUX

Publisher: Deep Silver • Studio: Extern



In 2013 the world was devastated by an apocalyptic event, turning the Earth's surface into a poisonous wasteland. A handful of survivors took refuge in the depths of the Moscow underground.

MONSTER ENERGY SUPERCROSS 3

Publisher: Milestone • Studio: Milestone



New ground and in-air physics, new rider models and new animations will create a more immersive experience and enable you to enjoy the Supercross world at its best!

SHENMUE 3

Publisher: Deep Silver • Studio: Extern



Shenmue III sees the eagerly anticipated continuation of the epic story-driven saga. Take control of Ryo Hazuki, a teenage martial artist, determined to unravel the mystery behind his father's murder.

SAINTS ROW IV RE-ELECTED

Publisher: Deep Silver • Studio: Deep Silver Fishlabs



Saints Row IV: Re-Elected is so much more than a game. It's a passport to fun and whimsy. Leap over buildings, sing songs, fight in a 2D side-scroller, cure cancer and save Santa Claus.

MONSTER JAM – STEEL TITANS

Publisher: THQ Nordic • Studio: Rainbow Studios



Real Trucks. Real Action. Monster Jam! Monster Jam Steel Titans delivers the complete Monster Jam experience for everybody to enjoy!

BUSINESS AREA GAMES

THQ NORDIC

THQ NORDIC



THQ Nordic, based in Vienna, Austria, with subsidiaries in Europe, Japan and the USA, is a global video game publisher and developer. THQ Nordic represents a core approach of doing much more than owning a highly competitive portfolio of IPs. It cherishes them with the very best development resources to expand with the level of experience that communities and fans expect and deserve.

BLACK FOREST GAMES OFFENBURG, GERMANY



The development studio was founded in 2012 and based on the legacy of Spellbound Entertainment, the company been one of Germany's longest existing independent developers. The team consists of highly experienced international professionals with a proven track record of developing quality games within a wide range of genres. Black Forest Games created some remarkable IPs such as Giana Sisters and Helldorado. During the year, Black Forest Games was working on the remake of Destroy All Humans! that was released in July 2020.

Founded 2012 • 74 Full time employees

BUGBEAR ENTERTAINMENT HELSINKI, FINLAND



Bugbear is a world-leading creator of niched racing games and the developer behind the critically acclaimed Wreckfest-Franchise. The studio is also well known for the demolition derby series FlatOut, as well as Ridge Racer Unbounded. THQ Nordic owns 90% of the shares in Bugbear Entertainment with an option to acquire the remaining 10% in the future.

Founded 2000 • 28 Full time employees

EXPERIMENT 101 STOCKHOLM, SWEDEN



Experiment 101 was co-founded in 2015 by Goodbye Kansas Game Invest and Swedish game development veteran Stefan Ljungqvist, a former studio art director and game director at Avalanche Studios and one of the key members on the team behind Mad Max and the Just Cause series. Experiment 101 is developing Biomutant, one of THQ Nordic's up-coming key titles.

Founded 2015 • 20 Full time employees

GRIMLORE GAMES MUNICH, GERMANY



Grimlore Games was founded in 2013 by THQ Nordic with former Munich game developers from the Studio Coreplay. In 2017, Grimlore Games released SpellForce 3 which was well received by the SpellForce-Community. Two years later the new standalone addon SpellForce 3 - Soul Harvest was released in the first half of 2019.

Founded 2013 • 38 Full time employees

GUNFIRE GAMES AUSTIN, TEXAS, USA



Gunfire Games, which was founded in 2014 by alumni developers of Vigil Games, is best known for its successful development of action role-playing PC/Console game series Darksiders for THQ Nordic along with Chronos that was awarded Game Informer's VR Game of The Year. The core team has worked together for over a decade creating successful games. In August 2019 Gunfire Games successfully released "Remnant: From the Ashes" in cooperation with Perfect World Entertainment.

Founded 2014 • 78 Full time employees

HANDYGAMES GIEBELSTADT, GERMANY



Founded in 2000, HandyGames has released hundreds of games on a multitude of platforms, utilizing a wide range of technologies. Current game development is focused on iOS, Android as well as digital-only releases on current generation consoles and PC. HandyGames is operating as a developer and publisher, where HandyGames is concentrating on small-to midsize development projects and Indy-style titles.

Founded 2000 • 61 Full time employees.



MIRAGE GAME STUDIOS
KARLSTAD, SWEDEN



Mirage Game Studios was founded in 2016 in collaboration with THQ Nordic and is based in Karlstad, Sweden. In October 2019, the Studio released the title Little Big Workshop, a game about factory management, which has received great feedback from fans.

Founded 2016 • 8 Full time employees

NINE ROCKS GAMES
BRATISLAVA, SLOVAKIA



Nine Rocks Games is based in Bratislava, Slovakia, and is headed by industry veteran and CEO David Durcak. The studio was established in February 2020 and is currently working on an unannounced game in the shooter/survival genre.

Founded 2020 • 33 Full time employees

PIECES INTERACTIVE
SKÖVDE, SWEDEN



Since its founding 2007, Pieces Interactive has released over ten titles on PC, console and mobile on owned concepts such as Puzzlegeddon, Fret Nice, Leviathan Warships and Robo Surf. Pieces Interactive worked with the expansion for Titan Quest: Titan Quest: Ragnarök, which was released in 2017 and Titan Quest: Atlantis, released in May 2019.

Founded 2007 • 26 Full time employees

PIRANHA BYTES
ESSEN, GERMANY



Piranha Bytes, which was founded in 1997, is best known for its successful development of role-playing PC/Console games with atmospheric open worlds. Piranha Bytes is the creator of the game series Gothic, Risen and most recently ELEX. The current version of Piranha Bytes was formed in 2002 when the previous owners acquired the studio. The studio joined THQ Nordic in May 2019.

Founded 1997 • 31 Full time employees

RAINBOW STUDIOS
PHOENIX, AZ, USA



Initially Rainbow Studios was founded in 1995 in Phoenix, Arizona. The team was best known for their MX vs ATV-titles. In 2010 the company was renamed to "THQ Digital Studios Phoenix". In August 2011 the studio was closed by THQ Inc. In 2016 the studio was re-established under the THQ Nordic ownership. Since then Rainbow Studios has developed new additions to the "MX vs ATV"-Franchise including dozens of DLCs as well as "Monster Jam: Steel Titans", licensed from Feld Entertainment Inc.

Founded 1995 • 46 Full time employees

THQN GAMES IBERICA
BARCELONA, SPAIN



In March 2020, THQ Nordic established a new development studio in Barcelona, Spain. The branch develops core games for PC and console platforms and is currently focusing on the RPG genre. The team's first project is to develop a full Gothic remake for PC and the next generation consoles.

Founded 2020 • 7 Full time employees

THQ NORDIC TITLES RELEASED AFTER YEAR-END 2019/2020

Title	Publishing Label	IP Owner	Platforms	Channels
<i>Desperados 3</i>	THQ Nordic	Own	PC, PS4, Xbox One	On- and Offline
<i>MX vs ATV - All Out "2020 AMA Pro Motocross Championship" DLC</i>	THQ Nordic	Own	PC, PS4, Xbox One	Online
<i>Spongebob - Battle for Bikini Bottom Rehydrated</i>	THQ Nordic	License	PC, PS4, Xbox One, Switch	On- and Offline
<i>Titan Quest: Atlantis (Addon)</i>	THQ Nordic	Own	Switch	Online
<i>Titan Quest: Ragnarök (Addon)</i>	THQ Nordic	Own	Switch	Online
<i>Rebel Cops</i>	HandyGames	Own	iOS, Android	Online
<i>Through the Darkest of Times</i>	HandyGames	External	iOS, Android	Online
<i>Destroy All Humans!</i>	THQ Nordic	Own	PC, PS4, Xbox One	On- and Offline
<i>One Hand Clapping - Early Access</i>	HandyGames	External	Stadia	Online
<i>Spitlings</i>	HandyGames	External	PC, PS4, Xbox One, Switch	Online

THQ NORDIC ANNOUNCED RELEASES AS OF AUGUST 13, 2020

Title	Publishing Label	IP Owner	Platforms	Channels
<i>Aquanox Deep Descent</i>	THQ Nordic	Own	PC, PS4, Xbox One	On- and Offline
<i>Biomutant</i>	THQ Nordic	Own	PC, PS4, Xbox One	On- and Offline
<i>Gothic - Remake</i>	THQ Nordic	Own	PC, next gen consoles	On- and Offline
<i>Kingdoms of Amalur Expansion: Fatesworn</i>	THQ Nordic	Own	PS4, Xbox One, PC	Online
<i>Kingdoms of Amalur: Re-Reckoning</i>	THQ Nordic	Own	PS4, Xbox One, PC	On- and Offline
<i>Knights of Honor II: Sovereign</i>	THQ Nordic	Own	PC	On- and Offline
<i>MX vs. ATV All Out</i>	THQ Nordic	Own	Switch	On- and Offline
<i>Scarf</i>	THQ Nordic	External	PC	Online
<i>SpellForce 3 Addon 2: Fallen God</i>	THQ Nordic	Own	PC	Online
<i>The Guild 3 (full version)</i>	THQ Nordic	Own	PC	On- and Offline
<i>A Rat's Quest</i>	HandyGames	External	PS4, Xbox One, PC, Switch	Online
<i>Aces of the Luftwaffe Squadron - Extended Edition</i>	HandyGames	Own	Mobil	Online
<i>Airhead</i>	HandyGames	External	PS4, Xbox One, PC, Switch	Online
<i>Chicken Police - Paint it red!</i>	HandyGames	External	PS4, Xbox One, PC, Switch	Online
<i>El Hijo</i>	HandyGames	External	PC, PS4, Xbox One, Switch	Online
<i>Endling - Extinction is Forever</i>	HandyGames	External	PC, PS4, Xbox One, Switch	On- and Offline
<i>Little Big Workshop</i>	HandyGames	Own	Xbox One	Online
<i>One Hand Clapping</i>	HandyGames	External	PS4, Xbox One, PC, Switch	Online
<i>Pile Up!</i>	HandyGames	External	PS4, Xbox One, PC, Switch	Online
<i>Townsmen VR</i>	HandyGames	Own	PC, PS4	Online

For latest release dates please refer to above mentioned publishers.



**DESTROY
ALL HUMANS!**

BUSINESS AREA GAMES

DEEP SILVER



Koch Media, subsidiary of Embracer Group runs a multi-label strategy with fully owned content providers including the labels Deep Silver, Milestone and Ravenscourt which publish games for consoles and PC across all physical and digital channels. The Koch Media group owns six game development studios: Deep Silver Volition, Deep Silver Dambuster Studios, Deep Silver Fishlabs, Warhorse Studios, Milestone and Voxler. The groups core strategy is to publish IPs ranging from indie-hits to AAA blockbusters across all labels. Additionally Koch Media collaborates with numerous independent development studios around the world.

DEEP SILVER DAMBUSTER STUDIOS NOTTINGHAM, UK



Deep Silver Dambuster Studios formed in 2014 following the friendly take-over of Crytek UK, formerly known as Free Radical Design which was founded back in 1999. Their inaugural title, First Person Shooter Homefront: The Revolution, was released in 2016. Based in Nottingham, the studio is at the forefront of the UK games development industry as one of the largest and most successful studios in the country, known for its Timesplitters series. Dambuster Studios have been entrusted with the Dead Island franchise, bringing the development of this key franchise to one of the Group's internal studios. They are now leading the development of Dead Island 2.

Founded 1999 • 152 Full time employees

DEEP SILVER FISHLABS HAMBURG, GERMANY



Deep Silver Fishlabs is specialized in high-end 3D-games for consoles and PC. The studio has developed a range of mobile games, including the multi-million downloaded mobile sci-fi adventure franchise Galaxy On Fire. Since it became a Deep Silver studio in 2014 the studio has gained a plethora of praise from consumers and recognition from platform holders resulting in more than 120 million downloads of their products on mobile platforms. Today, the studio is engaged in some of Deep Silver's AAA IPs as well as new IPs and develops for various console platforms and PC.

Founded 2004 • 71 Full time employees

DEEP SILVER VOLITION CHAMPAIGN, ILLINOIS, USA



Through their 22 year history Deep Silver Volition have created some of the best loved Open World Action gaming franchises. The portfolio comprises the critically acclaimed Saints Row games franchise, Red Faction, Descent/Freespace, the Summoner series as well as the recently released Agents of Mayhem. Their most popular franchise, Saints Row, follows the adventures of the Third Street Saints to world domination, selling more than 32 million copies since its first release in 2006.

Founded 1996 • 229 Full time employees

MILESTONE MILAN, ITALY



Milestone is a leading racing games developer and publisher behind successful game series such as MotoGP, MXGP, RIDE and Monster Energy Supercross. The studio was originally founded in 1994 as Graffiti, renamed Milestone in 1996 and in 2013 transitioned from being a pure work-for-hire studio into publishing all its products in-house and initiated development of own IP. Since 2013, Milestone has sold 8 million copies and received notable awards. Milestone's passionate team creates hyper-realistic racing games, which perfectly positions them to catch on to the growing global e-sport trend. Milestone's portfolio consists of several successful and globally renowned racing game series and has created an attractive business model involving yearly/bi-yearly game releases, supported by a large loyal player base, generating revenues of recurring nature. Milestone has a fully-stacked pipeline based on major portfolio titles and development of new IP. The studio was acquired during the financial year in August 2019.

Founded 1994 • 213 Full time employees



VOXLER SAS
MARSEILLE AND PARIS, FRANCE



Voxler SAS is a French developer of music and karaoke games and the studio behind the “Let’s Sing” series. Voxler was acquired in February 2020 and has collaborated with Koch Media as an external development studio over the last ten years.

Founded 2005 • 17 Full time employees

WARHORSE STUDIOS
PRAGUE, CZECH REPUBLIC



Warhorse Studios is the Czech developer behind the successful award-winning title Kingdom Come: Deliverance, which has sold over 2 million units in its first year. The studio was founded in 2011 by industry veterans Daniel Vávra and Martin Klíma who together with their team have an impressive track record of dozens of developed award-winning games. In total, their past titles have sold over 11 million copies, with many are considered to belong to the “classics” within their respective genres.

Founded 2011 • 133 Full time employees

DEEP SILVER TITLES RELEASED AFTER YEAR-END 2019/2020

Title	Publishing Label	IP Owner	Platforms	Channels
<i>Maneater</i>	Deep Silver	External	PC, PS4, Xbox One	Offline
<i>Saints Row: The Third Remastered</i>	Deep Silver	Own	PC, PS4, Xbox One	On- and Offline
<i>MotoGP 20</i>	Deep Silver	License	PC, PS4, Xbox One, Switch, Stadia	On- and Offline
<i>Outward DLC "The Soroboreans"</i>	Deep Silver	External	PC, PS4, Xbox One	On- and Offline
<i>Cooking Mama Cookstar</i>	Ravenscourt	External	Switch	Offline
<i>Relicta</i>	Ravenscourt	External	PC, PS4, Xbox One	Online

DEEP SILVER ANNOUNCED RELEASES AS OF AUGUST 13, 2020

Title	Publishing Label	IP Owner	Platforms	Channels
<i>Chorus</i>	Deep Silver	Own	PC, PS4, Xbox One	On- and Offline
<i>Chivalry 2</i>	Deep Silver	External	PC, PS4, Xbox One	Offline
<i>Dead Island 2</i>	Deep Silver	Own	PC, PS4, Xbox One	On- and Offline
<i>Iron Harvest</i>	Deep Silver	External	PC, PS4, Xbox One	On- and Offline
<i>Pathfinder: Kingmaker</i>	Deep Silver	External	PS4, Xbox One	On- and Offline
<i>Wasteland 3</i>	Deep Silver	External	PC, PS4, Xbox One	On- and Offline
<i>Windbound</i>	Deep Silver	Own	PC, PS4, Xbox One, Switch	Online
<i>Ride 4</i>	Milestone	License	PC, PS4, Xbox One	On- and Offline
<i>9 Monkeys of Shaolin</i>	Ravenscourt	External	PC, PS4, Xbox One, Switch	On- and Offline

For latest release dates please refer to above mentioned publishers.

COFFEE STAIN



Coffee Stain is a creative leading game developer and publisher with a growing footprint in the Nordics and a highly competent team creating and publishing great games. Particular strengths are in creating new products focused to digital sales, retention, cross platform and multiplayer. The Coffee Stain Group has been under the Embracer umbrella since it was acquired by the Group in November 2018, and holds 4 internal development studios.

COFFEE STAIN STUDIOS AB SKÖVDE, SWEDEN



Coffee Stain Studios AB is a Swedish video game developer founded in 2010. The company is best known for their third-person perspective action video game Goat Simulator, which was released in April 2014, and Satisfactory, released as a early access game in 2019. Coffee Stain is the publisher of the successful release of Deep Rock Galactic in May 2020.

Founded 2010 • 27 Full time employees

COFFEE STAIN NORTH STOCKHOLM, SWEDEN



Coffee Stain North, previously known as Gone North Games AB was founded in 2013 around their first person platforming adventure game A story About My Uncle. The game was published by Coffee Stain before Gone North Games was acquired and renamed Coffee Stain North.

Founded 2013 • 20 Full time employees

BOX DRAGON GOTHENBURG, SWEDEN



Box Dragon is a new indie game studio located in Gothenburg. The studio is managed by Kevin Chang and Karl Bergström, two friends with over 20 years of game development experience combined. The team is currently working on an unannounced project.

Founded 2019 • 2 Full time employee

LAVAPOTION GOTHENBURG, SWEDEN



Based in Gothenburg, Sweden, Lavapotion is focused on creating strategy games. Founded in 2017 by veterans from the games and movie industry, Lavapotion is currently working on their upcoming RPG title Songs of Conquest.

Founded 2017 • 7 Full time employees

COFFEE STAIN TITLES RELEASED AFTER YEAR-END 2019/2020

Title	Publishing Label	IP Owner	Platforms	Channels
Deep Rock Galactic (full version)	Coffee Stain	External	PC, Xbox One	Online
Hunttdown	Coffee Stain	External	PC, PS4, Xbox One, Switch	Online
Satisfactory (early access)	Coffee Stain	Own	PC (Steam)	Online

COFFEE STAIN ANNOUNCED RELEASES AS OF AUGUST 13, 2020

Title	Publishing Label	IP Owner	Platforms	Channels
Satisfactory (full version)	Coffee Stain	Own	PC	Online
Songs of Conquest	Coffee Stain	Own	PC	Online
Midnight Ghost Hunt	Coffee Stain	External	PC	Online
Valheim	Coffee Stain	External	PC	Online

For latest release dates please refer to above mentioned publishers.



BUSINESS AREA GAMES

AMPLIFIER GAME INVEST



Amplifier Game Invest, which was acquired in August, 2019, is becoming an important vehicle for our investments in new IP-development. Amplifier Game Invest is announced as our fourth operative group. The business model is based on a partnership model designed to attract top talents with incentives and commercial support from the Group, while leaving them full creative integrity. Amplifier owns four development studios and is the majority owner of one (Misc Games), all presented below. In addition, Amplifier also holds minority shares in the studios Kavalri Games, Palindrome, Fall Damage, Framebunker and Neon Giant.

RIVER END GAMES
GOTHENBURG, SWEDEN



River End Games is a game development company based in Gothenburg, Sweden. Founded by Amplifier Game Invest, with the creative lead by Anders Hejdenberg, the mission is to create world-class original IPs in an innovative work environment where curiosity is the main driving force.

Founded 2020 • 6 Full time employees

TARSIER STUDIOS
MALMÖ, SWEDEN



Tarsier Studios is a game development studio based in Malmö, Sweden, with a long tradition of making world famous games such as Little Nightmares, Statik, as well as contribution to the development of the Little Big Planet franchise. The studio was founded in 2004, and has since then grown to include 70 developers in total and is currently working on Little Nightmares 2 as well as other projects.

Founded 2004 • 62 Full time employees

C77 ENTERTAINMENT
SEATTLE, USA



C77 Entertainment builds big-action experiences for PC and console players. The creative vision is laid down by Mattias Kylén and Kenny Magnusson; two Swedes with a long history in the AAA-industry, having worked on several award-winning titles.

Founded 2019 • 8 Full time employees

MISC GAMES
STAVANGER, NORWAY



Misc Games is a game developer located in Stavanger, Norway, with the long-term mission to become the world leader in ship simulation games. Misc Games aims at developing unique games for various niche markets to drive the industry forward. To achieve this, Misc treats developers with respect and video games like art.

Founded 2013 • 5 Full time employees

Acquired after the financial year-end

DESTINYBIT
RAVENNA, ITALY



DESTINYbit is an innovative game studio, based in Ravenna, Italy. With their upcoming game launch of Dice Legacy, and their experience as game developers, the studio has proven themselves to be one of the most interesting upcoming developers in Italy.

Founded 2016 • 4 Full time employees

AMPLIFIER GAME INVEST ANNOUNCED RELEASES AS OF AUGUST 13, 2020

Title	Publishing Label	IP Owner	Platforms	Channels
Fishing: North Atlantic	Misc. Games	Own	PC	Online
Dice Legacy	DESTINYbit	Own	PC	Online

For latest release dates please refer to above mentioned publishers.



SABER INTERACTIVE



On February 19, 2020, the Embracer Group entered into an agreement to acquire the leading game developer and publisher Saber Interactive – the largest investment in the Group’s history. Saber is announced as the Group’s fifth operative group and will remain a standalone company within Embracer Group. The transaction was completed after the financial year-end.

REVENUE: USD 105 M (2019)
EBIT: USD 62 M (2019)
INTERNAL DEVELOPERS: 590
EXTERNAL DEVELOPERS: 150



Saber Interactive is an independent developer and publisher of quality video games for PC, consoles and mobile platforms, headquartered in Maplewood, New Jersey. The company was founded by Matthew Karch, currently CEO, and Andrey Iones, currently COO, in 2001. Saber Interactive has extensive experience with projects starting from conception, design, pre-production and has around 600 internal developers across its studios in St Petersburg in Russia, Madrid in Spain, Porto in Portugal, Minsk in Belarus, and Sundsvall in Sweden plus several external developers who are

development during which they have developed relationships with all major publishers, licensors, and retailers in the gaming industry. In addition, Saber Interactive has a strong publishing knowledge from its self-funded and co-published games, including World War Z. Other key titles developed by Saber Interactive include SnowRunner, MudRunner and NBA Playgrounds. Saber Interactive adds 4 announced and 8 unannounced development projects to Embracer Group’s portfolio.

“

Saber has been on our radar for a very long time because of their deep history of consistently high-quality work. Their ambitious moves towards self-funding projects in recent years have been particularly impressive, especially with World War Z, which sold more than three million units. While Saber will remain a standalone company within Embracer Group, we look forward to collaborating with them to elevate their ability to create and market premier titles.”, says Lars Wingefors, Founder and CEO of Embracer Group at the time of the acquisition.

committed to working with Saber Interactive. Games developed include work-for-hire projects, self-funded as well as co-published proprietary titles. The group benefits from close to 20 years of experience in game

SABER INTERACTIVE STUDIOS

US, RUSSIA, SPAIN, PORTUGAL, BELARUS, SWEDEN

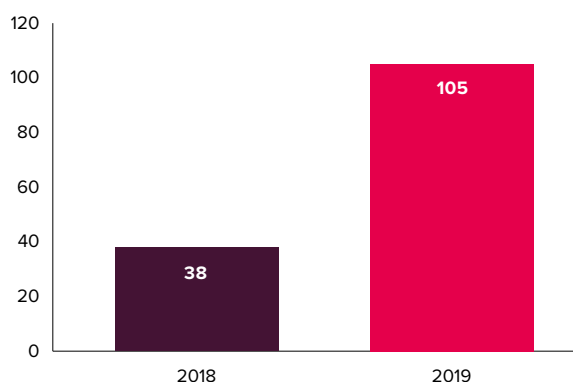
Saber’s studios are broken up by discipline, although there is quite a bit of crossover and collaboration between them. The St. Petersburg, Russia studio has a large tool, engine and backend team and works on large-scale AAA products for PC and console. Madrid specializes in arcade sports titles as well as other action games for PC and console. Porto specializes in racing games and has worked on the Dakar series with Koch Media. Minsk is a mobile studio that is currently working on multiple titles including iViking. Sundsvall, Sweden is proficient at technical work such ports and up-res projects. Saber’s office in Ft. Lauderdale, Florida, is centered on business development, licensing and strategic operations.

637 Full time employees



NET SALES

USD M



The increase in revenue from the USD 38 million generated during the same period 2018 is largely attributed to the shift to owned/licensed IPs and the success of World War Z.

KEY HIGHLIGHTS FOR THE TRANSACTION:

- > Senior management with highly experienced and efficient development teams
- > Strong profitability with high cash conversion
- > Additional stable and recurring revenue stream from Work-for-hire / royalty based projects
- > Portfolio of recurring titles and a solid and growing pipeline from 2020 and onwards
- > Long term synergy opportunities within publishing, development and IP utilisation
- > Solid platform for further organic growth and acquisitions

SABER INTERACTIVE TITLES RELEASED AFTER YEAR-END 2019/2020

Title	Publishing Label	IP Owner	Platforms	Channels
<i>SnowRunner</i>	External	Own	PC, PS4, Xbox One	On- and Offline
<i>World War Z GOTY Edition</i>	External	Exclusive license	PC, PS4, Xbox One	On- and Offline

SABER INTERACTIVE ANNOUNCED RELEASES AS OF AUGUST 13, 2020

Title	Publishing Label	IP Owner	Platforms	Channels
<i>I, Viking</i>	Saber Interactive	Own	Mobile	Online
<i>Plazmic</i>	Saber Interactive	Own	Mobile	Online
<i>Slototerra</i>	Saber Interactive	Own	Mobile	Online
<i>NBA 2K Playgrounds2</i>	External	License	Mobile	Online
<i>WWE 2K Battleground</i>	External	External	PC, PS4, Xbox One, Switch	On- and Offline

For latest release dates please refer to above mentioned publishers.

BUSINESS AREA

PARTNER PUBLISHING/FILM



Embracer Group's fully owned subsidiary Koch Media is one of the leading third-party publishers and distributors of video games worldwide. The partner publishing business generates revenues through the digital and physical publishing and distributing of games, merchandise and films. Koch Media publishes games in Europe, Australia and North America for a number of major partners including Sega, Square Enix, Warner and Codemasters.



KOCH MEDIA

The parent company is based in Höfen, Austria with operational publishing headquarters in Munich, Germany. Koch Media owns studios and offices in 13 countries around the world. It runs three distribution centers serving the European market, in the UK, Austria and Spain, and an external manufacturing and logistics partnership in Tennessee. Physical publishing in the US is mainly via partners such as Amazon, Walmart and GameStop.

The strong market position of Koch Media as Partner Publisher is largely due to its expertise and experience to support the marketing of third-party publishing clients, managing the manufacturing and distribution of physical goods, inventory levels and offering reach into retail outlets. Although digital distribution has an ever-increasing portion of the global console and PC market's sales, physical distribution still represents an important part of the total revenue. Managing the process

of physical distribution is a competitive value offering of Koch Media and while the physical market has headwinds – the Group sees an opportunity to drive market share growth in the segment as publishers increasingly outsource their physical game distribution.

The business area saw a downturn in physical distribution in the end of the financial year, mainly due to impacts from the covid-19 pandemic. The downturn of revenues was partly shifted to e-tailers such as Amazon. All logistics hubs across Europe have so far remained operational during the crisis.

During the year, Gaya Entertainment GmbH, a leading European manufacturer of gaming-IP merchandise and collectibles was acquired and integrated in Koch Media GmbH.

KOCH FILMS

koch films

Besides partner publishing, Koch Media is also an independent player within film distribution. This business primarily focuses on movies for the German and Italian speaking territories. During the financial year 2019/2020 the film business saw an increased percentage of digital sales and added new revenues via Amazon Prime and other digital distribution channels.

Koch Films is the distributor of the German version of Academy award-winning sensation Parasite which contributed to the record first quarter of the financial year for the film business.

KSM GmbH, one of the leading suppliers of Anime films in Germany with a catalog of over 1,000 films, was acquired and integrated into Koch Films during the financial year.

GAME OUTLET EUROPE AB



Game Outlet Europe AB is an independent niche distributor of reprinted physical videogames, gaming hardware and retro gaming hardware located in Karlstad,

Sweden. The company was founded in 1994 by the Embracer Group's CEO Lars Wingefors.





SUSTAINABILITY REPORT

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WE ARE ON A JOURNEY



Things move quickly here at Embracer Group. A lot has changed since Spring 2019 when I presented a 20-page document to the Board, claiming it included everything needed to create an effective sustainability policy for our organization. It was sincere but a bit naïve. Sustainability was becoming increasingly important, not only to us, but to our investors and owners as well. We also wanted to highlight our commitment to combat economic, social and environmental challenges facing our world today to all employees within Embracer Group.

We asked ourselves what was needed to tackle the work required to reach our goals. We were convinced that our sustainability plan was not only necessary from a social and environmental perspective, but it also made good business sense.

As I write this we have five operating groups in the company. We give them full autonomy to act independently. In total, their operations consist of over 30 development studios, with over 4,000 employees and contracted employees in over 40 countries worldwide. It makes us proud that the backbone of the company consists of strong and wise individuals, who all contribute to the organization's strength.

This type of structure is the key to our success. However, we remain sensitive to the fact that a one size fits all approach, enforced by the parent company, will not produce the best results. To maintain the vitality of our company, our operating groups must define their own aspirations for sustainability. So we turned things around.

SUSTAINABILITY GOALS ARE HIGH ON OUR AGENDA

Instead of coming up with nice sounding ideas from the Board and the parent company, we looked inward to find out what our people thought was most important in the vast ESG-field. We also wanted to know what sustainability initiatives were already in place.

The result was nothing short of amazing. The message communicated back to us was very clear: Our people wanted our company to do good. They wanted us to put sustainability goals high on our agenda.

And there were so many good initiatives already underway. There were projects addressing work/life balance, diversity in the workplace, attracting more women into the industry and how to address complex issues such as problematic gaming. There were also many small-scale projects dealing with environmental issues that together will make a difference. It was impressive to see.

STARTING SMALL, FOCUSING ON WHAT MATTERS MOST

We trusted all the great people working within our group to tell us their thoughts and they trusted us to listen and act on what they told us. It was from this study we built the foundation for our sustainability framework, which we call Smarter Business. Over the past year we focused on the implementation of global governance policies, data protection reviews and many other initiatives you can read more about in this report.

In the middle of all this, Covid-19 happened. It has been a unique challenge for everyone, and we are no exception. The safety and wellbeing of all our people has been our primary concern from the very beginning and following global and local experts remains the prevailing direction. Our studios adapted quickly, began working from home and have been able to continue to deliver great work - and even ship games.

From a sustainability perspective we have seen that Covid-19 has broadened the scope beyond the E-factor and the Social and Governance pillars are receiving much greater focus within ESG. For us, that is confirmation that our broad approach to sustainability is the right one.

We have started small, but we are proud of what we have done so far and will continue to focus on what matters most. All projects will be implemented step by step with a long-term view. We strongly believe this approach will deliver substantial shareholder value. We are well aware that we are in the beginning of a long journey but we will do everything with the highest sincerity. Our aim is that all initiatives will have a positive and measurable effect.

Our next step will be to continue the roll out of our Smarter Business framework. We will evaluate internationally recognized standards used to highlight financial impacts, as well as to measure the efficiency of the actions taken.

Together, we will make Embracer Group, all our companies and maybe even the world a little better.

AUGUST 2020

KICKI WALLJE-LUND
CHAIRMAN OF THE BOARD

SUSTAINABILITY REPORTING AT EMBRACER GROUP

This is the first sustainability report published by Embracer Group. In this report we want to start sharing and describe our initial approach to sustainability: starting small focusing on what matters most. It is not mandatory for Embracer Group to provide a statutory sustainability report as stated in the Swedish Annual Accounts Act until the financial year 2020/2021. Thus, the current report does not intend to meet these requirements. However, we have initiated the work to develop a solid sustainability framework in order to create a foundation for setting goals and KPIs as well as conduct a structural risk analysis. Our first statutory sustainability report will be published in the 2020/2021 Annual Report,

The starting point has been to identify the areas of focus where we believe we will make the greatest impact. This year's data makes a foundation for setting goals and KPIs forward. From research and interviews with a wide selection of people within Embracer Group we gathered insights that have helped us to identify the most material issues our sustainability framework should address and answer. The foundation is now in place and we will continue to add more information regarding our sustainability efforts to increase the reporting annually. With initiatives and activities aligned with our sustainability framework, we will set and publish goals where we can have the most impact. We are developing performance indicators to measure and reliably monitor our progress, which

reference international reporting standards, such as Sustainability Accounting Standard Board (SASB) and the Global Reporting Initiative (GRI), which we look to align with when applicable and relevant for us. This report highlights our framework and its initial activities around our focus areas with data gathered were relevant from across 45 companies within the Group. The results reported in tables and graphs in this year's report are not from all 45 companies. Each section will indicate how many companies' data is included. This is something that will be built on in the coming years of reporting. The ongoing dialogues regarding sustainability will continue with identified stakeholders including, employees, managers, shareholders, investors, business partners and customers.

GOVERNANCE STRUCTURE

As the Sustainability framework was developed together with input from our people it will help to better connect sustainability with everyone. It will also keep the entrepreneurial spirit within the subsidiaries to help us find great ways to tackle sustainability issues together. Embracer Group also conducts sustainability due diligence as a standard protocol during each acquisition in order to identify key sustainability risks and opportunities as well as to make sure everyone in the process is aware of the expectations when becoming members of the Group. While we encourage all our people to help shape the work, our ambition is to inspire and support their continued forces. The purpose is to adapt our work with sustainability into each of our represented company cultures and working methods so it doesn't feel forced. We have started our joint journey to show that we are doing it for the long term, together.

The parent company Embracer Group is responsible for the sustainability framework on a group level, but the daily work and initiatives will be conducted throughout the operative groups and subsidiaries. The framework is there to help guide the work and if possible, scale it up. Each company is free to define

its sustainability initiatives and programs as well as set targets and goals using the framework with its pillars as inspiration and structure. All our people have a shared responsibility for sustainable business practices in their daily work.

SMARTER BUSINESS IS OUR APPROACH TO SUSTAINABILITY

Embracer Group is not like everyone else, our creativity, business sense and always keeping it real is what makes us stand out. For us, smarter business is all about operating in a sustainable way making sure we run a sound business that helps create value to all our stakeholders while staying true to our way of doing things. Meaning that we are true to ourselves and our values, but more importantly, stand for respectable values shared by the many. Our Smarter Business framework sets a clear ground for the group and will help guide all to work in a sustainable way that will deliver long-term value.

We are on a journey to do better in the world by creating great entertainment, be a great place to work, and do better for the environment while delivering shareholder value. This is the core of Embracer Groups' approach to sustainability.

FOUR PILLARS CREATING LONG TERM VALUE

Smarter Business framework has four pillars that are relevant to the business and helps guide sustainability efforts. The four pillars give a structure with focus areas that initiatives and programs can fit under.

FOUR PILLARS

BUSINESS SENSE

With honesty and trust we make acquisitions and build brand value for the long term.

SOLID WORK

Our products entertain and create feelings, based on creative expression and common sense.

GREAT PEOPLE

Our people are creative, dedicated and our most important asset.

GREENER PLANET

We want to make our planet greener through innovation and technological advancements.

Under these pillars, sits several areas that we would like to focus our work on. Some of them highlighted in this report.

AMBASSADOR PROGRAM

To find a way to engage the whole organization with the framework an Ambassador program has been set up. It is a program that is based on the idea of having sustainability ambassadors from the operative groups to help lead and spread the framework and its pillars throughout the global group. A team of passionate individuals voluntarily joined the program, they have a strong desire for developing initiatives and do feel ownership of the final outcome of the same. The Ambassador program is led and structured by Karin Edner who is the Corporate Governance & Sustainability Coordinator at Embracer Group. Ambassadors meet regularly to share ideas and activities that they are working on to inspire each other and share best practices.

As of now, there are 20 ambassadors representing 13 different companies of Embracer Group, creating a diverse and very engaged group. The goal is to grow further and be an even more diverse group with more

ambassadors and locations represented. Regular meetings with cross-border and cross-functional participation serve as a catalyst for relaying the Smarter Business message across the group.

— “

I am glad to be a part of the Ambassador program, it is really important for Embracer Group. I like the idea about having ambassadors from each company to scale up and include companies so they can feel they are a part and contribute. It is a chance to share and learn, with different ideas and cultures. The ambassadors are a valuable link between employees and company.

NADINE SINGER
HEAD OF INTERNATIONAL ROYALTIES, KOCH MEDIA GMBH



Embracer Ambassadors

BUSINESS SENSE

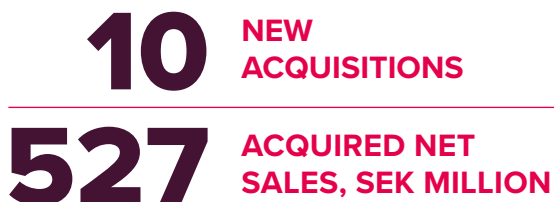
Our way of doing business is based on honesty and trust, that's how we make acquisitions and build brand value for the long term. Embracer Group strives to be the first choice for companies on the market that are looking for new growth opportunities through acquisitions. With new acquisitions, the approach is to empower companies to continue to be independent and work in a way that suits them. By exploring new robust business models and going beyond innovating products, we will continue to inspire companies to join our family and build brand value for the long term.

We believe that transparency breeds trust and respect. Increasing transparency continuously by reporting on performance will highlight and visualize how Embracer Group delivers long term value to our stakeholders. We act fairly and honestly by following ethical, marketing, and pricing standards, and that's why Embracer Group has taken a strong stance with its zero-tolerance on corruption and prioritize risk management.

SUSTAINABILITY DUE DILIGENCE IN M&A TRANSACTIONS

A due diligence review is undertaken during every material acquisition process to help understand and identify key sustainability risks and opportunities, as well as consider if any mitigation measures are required to reduce the harm resulting from any possible faults. Moreover, this also gives us valuable input to the following integration process. During 2019/2020 a systematic approach towards sustainability has been developed to support the due diligence process of the Group's M&A transactions. The approaches have broadened as the focus on human rights and labour conditions has grown alongside environment and anti-corruption issues. Also data security and communications matters have been included in the process. When valuing a target company, attitude towards and handling of sustainability issues, are always taken into account.

ACQUISITIONS YEAR 2019/2020



EMBRACER GROUP COMPLIANCE CODE

The Code of Compliance outlines an ethical manner that helps protect the business, based on our values. It sets out standards of behavior and a day-to-day guide for decision-making that is expected of employees, suppliers,

partners and customers. Working with social responsibility such as anti-corruption, human and labor rights will help minimize potential risks and guide ethical conduct based on the United Nations Global Compact principles regarding human rights, labor rights, anti-corruption and the environment, as well as the OECD Guidelines for Multinational Enterprises and social standards of the International Labor Organization (ILO). The Code of Compliance is in addition to national and international laws and regulations.

GLOBAL POLICIES

Global policies have been rolled out during the year, together with internal audit and risk management, all being on top of our governance alignment. A Global Information Policy has been developed and rolled out to help all our people in the Group know and understand the responsibilities that come with being a listed company and the impact communication can have. Communication plays a large role in how companies are perceived, and it is important to communicate in a way that is transparent and helps build trust with stakeholders. The policy is primarily for those that are in a spokesperson role, CEO position, or in a communication role. In addition a Global Anti-corruption policy has been adopted and rolled out during the fiscal year.

WHISTLEBLOWING SYSTEM

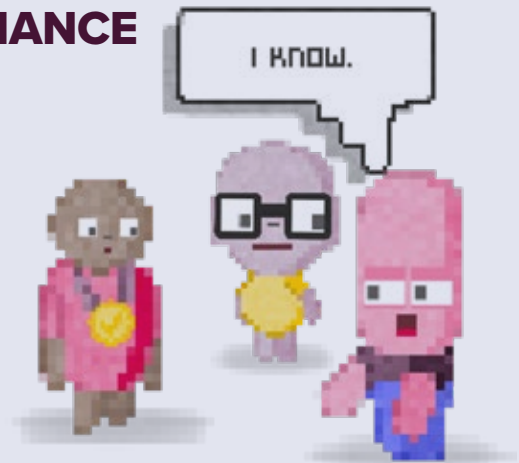
Embracer Group has adopted an external and global whistleblowing service. The system is in line with the Group's ongoing intentions towards high transparency, anti-corruption and high business ethics, therefore any violations of Embracer Group's Code of Compliance are of interest. The system will help alert to any potential issues that are in breach of the Code, it will help minimize risks as well as support employees if needed.

DATA PROTECTION

With great technological developments, data security and user privacy is a priority. In 2019 an audit was done of the appropriateness of Embracer Group's compliance with GDPR. The Group has also taken a step in reconciling how data protection management is secured in all operative groups.

ANIMATED CODE OF COMPLIANCE

In 2020 an animated Compliance Code has been launched on the Groups website. It features animations for each section. It is a way to create more excitement and engagement around compliance and draw attention to the importance of the content. To make sure employees across all subsidiaries engage with the Compliance Code a gamified version of the site has been created and shared with employees. This will train the employees on the code, making sure there is an understanding of all content in the code, as well as participation will be measured.



3 QUESTIONS

LUISA BIXIO, CEO AT MILESTONE s.r.l. ITALY

1. What does Business Sense mean do you?

The main value is on transparency and to focus on goals and people. People need to be able to trust the companies and that applies to all stakeholders. It is the foundation of strong leadership.

2. What issues within Business Sense are you working with?

I think in our business the main issues are related to social issues, respect for our people, for them to work well and feel respected in their role and positions. Its issues like being a ethic business and part of that is to be clear and honest with all our partners, suppliers, employees, clients and in the work the company board does.

3. With the Covid-19 pandemic, companies all over the world has had to adapt and find new ways of working. As Italy has sadly been affected by the Covid-19 what has been most crucial for your management?

To safeguard our employee's health is our number one priority. With having to work from home we learned that our teams, at all levels, can react quickly to unforeseen situations and adapt in order to continue their job. All departments faced the challenge of communicating in different ways than before, I think we are learning a lot, meetings are more efficient, people send very clear reports and, perhaps, we will be more efficient than before when we will be back in the office. Thanks to all this great work, we've been able to release MotoGP™20 on April 23rd, as planned.

SOLID WORK

Embracer Group is proud of the excellent work produced by our great people, it is here to entertain and create feelings. We want our games to be based on creative expression and are relying on common sense as well as joint reflection and understanding around the content. For studios to keep being creative and give our audiences great experiences, the Solid Work pillar focuses on supporting the innovative ideas coming out of studios and explore new creative fields.

Solid Work also covers responsible marketing and taking actions for healthy gaming, building awareness around gaming addiction. Accessibility and usability are other areas where Embracer Group continues its efforts to make gaming for all. There are great opportunities for our studios to find interesting and more collaborative ways to approach these areas using the same creative mindset they do in their day to day work.

QUALITY COMES FIRST

The quality of games created and produced in studios is of the utmost importance. The studios have the knowledge of gaming trends, the content expertise as well as an established genuine understanding of the gamers. Having a solid back catalogue of games in different genres as well as age variations means we reach a wide range of gamers. There is also an exciting pipeline of upcoming games and many talented people across all studios that are looking for new attractive game development projects. The priority is always on quality, this enables us to build outstanding experiences for our fans, create a higher return on investment and long term value to all stakeholders.

INCLUSIVE GAMING

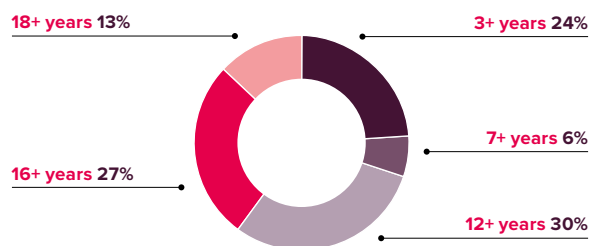
Openness, tolerance, respect, and freedom of expression in games are crucial to Embracer Group, so is being committed to creating a welcoming and inclusive community on our platforms. During the past

year a project focused on inclusiveness was initiated, it involved studio visits and workshops on inclusive gaming and gaming content. It was also addressing how to keep players safe from abuse and reducing toxicity in our games and communities, all in order to ensure that games are made to be more inclusive.

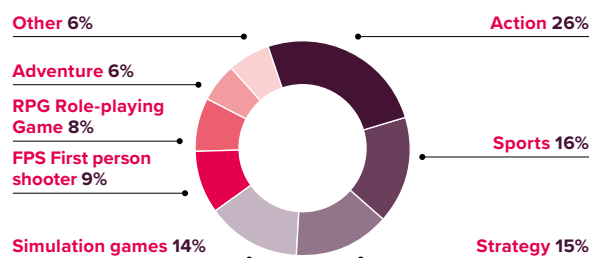
HEALTHY GAMING

To us, gaming is responsible entertainment based on common sense. The focus is on creating a fun and healthy environment where passionate gamers enjoy themselves. With the ongoing discussions around unhealthy gaming that are taking place in the industry and on a wider societal level, Embracer Group is working with those issues and is looking for more ways to contribute such as partnerships that can help raise these issues on the agenda. For instance, the group has started a collaboration with the organization 'Safe in our world', a mental health charity that raises awareness about mental health.

GAMES PORTFOLIO BY AGE CATEGORY (PEGI AGE RATING)



GAMES PORTFOLIO BY GENRE



SAFE IN OUR WORLD

In 2020 Embracer Group joined 'Safe In Our World', it is an organization that works to create and foster world wide mental health awareness within the gaming industry and beyond, which fits with the focus we have under our Solid Work and Great People pillars. 'Safe In Our World' can provide mental health support for the operative

group's, subsidiaries and gaming communities if needed. Their website offers information, stories, and tips for managers and employees or for anyone who suffers from mental illness or has someone in their network who does. By partnering with them we get access to concrete toolkits for taking actions at our workplaces

DIVERSITY FOR INNOVATION

In the ambassador program, there are continuous discussions around diversity and how to increase inclusivity, there are also several initiatives in place. One of those is "Leveling the playing field", an initiative launched by Coffee Stain in 2016, which is about investing in new companies with at least 50% women or non-binary. Johannes Aspeby, CEO at Coffee Stain Studios, believes being a diverse workplace is how you become a good workplace, he says *"It takes time and effort, it is hard to change an industry being a small company as we are."* Via "Leveling the playing field" initiative, Coffee Stain also contributes to other similar projects with diversity strategies; among others, DONNA Days is an example of such an initiative. DONNA DAYS focuses on mentoring and inspiring women and nonbinary who start with game development. Several women from Coffee Stain Studios in Skövde, participate in the DONNA Days every year. Johannes Aspeby believes that *"As long people try to do better and never stop working on this issue, it will be a slow change, but we are getting there."*



Johannes Aspeby
CEO, Coffee Stain Studios, Sweden

GAMING FOR ALL

Embracer Group would like for everyone to have the opportunity to enjoy the world of gaming. With a focus on innovation, more can have access to games. There are great examples of how our studios have worked with accessibility. To mention a few, at the Deep Silver studio Volition a range of features are being developed, such as in-depth controls customization, toggles for censoring gore, expanded subtitle display options, using dyslexic friendly fonts, including colour-blind mode options and Tobii Eye Tracking. Kate Marlin, is a Senior Producer at Volition in Champaign-Urbana, Illinois, with a great interest in making gaming more accessible, she believes *"Increasing video game accessibility allows people with disabilities to have the same*

gaming experiences as everyone else. This is important because while gaming is often thought of a medium that provides people with entertainment, it also has other benefits for people: mental health help, stress relief, social interaction, access to community, and education – among other things."

Other efforts like communicating important information solely based on colour and different approaches to the 2D graphics are increasing accessibility in games. Another example is THQ Nordics HandyGames - Townsfolk VR, which allows hand-based navigation to reach any position and can be played sitting. Another feature is that the dialogs are fully voiced and subtitled.

GREAT PEOPLE

At Embracer Group we believe in our people. People truly are our greatest asset, the creative, dedicated and very talented people that work on all levels are what makes all the difference and what Embracer is all about. For ongoing success it's essential to make sure employee's voices are being heard and that all work together for a company culture that makes people happy to come to work. We also want to make sure we attract new talented people to help us grow.

Our ambition is to offer an environment where our people can be their very best and true selves. We want an environment where innovative and passionate people can achieve their ambitions. We know that embracing creative independence, talent development, offering the most creative workplaces and strive for a good work-life balance, will pay off in engagement and well-being for everyone.

47 REPRESENTED NATIONALITIES

DIVERSITY AND INCLUSIVENESS

One area that has always been and will continue to be a focus is diversity, at Embracer Group it doesn't matter who you are, where you come from, what you look like or what games you love. The group has zero-tolerance against all forms of harassment and discrimination with a strong belief in diversity, equality and inclusiveness. These are vital parts of our culture and we address the matter on a global Group level, but

22% WOMEN

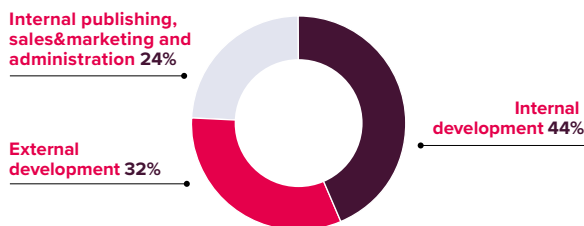
GENDER DISTRIBUTION IS SOMETHING THAT IS DISCUSSED ACROSS THE WHOLE EMBRACER GROUP AND IT'S A TOPIC THAT WE WILL CONTINUE TO ADDRESS AS WE WORK TO BECOME MORE DIVERSE.

we also trust each company within the organization to listen, discuss and act using their voice.

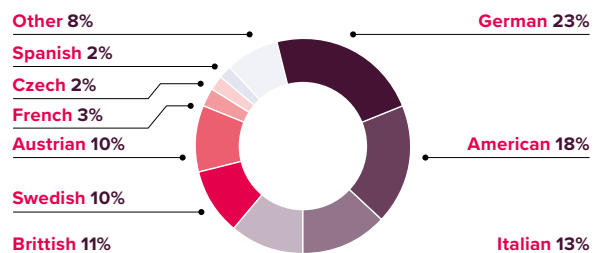
Diversity will bring different perspectives and skillsets that lead to a better environment for everyone. Also, diversity drives innovation and we are very proud that people from more than 40 different countries work within Embracer Group. With such a diverse group of employees, the games will better represent Embracer Groups' different stakeholders.

The Ambassador program includes continuous discussions on how to create working methods that can help achieve more diversity and inclusiveness. At a greater level, Embracer Group supports projects and programs to advocate and contribute to a diverse and inclusive society.

ROLES IN THE EMBRACER GROUP



SHARE OF NATIONALITIES



All of companies have reported their employees nationalities during 2019/2020.

This years data collection comprises permanent employment.

SUPPORTING LOCAL COMMUNITIES

With independent operative groups and subsidiaries in different parts of the world, the Group encourages local engagement with initiatives and programs that connect subsidiaries and studios with their

surrounding communities. Our subsidiaries being active in their local communities, is a great opportunity to get involved in the area where their employees work and live.

EMPLOYEE SICK LEAVE 2019/2020

Total	4%
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84% of companies (77% of employees) have reported their sick leave.

COLLECTIVE BARGAINING AGREEMENTS 2019/2020

Employees with collective bargaining agreement	28%
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87% of companies (93% of employees) reported their share of employees covered by collective bargaining agreements.

EMPLOYEE NEW HIRES 2019/2020

Total employee new hires	32%
New hires, share of total women	33%
New hires, share of total men	31%
Distribution women / men, new hires	23% / 77%

96% of companies (92% of employees) have reported their employee new hires 2019/2020.

EMPLOYEE TURNOVER 2019/2020

Total employee turnover	10%
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Women, employee turnover	11%
--------------------------	-----

Men, employee turnover	10%
------------------------	-----

Distribution women / men, employee turnover	23% / 77%
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89% of companies (91% of employees) have reported their employee turnover during 2019/2020.

AGE DISTRIBUTION 2019/2020

<30 years	28%
30-50 years	63%
>50 years	9%
Total	100%

80% of companies (73% of employees) have reported their age distribution during 2019/2020.



3 QUESTIONS LENORE GILBERT CEO AT RAINBOW STUDIOS, USA

1. How does Rainbow Studios work to create a good workplace?

We have focused on implementing smarter working practices such as stable working hours and an open management culture. In the long run, we hope this will help ensure a sustainable and happy working group of increasingly diverse talent.

2. Do you see any obstacles between working efficiently and having a good company culture?

I believe they support each other. To us, a good company culture means an environment in which our work is healthy, sustainable and equitable within our teams. It also includes a general attitude of common respect and solidarity among all our colleagues. This enables not only efficient work, but our creative and technical success as well.

3. What would you like to focus on in the near future? Are there any specific topics which you are especially passionate about?

Firstly, to continue the hard work and study needed to further evolve our production and working practices. My hope is that with time this will help create change in our industry toward being happier, healthier and importantly, more inclusive and diverse!

HENRIK JONSSON

EXECUTIVE PRODUCER AMPLIFIER GAME INVEST, SWEDEN

“Inclusivity means you have a wide range of differing viewpoints and build teams where everyone’s input is valued and considered. When everyone can contribute to their full potential, you ensure a better work environment, and you shape a more sustainable company.”

Henrik was rewarded the “Nätängel” award (a person who makes the internet a safer, nicer and more inspiring place.) in the gaming category, 2019, for his work to increase inclusiveness in the world of gaming. The award is handed out by mySafety in partnership with the Swedish E-sport network. In his nomination it mentions he is always available to share his knowledge and open his network to those who need it.



SUPPORTING THE NEXT GENERATION

Embracer Group wants to contribute to our industry having a steady growing workforce, by raising awareness and interest around the gaming industry, and by reaching young people as well as teachers and parents.

We want young people to know how digital creation and programming can be a career for them. By getting involved in initiatives and participate in discussions we want to be part of making sure our industry continues to grow by inclusively attracting talent, making our industry more diverse in the future. Through engagement and collaboration with local programs as well as schools and universities subsidiaries are reaching young people to create interest in the many types of jobs in the industry. Many of our studios around the world are dedicated to establishing strong relationships with local universities as well as internationally renowned universities for gaming. Dual education, combining apprenticeships in companies with vocational education, is one way of how our global group works with raising industry awareness among youths. Supporting these kinds of initiatives is a way for us to contribute to our future.

On Group level there is involvement with local programs, one of those are Ung Företagsamhet (Young Enterprise), it’s a nonpolitical educational organization that works with entrepreneurship in

elementary and high schools in Sweden. Over the past three years, Embracer Group has also been a financial and supporting partner for the development of the project, “Make A Game”, run by Ung Företagsamhet Värmland, which is where the Groups head office is located. The project aims to connect the gaming industry with entrepreneurship and business-minded young people as well as helping them create a digital arena of making games. “The Great Journey”, is an initiative that the Group supports which is close to our hearts as it aims to promote diversity and inclusiveness in gaming. The Great Journey is a hub for game developers, where everyone, regardless of experience or background, are welcome and it is linked to education within the industry. The initiative is also based in Värmland, giving us a way to connect with the local communities’ while being a company with a global organization. Another example is Kodcentrum which is a non-profit association that offers free programming and digital creation for children and teachers. Embracer Group is a supporting partner of Kodcentrum and the work they do is in line with Embracer’s desire to create something substantial and long-lasting while encouraging children and youths to contribute to tomorrow’s future.

We want to build on this and continue the journey to make sure we grow and continue to attract great people.



GREENER PLANET

As part of the growing industry, Embracer bears the responsibility to see and understand the environmental impact we contribute to. We want to keep our planet green and be a nice place to live and work. The Greener Planet pillar focuses on innovation and technological advancements as well as on activities that have a positive impact on the environment. That's why Embracer Group is engaged with and working collaboratively with other actors in the industry. It is a way to provoke new thinking and to make the issues visible as well as have industry-relevant efforts with the ambition to have a real impact on the climate crisis.

The Smarter Business Ambassadors focus on ways to tackle climate change issues with the mission to find ways to improve and work more sustainable, one topic is on finding new innovative ways to mitigate carbon footprints within the gaming industry.

Another area is to minimize resource use on all levels of operations. Small, local initiatives like supporting company buses for people to come to work daily and avoid traffic, has received climate awards from governments. We are interested in monitoring and following the industry development of sustainable packaging, as it will make a more positive contribution to the environment in the manufacturing process. When distributing physical games we use transport carriers that are selected considering environmental aspects. These are just some of the many small-scale initiatives that together do make a difference.

DIGITIZATION

Given the market shift to digital, we see that digitization will shape how we work, how gamers receive entertainment and have affected almost everywhere.

73% OF OUR REVENUE IN 2019/2020 CAME FROM SALES OF DIGITALLY DISTRIBUTED GAMES – COMPARED TO 51% IN 2018/2019

In our industry energy use is a material issue, both our internal use and the indirect energy used at the consumer end. That is why its crucial to us to reduce the impact we have and focus our efforts on sustainable digital products.

ENERGY USE

2019/2020, Embracer Group started collecting data on the energy use from all operative groups and subsidiaries. The starting point is to collect and analyze the electricity consumption and the use of renewable electricity on Group and subsidiary levels, to know how each company can improve energy efficiency and reduce its carbon footprint. About half of the companies that have reported their electricity use at offices have also reported their use of renewable energy, and 40% of those studios have used renewable energy during 2019/2020.

ENERGY USE	2019/2020
Total electricity use at all offices	4,536 MWh

Total electricity use at all offices 4,536 MWh

Electricity data is reported from 69% of companies (85% of employees), this has then been scaled by energy consumed per employees, to reflect all companies in the figure above. About 40% of reported companies (55% of employees) used renewable electricity.

TRAVEL

Embracer Group is growing fast. Like many other companies that operate on a global scale, Embracer Group is looking for ways to minimize the environmental footprint that comes with flying. Digital solutions in place keeps people connected and help minimize travel when it is not essential for the business operations. Having digital meeting options in place also proved to be especially important during the covid-19 pandemic when so many worked from home.

Embracer Group is offsetting the carbon footprint associated with the groups air travel.

PLAYING FOR THE PLANET

Embracer Group signed a joint letter of commitment, together with industry colleagues to the UN's "Playing for the Planet" in 2020, which is an alliance initiated by the biggest video game companies in the world. In September 2019 the launch took place at UN Headquarters in New York and was the start of a formal commitment from the industry to take action on the climate crisis.

Behind the letter of commitment is a gathering of companies in the Nordic gaming industry initiated by Bornholm Game Days. Having meetings on a regular basis to discuss innovative and creative ways helps us to join forces and find effective ways to contribute to sustainable climate actions.



ABOUT THIS SUSTAINABILITY REPORT

This is Embracer Group's first Sustainability Report and refers to the financial year 2019/2020. The Sustainability Report covers the parent company, Embracer Group, headquartered in Karlstad, Sweden, and all operative groups of the Embracer Group, unless otherwise noted in this report. In signing the annual financial statements, the Board of Directors has also approved the Sustainability Report.

Please note, this is not a Statutory Sustainability Report. The first statutory sustainability report will be published in the Annual Report 2020/2021.

CONTACT

In case of questions about this report, please contact Karin Edner, Corporate Governance & Sustainability Coordinator at karin.edner@embracer.com.

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THE SHARE AND OWNERS

The Embracer Group Class B shares are listed on Nasdaq First North Growth Market Stockholm since November 22, 2016 with the short name EMBRAC B. The subscription price at the IPO was SEK 6.66 (adjusted for split 1:3).

SHARE PRICE AND TURNOVER

At the beginning of the financial year April 1, 2019, the share price was SEK 69.17 and at the end of the financial year on March 31, 2020 it was SEK 98.32, an increase by 42 percent. The share price varied during the year between a low of SEK 63.80 on November 25, 2019 and high of SEK 107.00 on February 19, 2020.

Embracer Group's market capitalization at the end of the financial year was SEK 30,682 million. The free float was SEK 13,047 million, that is the value of the Class B shares available for trading (defined as all holdings not exceeding 5 percent).

NUMBER OF SHARES AND SHARE CAPITAL

The number of shares in Embracer Group (publ) as of 31 March 2020 was 27,000,000 Class A shares and 285,067,198 Class B shares, a total of 312,067,198

shares. Class B shares have one vote each and Class A shares have ten votes. All shares represent an equal share of the company's assets and earnings.

SHARE SPLIT

The Annual General Meeting on September 17, 2019 resolved a split of the Company's shares, meaning that each share, regardless of share class, was divided into three shares. The recorded date for the split was October 8, 2019.

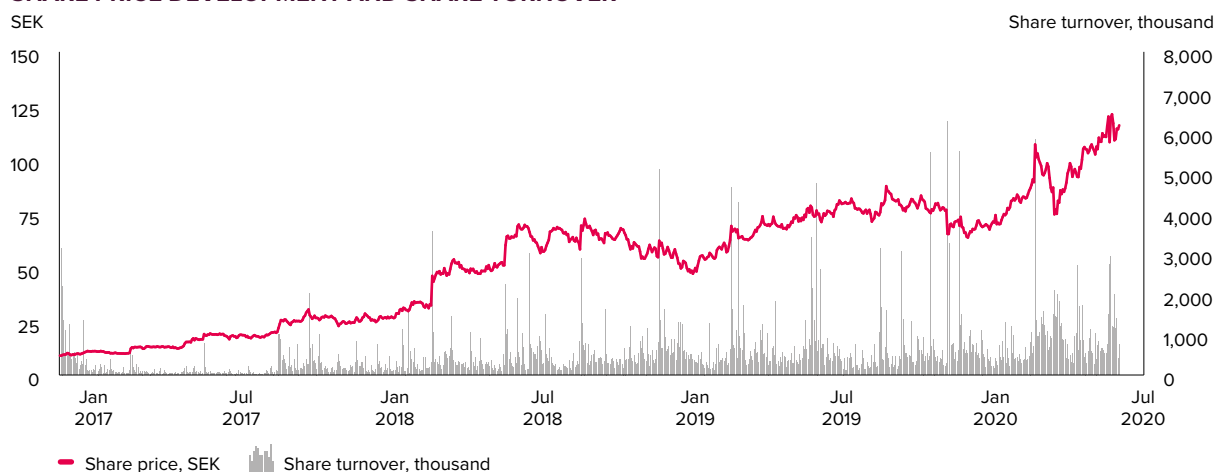
SHARE ISSUES AND AUTHORIZATION

The Annual General Meeting on September 17, 2019 resolved, in accordance with the board of directors' proposal, to authorise the board of directors during the period up until the next annual general meeting to, on one or more occasions, resolve to issue Class B shares, convertibles and/or warrants with right to

SHARE CAPITAL DEVELOPMENT

Registration date	Event	Class A shares	Class B shares	Total number shares	Share capital, change	Share capital, total
30/12/1999	Establishment		1,000	1,000	100,000.00	100,000.00
30/09/2016	Bonus issue		499,000	500,000	400,000.00	500,000.00
14/10/2016	Share split 1:120	9,000,000	51,000,000	60,000,000		500,000.00
07/11/2016	New share issue		32,500	60,032,500	270.83	500,270.83
28/11/2016	New share issue		10,000,000	70,032,500	83,333.33	583,604.17
02/12/2016	New share issue		2,000,000	72,032,500	16,666.67	600,270.83
26/09/2017	New share issue		7,203,250	79,235,750	60,027.10	660,297.92
04/06/2018	New share issue		135,135	79,370,885	1,126.13	661,424.04
07/06/2018	New share issue		1,082,601	80,453,486	9,021.68	670,445.72
12/07/2018	New share issue		7,700,000	88,153,486	64,166.68	734,612.38
16/11/2018	New share issue		3,136,903	91,290,389	26,140.86	760,753.24
16/11/2018	New share issue		60,358	91,350,747	502.98	761,256.22
15/02/2019	New share issue		142,870	91,493,617	1,190.58	762,446.81
27/02/2019	New share issue		4,732,661	96,226,278	39,438.85	801,885.66
06/03/2019	New share issue		74,357	96,300,635	619.64	802,505.30
14/03/2019	New share issue		6,267,339	102,567,974	52,227.84	854,733.12
14/03/2019	New share issue		11,000,000	102,567,974	91,666.69	854,733.13
14/08/2019	New share issue		133,048	102,701,022	1,108.74	855,841.86
14/08/2019	New share issue		1,267,323	103,968,345	10,561.02	866,402.88
02/10/2019	Split 1:3	18,000,000	189,936,690	311,905,035		
27/12/2019	New share issue		162,163	312,067,198	450.46	866,853.34
01/04/2020	New share issue	6,399,137	35,386,220	353,852,555	116,070.44	982,923.78
08/04/2020	New share issue		18,500,000	372,352,555	51,388.89	1,034,312.67

SHARE PRICE DEVELOPMENT AND SHARE TURNOVER



convert into and subscribe for Class B shares respectively, with or without preferential rights for the shareholders, in the amount not exceeding ten (10) per cent of the total number of shares in the Company as of the date of the annual general meeting, to be paid in cash, in kind and/or by way of set-off. The purpose for the board to resolve on issuances with deviation from the shareholders preferential rights is primarily for the purpose to raise new capital to increase flexibility of the Company or in connection with acquisitions.

46% OF EMBRACER SHARES HELD BY BOARD AND MANAGEMENT

An Extra General Meeting on March 11, 2020 resolved, in accordance with the board of directors' proposal, to authorize the board of directors to issue Consideration shares for the completion of the acquisition of Saber Interactive.

During the financial year, the company did not carry out any share issues. However, after the end of the period on April 8, 2020 Embracer Group a completed direct issuance of 18.5 million new Class B shares raising proceeds of SEK 1,646.5 million before transaction costs, based on the authorization granted by Embracer's Annual General Meeting on September 17, 2019.

INFORMATION ABOUT NASDAQ FIRST NORTH

Nasdaq First North Growth Market ("First North") is an alternative marketplace operated by the constituent exchanges of NASDAQ Stockholm. It does not have the same legal status as a regulated marketplace. Companies quoted on First North Growth Market are subject to First North's rules, rather than the legal requirements set for trading on a regulated marketplace. An investment in a company trading on First North Growth Market implies higher risk than one in a listed company. Companies must apply to the exchange and gain approval before trading on First North Growth Market can commence. A Certified Adviser guides the company through the listing process and also ensures that the company continuously satisfies First North's standards. FNCA Sweden AB is Embracer Group's certified adviser.

FNCA Sweden AB
E-mail: info@fnca.se
Tel: +46 8 528 00 399

THE SHARE

TOP 10 OWNERS, AS OF JUNE 30, 2020

Name	Class A shares	Class B shares	Share of capital, %	Share of votes, %
Lars Wingefors	19,504,401	88,571,196	29.03	42.15
Matthew Karch and Andrey Iones	6,399,137	33,961,661	10.84	14.56
Swedbank Robur Funds	0	26,099,738	7.01	3.88
Erik Stenberg	4,223,172	19,177,800	6.28	9.13
Handelsbanken Funds	0	19,653,245	5.28	2.92
Didner & Gerge Funds	0	11,610,769	3.12	1.73
AP1 Första AP-fonden	0	8,369,760	2.25	1.24
Mikael Brodén	1,450,134	6,585,189	2.16	3.13
AP2 Andra AP-fonden	0	4,778,738	1.28	0.71
ODIN Funds	0	4,586,000	1.23	0.68
TOTAL TOP 10	31,576,844	223,394,096	68.48	80.12
ALL OTHER SHAREHOLDERS	1,822,293	115,559,322	31.52	19.88
TOTAL	33,399,137	338,953,418	100.00	100.00

Source: Holdings by Modular Finance.

TOP 15 MANAGEMENT & CO-FOUNDER OWNERS, AS OF JUNE 30, 2020

Owner	Co-Founder	Class A shares	Class B shares	Share of capital, %	Share of votes, %
Lars Wingefors	Embracer Group	19,504,401	88,571,196	29.03	42.15
Matthew Karch and Andrey Iones	Saber Interactive	6,399,137	35,386,220	11.22	14.77
Erik Stenberg	Embracer Group	4,223,172	19,177,800	6.28	9.13
Mikael Broden	Embracer Group	1,450,134	6,585,189	2.16	3.13
Luisa Bixio	Milestone	0	3,801,969	1.02	0.56
Klemens Kreuzer	THQ Nordic	605,352	2,748,963	0.90	1.31
Reinhard Pollice	THQ Nordic	347,043	1,966,572	0.62	0.81
Pelle Lundborg	Embracer Group	869,898	1,099,649	0.53	1.46
Anton Westbergh	Coffee Stain	0	1,206,333	0.32	0.18
Klemens Kundratitz	Koch Media	0	1,127,928	0.30	0.17
Stefan Ljungqvist	Experiment 101	0	405,405	0.11	0.06
David L Adams	Gunfire Games	0	217,719	0.06	0.03
Martin Klima	Warhorse Studios	0	185,730	0.05	0.03
Janne Alanenpää	Bugbear Studios	0	181,074	0.05	0.03
Daniel Vavra	Warhorse Studios	0	121,440	0.03	0.02
TOP 15		33,399,137	162,783,187	52.69	73.82
ALL OTHER SHAREHOLDERS		0	176,170,231	47.31	26.18
TOTAL		33,399,137	338,953,418	100.00	100.00

Holdings by management above are in general owned through various wholly owned companies.

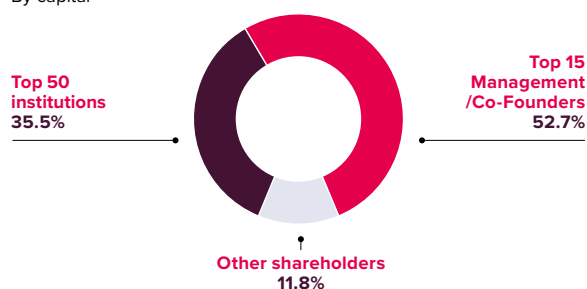
INTERNATIONAL OWNERSHIP TOP 50 INSTITUTIONAL

By capital



INSTITUTIONAL OWNERSHIP VS MANAGEMENT

By capital



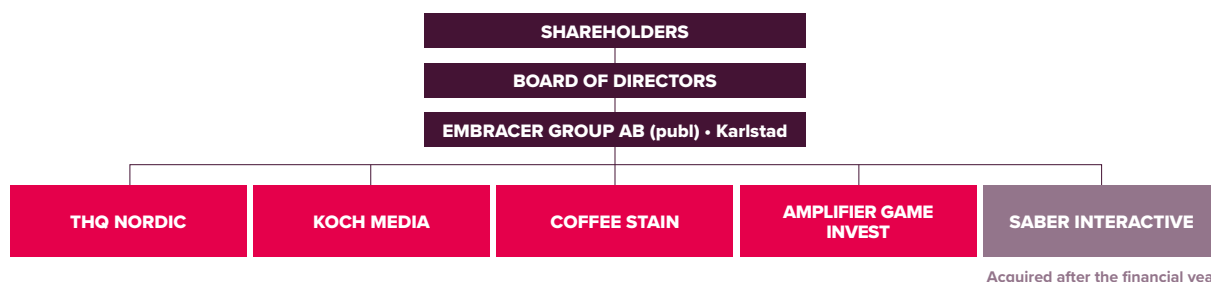
TOP 50 INSTITUTIONAL OWNERS, AS OF JUNE 30, 2020

Name	Class A shares	Class B shares	Share of capital, %	Share of votes, %
Swedbank Robur Funds	-	26,099,738	7.01	3.88
Handelsbanken Funds	-	19,653,245	5.28	2.92
Didner & Gerge Funds	-	1,1610,769	3.12	1.73
AP1 Första AP-fonden	-	8,369,760	2.25	1.24
AP2 Andra AP-fonden	-	4,778,738	1.28	0.71
ODIN Funds	-	4,586,000	1.23	0.68
Olsson Family and Foundation	-	3,820,004	1.23	0.69
Avanza Pension	-	3,787,074	1.02	0.56
TIN Funds	-	3,653,487	0.98	0.54
Livförsäkringsbolaget Skandia	-	3,305,050	0.89	0.49
Janus Henderson Investors	-	2,772,891	0.74	0.41
Futur Pension	-	2,765,962	0.74	0.41
Martin Larsson (Chalex AB)	-	2,561,097	0.69	0.38
Danske Invest (Lux)	-	2,273,000	0.61	0.34
Highclere International Investors LLP	-	2,202,089	0.59	0.33
Länsförsäkringar Funds	-	2,071,064	0.56	0.31
BlackRock	-	1,996,962	0.54	0.30
Skandia Funds	-	1,921,850	0.52	0.29
Allianz Global Investors	-	1,346,000	0.36	0.20
Nordnet Pensionsförsäkring	-	1,343,394	0.36	0.20
Naventi Funds	-	1,251,394	0.34	0.19
JP Morgan Asset Management	-	1,119,009	0.30	0.17
Sensor Funds	-	1,101,092	0.30	0.16
AFA Försäkring	-	1,096,744	0.29	0.16
Aktia Asset Management	-	1,048,132	0.28	0.16
Svenska Handelsbanken AB for PB	-	1,015,403	0.27	0.15
Fondita Funds	-	920,000	0.25	0.14
RAM Rational Asset Management	-	827,906	0.23	0.13
Amundi	-	843,014	0.23	0.13
DNB Funds	-	785,132	0.21	0.12
Michael Knutsson	-	700,000	0.19	0.10
Varma Mutual Pension Insurance Company	-	675,000	0.18	0.10
Kuwait Investment Authority	-	673,868	0.18	0.10
Evii Funds	-	662,500	0.18	0.10
Lancelot Asset Management AB	-	600,000	0.17	0.09
DJE Kapital AG	-	628,700	0.17	0.09
CamGestion	-	620,770	0.17	0.09
Knutsson Holdings AB	-	550,000	0.15	0.08
Delaware Investments	-	533,231	0.14	0.08
Nordea Funds (Lux)	-	527,974	0.14	0.08
Carnegie Funds	-	515,000	0.14	0.08
GW&K Investment Management	-	507,909	0.14	0.08
BNP Paribas Asset Management	-	503,324	0.14	0.07
Metzler	-	475,000	0.13	0.07
Consensus Asset Management AB	-	469,335	0.13	0.07
American Century Investment Management	-	438,738	0.12	0.07
Handelsbanken Liv Försäkring AB	-	417,795	0.11	0.06
TKP Investments	-	381,944	0.10	0.06
Northern Trust	-	336,674	0.09	0.05
Deka Investments	-	318,992	0.09	0.05
TOTAL TOP 50 INSTITUTIONAL OWNERS	0	131,462,754	35.53	19.66
ALL OTHER SHAREHOLDERS	33,399,137	207,490,664	64.47	80.34
TOTAL	33,399,137	338,953,418	100.00	100.00

Source: Holdings by Modular Finance.

CORPORATE GOVERNANCE

Embracer Group is a Swedish public limited liability company. Embracer Group's corporate governance is based on Swedish law, internal rules and instructions, Nasdaq First North Growth Market Rulebook for Issuers and other applicable regulations. Since Embracer Group is listed on Nasdaq First North Growth Market, Embracer Group does not currently apply the Swedish Code of Corporate Governance.



Acquired after the financial year

CORPORATE GOVERNANCE

Corporate governance is the system of rules, practices, and processes by which Embracer Group is directed and controlled. It provides the framework for attaining the company's objectives and to create value in the Group. Well-functioning corporate governance principles to assure shareholders and other stakeholder that the activities of the Embracer Group are characterized by reliability, effective management and control, openness, clarity and good business ethics.

Shareholders' meeting

Pursuant to the Swedish Companies Act, the shareholder meeting is the company's highest decision-making body. At the shareholders' meeting, the shareholders exercise their voting rights on key issues, such as the adoption of income statements and balance sheets, appropriation of the Company's profit, discharge from liability of Board members and the CEO, election of the Board and auditors. In addition to the annual general meeting (AGM), extraordinary general meetings may be convened. In accordance with Embracer Group's articles of association, convening notices for the annual general meeting and extraordinary general meetings are made by announcement in the Post- och Inrikes Tidningar (the Swedish Official Gazette) and by making the concerning notice available on the Embracer Group website. An announcement that notice has been given is published in Svenska Dagbladet.

Right to attend shareholders' meetings

All shareholders who are directly registered in the share register maintained by Euroclear Sweden AB five weekdays before the shareholder meeting and have

notified the Company of their intention to participate (with potential assistants) in the shareholders' meeting not later than the date stated in the notice convening the shareholders' meeting have the right to attend the shareholders' meeting and vote for the number of shares they hold. Shareholders may attend the shareholder meeting in person or by proxy and may also be accompanied by a maximum of two assistants. Shareholders can normally register for the shareholders meeting in several different ways stated in the convening notice for the meeting.

Board of Directors

The Board of Directors is the highest decision-making body after the shareholder meeting.

In accordance with the Swedish Companies Act, the Board is responsible for the management and organization of the Company, which means that the Board is responsible for establishing targets and strategies, ensuring that procedures and systems are in place for the evaluation of set targets, continuously evaluating Embracer Group's financial position and performance, and evaluating the executive management. The Board is also responsible for ensuring that the annual accounts, consolidated accounts and interim reports are prepared on time.

The Board members are elected every year at the AGM for the period until the end of the next AGM, and an EGM can elect new board members, as happened on two occasions after the end of the financial year. According to the Company's articles of association, the Board, must consist of at least three members at most ten members with no deputy members.

The chairman of the Board is elected by the AGM and has special responsibility for the management of the Board's work and ensuring that the Board's work is well organized and effectively implemented.

The Board follows written rules of procedure, which are revised annually and adopted by the inaugural Board meeting every year, or another board meeting if necessary.

The Board meets according to an annual schedule that is established in advance. Besides these meetings, additional meetings can be arranged to handle questions that cannot be submitted to an ordinary meeting. Besides the Board meetings, the chairman of the Board and the CEO continuously discuss the management of the Company.

At the time of publication, the Company's Board consists of seven members who are presented in more detail in the section "Board of directors".

CEO AND GROUP MANAGEMENT

The CEO is appointed by the Board and has the foremost responsibility for the continuous management of the Company and day-to-day operations. The CEO has extended the management with senior executives supporting the management of Embracer Group's overall business as well as Chief Executive officers representing and responsible for the company's Operative Groups. The division of work between the Board and the CEO is set forth in the rules of procedure for the Board and the instructions for the CEO. The CEO is also responsible for the preparation of the reports and compiling information from executive management for the Board meetings and for presenting such materials at the Board meetings.

According to the instructions for financial reporting, the CEO is responsible for financial reporting in the Company and, accordingly, must ensure that the Board receives adequate information in order for the Board to continuously be able to evaluate Embracer Group's financial position.

The CEO must continuously keep the Board informed of the development of Embracer Group's operations, the amount of sales, the Company's financial position and performance, the liquidity and credit situation, important business events and other circumstances that cannot be presumed to be of insignificant importance to the Company's shareholders for the Board to be aware of (such as material disputes, cancellation of agreements that are important to Embracer Group

and significant circumstances concerning Embracer Group's facilities).

The CEO and other senior executives are presented in more detail in the section "Board of directors" and "Senior executives".

Internal Control

The Board is responsible for the internal control. Internal control includes control over Embracer Group's organization, procedures and actions. The aim is to ensure that reliable and accurate financial reporting occurs, that the Company's and the Group's financial reporting is prepared in accordance with law and applicable accounting standards and that other requirements are met. The System for internal control also aims to monitor compliance with Embracer group's policies, principles and instructions. In addition to this, monitoring takes place of the protection of the Company's assets and that the Company's resources are utilized cost-effectively and appropriately. Moreover, internal control takes place through follow-up in implemented information and business systems and through the analysis of risks.

Risk assessment

Risk management is part of the Board's and management's governance and follow-up of the business. This means identification of the most significant business risks associated with the performance of the company's strategy and overall goals, as well as risks in association with the annual accounts.

The primary scope and focus for the Company's risk assessment process is to manage operational and compliance risks in the respective business operations. Financial risks are managed by the CFO function. Strategic risks are managed directly by senior management on relevant levels as an integrated part of running the business operations.

The Board follows up frequently on risk exposure to ensure the ability to reach business strategies and goals. The CEO is responsible for continuous management of all risks within the business and to ensure action plans are implemented when needed to minimize the probability and impact of identified risks.

Internal Audit

In 2019, Embracer Group established a Group Internal Audit function which performs risk-based reviews of the corporate governance and internal control procedures within the Group. Internal Audit is an inde-

OVERVIEW BOARD OF DIRECTORS AND INDEPENDENCE

Name	Position	Member since	Attendance	Independent in relation to:	
				The Company and the Company management	Major shareholders
Kicki Wallje Lund	Board member (Chairman)	2016	27/27	Yes	Yes
Lars Wingefors	Member of the Board	2002	27/27	No	No
Erik Stenberg	Member of the Board	2002	27/27	No	No
Jacob Jonmyren	Member of the Board	2018	27/27	Yes	Yes
Ulf Hjalmarsson	Member of the Board	2018	26/27	Yes	Yes
David Gardner	Member of the Board	2020	-/-	Yes	Yes
Matthew Karch	Member of the Board	2020	-/-	No	No

pendent function that formally reports to the Board; findings are also reported to Group Executive Management and business area management. The outputs of the reviews include action plans for improvement.

Board meetings 2019/2020

In 2019/2020, the Board held 27 recorded meetings (of which 17 per capsulam), of which one was the statutory meeting. The Board members' attendance is shown above.

At regular Board meetings the CEO presented analyses and reports of the ongoing operations and development potential in the business areas. These analyses were discussed and assessed by the Board with a focus on each business area in the Group as well as in the context of overall strategic discussions.

The Board has also devoted time to ensure that the company has appropriate systems for following up and controlling the company's business and the risk for the company as well as further increased the focus on the corporate governance model and key governing policies. An important part of the Board's work is the financial reports presented, the interim reports and the year-end report. The Embracer Group's auditor also attended two Board meetings during which Board members had the opportunity to pose questions to the auditor.

The implementation of the Sustainability framework and its approach has been discussed and assessed by the Board with a focus on the projects initiated.

The Board has paid particular attention to potential strategic acquisitions and a series of major investments during the year as well as updated its long-term financial strategy for the Embracer Group.

The Board has regularly discussed and reviewed strategic priorities relevant for the business areas as well as in the context of the overall growth strategy for the Group. The Board has also devoted time to both internal and external presentations of the global gaming market trends.

BOARD OF DIRECTORS



KICKI WALLJE-LUND Born: 1953

Chairman of the board, elected 2016

Education/background: Kicki Wallje-Lund has experience in business development from a variety of international companies, especially in the IT sector. She has held leading global positions in companies like NCR, Digital Equipment, AT & T, Philips, ICL and Unisys.

Current assignments: Board member of C-Rad AB (publ).

Holdings in the Company: As of 31 March 2020, Kicki Wallje-Lund held 45,600 Class B shares in Embracer Group AB (publ).



ERIK STENBERG Born: 1963

Board Member, elected 2002

Deputy CEO

Education/background: Erik Stenberg has a Degree of Master of Science in Business and Economics from Högskolan Karlstad (today Karlstad University) and a long and solid experience in business management.

Current relevant assignments: Erik Stenberg is a Board member of Xagonus Zagonus AB and Stonemountain Invest AB. He is also chairman of the Board of Tingvalla Invest AB.

Holdings in the Company: As of 31 March 2020, Erik Stenberg held 4,223,172 Class A shares and 19,177,800 Class B shares in Embracer Group AB (publ).



LARS WINGEFORS Born: 1977

Founder of Embracer Group

Board member, elected 2002

Education/background: Lars Wingefors is founder and CEO of Embracer Group. Lars Wingefors started his first company at the age of thirteen. He has a broad and long experience in entrepreneurship and business management.

Current relevant assignments: Lars Wingefors is a board member and CEO of Lars Wingefors AB. He is also a Board member of Wingefors Depå Två AB, Wingefors Invest AB och Lars Wingefors 2 AB.

Holdings in the Company: As of 31 March 2020, Lars Wingefors held through companies, 19,504,401 Class A shares and 88,571,196 Class B shares in Embracer Group AB (publ).



JACOB JONMYREN Born: 1980

Board member, elected 2018

Education/background: Jacob Jonmyren holds a M.Sc in Accounting and Financial Management from Stockholm School of Economics and has studied Finance at University of Wisconsin – Madison and Media & Communication Studies (Master level) at Stockholm University, where he was president of the Student Association at the Department of Journalism, Media & Communication. Jacob Jonmyren has long experience from the financial markets. He has been invested in the stock market since the age of nine and has for the last thirteen years been employed at RAM Rational Asset Management, a Swedish, independent asset management company with focus on absolute return.

Current assignments: Jacob Jonmyren is Partner, Portfolio Manager and Head of Research at RAM ONE AB and member of the Board at Jacob Jonmyren Kapital AB and World Market Coverage i Stockholm AB.

Holdings in the company: As of 31 March 2020, Jacob Jonmyren held 10,500 Class B shares in Embracer Group AB (publ).



ULF HJALMARSSON Born: 1956

Board member, elected 2018

Education/background: Ulf holds a M.Sc in Accounting and Financial Management from Lund's University and has served as an officer in the Swedish armed forces. Ulf has long experience from the financial markets and, has amongst other things, been the head of corporate finance Sweden at Aros Securities AB, financial analyst and portfolio manager and head of corporate finance at AB Investor/Förvaltnings AB Providentia.

Current assignments: Chairman of the Board in Hjalmarsson & Partners Corporate Finance AB, director of the Board in Lannebo Fonder AB, Connecting Capital Holding AB and Stiftelsen Kungafonden.

Holdings in the Company: –



DAVID GARDNER Born: 1965

Board member, elected 2020

Education/background: David Gardner has a solid industry background and experience. He met Electronic Arts founder Trip Hawkins in 1981, and David became part of the founding team behind EA. He went on to establish EA's European Business Unit in 1986 and lead it as it grew to USD 1 billion in gross revenue and 1,200 employees. David became part of EA's global management team based in California from 2004 to 2007 when he then returned to Europe to live there with his family. David became CEO of Atari S.A. where the turnaround goal was marked by the successful sale of Atari's distribution companies, the privatization of the US unit and the acquisition of Cryptic Studios.

Current assignments: David is co-founder and general partner of London Venture Partners LLP, a VC-company founded in 2010. Based in London and Berlin, London Venture Partners focus on companies in the gaming industry at an early stage.

Holdings in the Company: –



MATTHEW KARCH Born: 1971

Board member, elected 2020

CEO and Co-founder of Saber Interactive

Education/Background: Matthew has a Bachelor of Arts from Washington University and a Juris Doctor from University of Pennsylvania. He has extensive experience in game design and development, business and legal affairs and is fluent in Russian.

Current assignments: Matthew Karch is the founder and CEO of Saber Interactive, a game development company within the Embracer Group with studios in multiple locations across the globe. Matthew started the company in 2001 after a brief career as an attorney. He has experience in game development, ranging from design and licensing to business development and has for the past 19 years, served as CEO of Saber Interactive.

Holdings in Embracer Group: As of 1 April 2020, after the completed acquisition of Saber Interactive, Matthew Karch held 3,679,504 Class A shares and 20,347,077 Class B shares.

AUDITOR

The auditor of Embracer Group is Ernst & Young AB, with Ulrich Adolfsson (born in 1965) as auditor-in-charge since the 2006 annual general meeting. Ulrich Adolfsson is an authorized public accountant and member of FAR.

SENIOR EXECUTIVES



LARS WINGEFORS Born: 1977

Founder and CEO of Embracer Group

Board member, elected 2002

Education/background: Lars Wingefors is founder and CEO of Embracer Group. Lars Wingefors started his first company at the age of thirteen. He has a broad and long experience in entrepreneurship and business management.

Current relevant assignments: Lars Wingefors is a board member and CEO of Lars Wingefors AB. He is also a Board member of Wingefors Depå Två AB, Wingefors Invest AB och Lars Wingefors 2 AB.

Holdings in the Company: As of 31 March 2020, Lars Wingefors held through companies, 19,504,401 Class A shares and 88,571,196 Class B shares in Embracer Group AB (publ).



ERIK STENBERG Born: 1963

Deputy CEO

Board Member, elected 2002

Education/background: Erik Stenberg has a Degree of Master of Science in Business and Economics from Högskolan Karlstad (today Karlstad University) and a long and solid experience in business management.

Current relevant assignments: Erik Stenberg is a Board member of Xagonus Zagonus AB and Stonemountain Invest AB. He is also chairman of the Board of Tingvalla Invest AB.

Holdings in the Company: As of 31 March 2020, Erik Stenberg held 4,223,172 Class A shares and 19,177,800 Class B shares in Embracer Group AB (publ).



JOHAN EKSTRÖM Born: 1977

CFO, appointed 14 August 2019

Education/background: Johan Ekström holds a M.Sc in business administration from Stockholm School of Economics. He has an extensive background in accounting, reporting and financial control from previous positions at Crem International, Permobil and PwC.

Current assignments: Johan Ekström has no other current assignments.

Holdings in the Company: As of 31 March 2020, Johan Ekström held 4,638 Class B shares in Embracer Group AB (publ).

CHIEF EXECUTIVE OFFICERS



KLEMENS KREUZER Born: 1976

CEO, THQ Nordic GmbH, employed 2011

Education/background: Klemens Kreuzer has a Masters degree in Business Administration from the Vienna University of Economics and Business. He also has experience from business management.

Current assignments: Klemens Kreuzer has no other current assignments.

Holdings in the Company: As of 31 March 2020, Klemens Kreuzer held, through companies, 605,352 Class A shares and 2,748,963 Class B shares in Embracer Group AB (publ).



KLEMENS KUNDRATITZ Born: 1962

CEO, Koch Media, employed 1994

Education/background: Klemens Kundratitz holds a Doctor of Law degree from Leopold-Franzen-University in Innsbruck and has a strong track record within the gaming and entertainment industry. He is among other things co-founder of Koch Media and has developed the company and as its Managing Director and CEO. Klemens Kundratitz is also the founder of Deep Silver, the games publishing label of Koch Media.

Current assignments: Klemens Kundratitz has no other current assignments.

Holdings in the Company: As of 31 March 2020, Koch Media Holding GmbH held 1,127,928 Class B shares in Embracer Group (publ). Koch Media Holding GmbH (previously Parent Company in the Koch Media Group) is partly owned by Klemens Kundratitz, co-founder and CEO of the Koch Media Group.



ANTON WESTBERGH Born: 1985

CEO, Coffee Stain, employed 2013

Education/background: Anton Westbergh studied computer science at the University of Skövde, and have extensive experience in game and business development.

Current assignments: Anton Westbergh has no other current assignments.

Holdings in the Company: As of 31 March 2020, Anton Westbergh held, through companies 1,206,333 Class B shares in Embracer Group AB (publ).

CHIEF EXECUTIVE OFFICERS



PER-ARNE LUNDBERG Born: 1970

CEO Amplifier Game Invest AB, employed since 2018

Education/Background: Per-Arne has 16 years of experience in the Games Industry. As head of The Game Incubator, he participated in and developed over 80 game companies, amongst others Coffee Stain Studios, Pieces Interactive, ACE and Flamebait Games. He has a broad experience in business development, financing, and goto-market strategies for start-ups and scaleups, in both Sweden and Silicon Valley, where he held a one-year Fellowship from VINNOVA at Nordic Innovation House during 2017.

Current assignments: Member of the Board, Forsway Scandinavia.

Holdings in Embracer Group: As of 31 March 2020, Per-Arne Lundberg held 2,170 Class B shares in Embracer Group AB (publ).



MATTHEW KARCH Born: 1971

CEO and Co-founder of Saber Interactive

Board member, elected 2020

Education/Background: Matthew has a Bachelor of Arts from Washington University and a Juris Doctor from University of Pennsylvania. He has extensive experience in game design and development, business and legal affairs and is fluent in Russian.

Current assignments: Matthew Karch is the founder and CEO of Saber Interactive, a game development company within the Embracer Group with studios in multiple locations across the globe. Matthew started the company in 2001 after a brief career as an attorney. He has experience in game development, ranging from design and licensing to business development and has for the past 19 years, served as CEO of Saber Interactive.

Holdings in Embracer Group: As of 1 April 2020, after the completed acquisition of Saber Interactive, Matthew Karch held 3,679,504 Class A shares and 20,347,077 Class B shares.

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The English version of the Annual Report is a translation of the original Swedish version. In case of any discrepancy between the versions, the Swedish version shall take precedence.

BOARD OF DIRECTORS' REPORT

The Board and CEO of Embracer Group AB (publ), reg no. 556582-6558, hereby submit the report for 2019/20. Embracer Group conducts operations as a limited liability company (publ) and is based in Karlstad, Sweden.

OPERATIONS – GENERAL INFORMATION

The Group conducts management and development of intellectual property rights, publishing, development of computer and video games, third-party publishing and distribution of games, and publishes and distributes films.

The Parent Company acquires and owns rights and conducts other operations through its subsidiaries and underlying companies. Since 2011, Embracer Group has established a strong platform for sustainable growth and profitability. Organic growth is driven by games releases and a robust back catalogue. The Group has proven its ability to develop, refine, publish, and distribute quality content to the growing games market. Embracer Group also sees growth opportunities through acquisitions, partly by adding companies to existing operative groups, and also sizable companies that could form new operative groups.

At the end of the financial year, the Company owned a broad portfolio of games with over 150 owned franchises, including Saints Row, Goat Simulator, Dead Island, Darksiders, Metro (licensed), MX vs ATV, Kingdom Come: Deliverance, Time Splitters, Satisfactory, Wreckfest and more. The games are sold digitally and physically. Digital sales include Steam (PC), GOG (PC), PSN (Sony PlayStation®), Microsoft® Xbox Live (Microsoft® Xbox), Epic Games Store and about 50 other smaller digital channels. Physical revenue is created by versions that Embracer Group sells or distributes through vendors such as GameStop, Walmart, Amazon, GAME, MediaMarkt and others around the world.

The Group's head office is in Karlstad, Sweden, and after a number of acquisitions during the year, its global presence is spread among the four operating groups: Deep Silver/Koch Media, THQ Nordic, Coffee Stain and Amplifier Game Invest. At the end of the financial year, the Group had 26 internal development studios and 58 external development studios, with more than 3,000 employees and contracted developers. In total, the Group has rights to sell several hundred different products that are mainly distributed among the Company's own franchises.

GROWTH MODEL

Embracer Group's growth is driven both by organic growth and acquisitions. Long-term organic growth is

driven by continuous investments in developing and expanding the IP portfolio, including currently dormant IPs, developing and expanding internal studios as well as establishing new studios with top talent developers. The growth strategy also includes signing development projects with external studios and consolidating the partner publishing market. By increasing investments in development over time, these will outpace finalized game development.

Embracer Group has a proven track-record of acquiring and developing IPs, studios and publishers. The Group provides an attractive model for developers and entrepreneurs with a long-term perspective, built on empowerment by decentralization. Being part of the Group offers advantages such as access to growth capital, distribution and marketing, know-how and development synergies. Embracer Group's M&A strategy involves extensive scouting, research and proactive engagement. This has led to a growing number of suitable acquisition candidates, with the potential of both joining existing operative groups as well as companies with potential of forming new operative groups under the parent company.

The stated strategy of decentralization, where empowering talented entrepreneurs and developers, has been proven to be a key factor. The model gives a certain commercial autonomy to business area CEOs, founders and studio heads to run their operations. It fosters creativity, speed and relevance with decisionmaking close to the market and its daily operations.

Embracer Group's growth is based on a strong balance sheet that limits the financial risk. The Group seeks to reinvest as much as possible of operating cash flow into organic growth. By issuing equity, attractive opportunities for acquired and organic growth can be leveraged. The portfolio and development pipeline is well diversified which limits operational risk.

NET SALES & EARNINGS

The Group's net sales for 2019/20 (12-month period compared to 15 months in the financial year 2018/19) amounted to SEK 5,249.4 (5,754.1) million. The main explanation for the change in sales is the longer comparison period last year and that Metro 3 was released in the last quarter of last year.

DEVELOPMENT OF THE COMPANY'S OPERATIONS, EARNINGS AND POSITION – GROUP

SEK m	2019/20	2018/19 ¹⁾	2017	2016	2015
Net sales	5,249.4	5,754.1	507.5	301.9	212.9
Operational EBIT	1,033.0	897.1	202.3	107.9	78.9
Operating margin, %	7	10	37	31	31
Total assets	10,637.2	8,608.2	1,328.8	464.9	175.4
Equity/assets ratio, %	60	66	81	74	48
Average number of employees	1,856	1,026	143	68	38

¹⁾ The financial year 2018/19 refers to 15 months, the comparison years refer to 12 months. Definitions, see note 49.

Work performed by the Company for its own use and capitalised increased to SEK 752.8 (475.2) million, during the financial year, driven by more development projects in the Group.

The decrease in direct costs for 2019/20 is mainly explained by the shorter financial year compared to 2018/19 but also because of an increased proportion of digital sales and that the business area Partner Publishing/Film has decreased in relative volume. Total direct costs represented 49 percent of net sales, compared with 57 percent the previous year.

Other external expenses amounted to SEK 784.0 (868.0) million, although this is a decrease in relative figures, the Group's expansion has resulted in a somewhat higher level of external costs.

Personnel expenses amounted to SEK 1,130.0 (841.2) million. The increase is partly due to the fact that acquired companies have been relatively personnel-intensive and partly due to more employees in the existing companies.

Share issue expenses amounted to SEK 0.6 (88.1) million and have been recognised directly in equity in accordance with current accounting practice.

EBITDA amounted to SEK 1,821.3 (1,592.6) million.

Amortisation of intangible assets for the financial year amounted to SEK –1,161.5 (–919.6) million.

Goodwill amortisation was SEK –285.1 (–75.1) million. Depreciation of property, plant and equipment amounted to SEK –30.1 (–22.9) million.

The Group's operating profit amounted to SEK 345.4 (574.6) million. The deterioration is mainly attributable to increased depreciation of intangible assets.

The Group's profit before tax was SEK 408.8 (545.4) million and profit after tax was SEK 283.3 (396.8) million.

Earnings per share amounted to SEK 0.91 (1.56).

FINANCIAL POSITION

The value of owned and licensed games was SEK 438.6 (394.9) million and amortisation for the year was SEK –553.8 (–445.2) million. IP rights amounted to SEK 1,479.8 (1,055.9) million, with amortisation for the year SEK –359.4 (–198.9) million. Projects in progress relating to capitalised expenditure on development of new game projects amounted to SEK 2,152.9 (1,114.7) million at the end of the financial year, with amortisation for the year SEK –33.4 (–88.1) million. Other intangible assets amounted to SEK 12.0 (11.4) million, with amortisation for the year SEK –4.9 (–5.5) million. Goodwill amounted to SEK 1,411.7 (830.2) million, with amortisation for the year SEK –285.1 (–75.1) million. Intangible assets attributable to Partner Publishing/Film amounted to SEK 375.9 (299.9) million, with amortisation for the year SEK –210.0 (–182.3) million. Assets are recognised at the exchange rate on the reporting date and are mainly acquired in EUR. The financial year's capitalisations for games consist of about 103 (80) projects. When the projects are completed, they are transferred to the Parent Company Embracer Group AB, Koch Media or Coffee Stain where the rights are owned and utilized.

Property, plant and equipment consists mainly of a property, and IT and office equipment in each company. Property, plant and equipment amounted to SEK 184.5 (155.6) million and depreciation for the year totalled SEK –30.1 (–22.9) million.

Deferred tax assets amounted to SEK 165.5 (181.7) million and refer mainly to unutilised loss carryforwards in the Koch Media group.

Inventories, which consist mainly of physical games, merchandise products and films amount to SEK 352.8 (322.9) million.

Trade receivables amount to SEK 959.4 (942.5) million.

Prepayments and accrued income amounted to SEK 109.7 (116.6) million, with accrued income accounting for the majority of the receivable.

At the end of the financial year, cash & bank equivalents, including short-term investments, amounted to SEK 2,510.3 (2,929.1) million.

The Group's total cash & bank equivalents, short-term investments and unutilised credit facilities were SEK 4,279.3 million on 31 March 2020, compared with SEK 4,416.9 million on 31 March 2019.

The Group's equity amounted to SEK 6,395.3 (5,712.8) million on 31 March 2020 and the equity/assets ratio was 60 (66) percent.

Equity per share was SEK 20.49 (18.54).

Provisions for pensions amounted to SEK 24.8 (19.3) million.

Deferred tax liabilities attributable to untaxed reserves and surplus values arising from acquisitions amounted to SEK 414.8 (217.8) million.

Other provisions amounted to SEK 801.4 (429.4) million and cover expected additional purchase consideration and returns, warranties and discounts.

The Group had non-current liabilities of SEK 221.8 (211.3) million and current liabilities of SEK 1,097.6 (664.5) million to credit institutions.

Current account credit facilities are SEK 283.2 (250.0) million, of which SEK 144.9 (23.1) million had been utilised at the reporting date.

In addition to the unutilised current account credit facilities, the Group had unutilised credit of SEK 1,630.7 (1 260,9) million at the reporting date.

Advances from customers and trade payables amounted to SEK 881.4 (581.6) million.

Current tax liabilities amounted to SEK 85.4 (170.8) million.

Other liabilities, accruals and deferred income amounted to SEK 569.8 (577.6) million.

CASH FLOW

Cash flow from operating activities amounted to SEK 1,728.4 (1,356.4) million.

Net investments in non-current assets totalled SEK -1,695.8 (-1,476.0) million.

Acquisitions of subsidiaries had a net cash effect of SEK -905.6 (-1,070.6) million.

Acquisitions of other financial assets amounts to SEK -32.7 (-) million.

Cash flow from financing activities was SEK 473.4 (3,488.3) million, with new share issues contributing

SEK - (3,449.8) million to the figure and net change in credit SEK 475.9 (38.5) million.

Cash flow for the year was SEK -432.3 (2,298.1) million.

INVESTMENTS, DEPRECIATION AND AMORTISATION

The Group's investments in intangible assets during the financial year amounted to SEK -1,653.4 (-1,335.7) million, most of which concerned investments in game development. Investments in property, plant and equipment amounted to SEK -42.4 (-140.3) million, the majority of which was related to investments in inventories and in IT. Amortisation of intangible assets amounted to SEK -1,446.6 (-995.2), and was primarily related to IP rights, internal developed games and goodwill. Depreciation of property, plant and equipment amounted to SEK -30.1 (-22.9) million.

TAX

Tax for the year amounted to SEK -125.5 (-148.6) million, with the tax expense being mainly attributable to the Swedish operations and Koch Media's tax costs. The Group also has loss carryforwards, notably in Austria, which can be utilised in the future.

PARENT COMPANY

The Parent Company's net sales for the year amounted to SEK 495.9 (416.4) million and profit before tax was SEK 137.8 (29.2) million. Profit after tax was SEK 108.1 (6.8) million.

The Parent Company provided Group contributions of SEK -15.0 (-62.6) million, which had a negative impact on earnings for the financial year.

Cash and bank equivalents on 31 March 2020 were SEK 1,954.5 (2,662.2) million.

Investments in intangible assets for the year were SEK -383.7 (-303.6) million and amortisation of intangible assets amounted to SEK -333.2 (-240.3) million.

Investments in property, plant and equipment for the year were SEK -1,7 (-) million and depreciation of property, plant and equipment amounted to SEK -0,1 (-) million.

The Parent Company's equity at the end of the financial year was SEK 5,575.1 (5,143.3) million.

SIGNIFICANT EVENTS IN THE FINANCIAL YEAR

In May, Embracer Group acquired the assets belonging to Piranha Bytes which is the developer behind the critically acclaimed game series Gothic®, Risen® and ELEX®.

PARENT COMPANY

SEK m	2019/20	2018/19	2017	2016	2015
Net sales	495.9	416.4	244.9	121.0	96.4
Operating margin, %	19	39	68	74	57
Total assets	6,090.1	5,482.8	1,209.2	377.9	132.0
Equity/assets ratio, %	93	95	86	86	55

^{*)} The financial year 2018/19 refers to 15 months, the comparison years refer to 12 months. Definitions, see note 49.

In August, Embracer Group, through its wholly owned subsidiary Koch Media GmbH, completed the acquisition of Milan-based Milestone s.r.l., a leading racing games developer and publisher behind successful game series such as MotoGP, MXGP, RIDE and Monster Energy Supercross. The upfront purchase price was equivalent to 44.9 MEUR on a cash and debt free basis, plus additional earn-out considerations subject to fulfilment of agreed future profitability target.

In August, through its wholly owned subsidiary THQ Nordic GmbH, the acquisition of the Gunfire Games, LLC in Austin, Texas was completed. Gunfire is the developer behind the critically acclaimed game series Darksiders®, Chronos® and From Other Suns® and is a long-term developing partner of Embracer Group. Through the acquisition Embracer added a strong team of RPG experts and award-winning VR developers with an existing intellectual property (IP) portfolio and an exciting new game pipeline.

In August, Goodbye Kansas Game Invest AB (later renamed to Amplifier Game Invest AB, AGI) was acquired by Embracer Groups wholly owned subsidiary THQ Nordic Lager 1 AB. The favourable purchase price of SEK 42.4 million on a cash and debt free basis is notably below the capital invested by AGI in its platform and the portfolio companies. Through the acquisition THQ Nordic strengthens its platform for minority investments in promising development studios.

In August, Embracer presented a proposal from the Board of Directors' to change the name of the parent company THQ Nordic AB (publ) to Embracer Group AB (publ). The strategic rationale behind the proposal is to clarify the group structure and strategy with the Parent Company as a holding company.

The Annual General Meeting on September 17, approved the board's proposed split of the Company's shares, meaning that each share, regardless of share class, was divided into three (3) shares. The total number of shares in the Company increased through the share split from 103,968,345 shares to 311,905,035

shares. The resolution led to a quota value of approximately SEK 0.003. The name change, the share split and the new name of the company's listed shares Embracer Group (EMBRAC) was completed on October 2, 2019.

In the end of December, Embracer Group acquired Tarsier Studios. The purchase price was SEK 88 million in cash and SEK 11 million in newly issued Embracer B-shares, plus a conditional earn-out, payable over 10-years to certain sellers who will remain with Tarsier. The acquisition includes the development studio, all employees and Intellectual Property rights.

In the middle of February 2020, Embracer Group entered into an agreement to acquire the assets of US-based Saber Interactive. Saber Interactive is a leading game developer and publisher with more than 600 employees across six offices. During 2019 Saber Interactive realised approximately USD 105 million of revenues and USD 62 million of EBIT. The purchase price included an initial consideration of USD 150 million, plus an earn-out consideration, subject to fulfilment of agreed milestones, of a maximum USD 375 million. Post closing, Saber Interactive was announced Embracer Group's fifth operating group and Saber Interactive's co-founders and owners, Matthew Karch and Andrey Iones, jointly became Embracer Group's second largest shareholder after the financial year end 2020-03-31.

IMPORTANT CONSIDERATIONS

Embracer Group's revenue is derived from the sale of games with relatively short sales cycles, with a large proportion of the revenue for each game being generated on and just after the launch. The Company's revenue may therefore vary considerably from year to year, depending on the number of game launches and how they develop.

EXPECTED FUTURE DEVELOPMENT

Embracer Group will be launching a number of new products on the market in 2020/21. For more detailed

product news, for both owned titles and publishing titles, please check our subsidiaries' communication channels, which are constantly updated. At 31 March 2020, the Group had 103 projects under development, 43 of which were announced.

Embracer Group, including its operating groups, closely monitors the development of covid-19 and acts in accordance with directives. The Group works hard to adapt the business to the current situation and authorities' guidelines and legislation.

Overall, the impact on the Group's operations has been limited. Embracer Group's business area Games have seen improved engagement and stronger demand for its products during the first quarter of financial year 2020/21. The business area Partner Publishing/Film has been adversely affected, and will continue to be so, as many retailers have currently closed their operations. However, revenues from physical retailers was partly shifted to e-tailers.

The current situation is unpredictable and despite the actions taken, the risk of future disruptions cannot be ruled out.

SIGNIFICANT RISKS AND UNCERTAINTIES

Risks related to Embracer Group's operations are described below.

Embracer Group is dependent on the ability to retain and recruit key employees

Embracer Group is highly dependent on the experience and skills of its employees. A prerequisite for Embracer Group's ability to continue to perform and act competitively in the market is finding, engaging and retaining competent personnel.

Loss of such persons and difficulties in attracting new employees may affect the Group's operations in the form of project delays, lost contacts, thereby affecting the Group's financial position and earnings.

Covid-19's impact on Embracer Group

If the covid-19 pandemic is prolonged, it could affect Embracer Group's possibilities to create new games and thereby also to be able to sell new games. Also, consumers may find it difficult to finance the purchase of new games. All this together could negatively affect the Group's financial position and results.

Intellectual property rights

Intellectual property rights represent a significant proportion of Embracer Group's assets. It is therefore

vital that the Group's intellectual property rights are adequately protected. There is also a risk of outsiders infringing the Company's intellectual property rights.

Delays to game projects

Embracer Group develops games both internally and in collaboration with external game developers. Delays to planned and ongoing game projects may have a negative effect on cash flows, revenues, and operating margins. Delays can arise for both internally and externally developed projects.

Completion of a game project may also require more resources than originally estimated, in which case Embracer Group normally has to bear the costs, particularly if this is an internal project.

New game title launches may generate lower revenue than expected

When new game titles are launched, there is a risk that they will not be received positively by the market for reasons such as an expectation gap regarding quality, changed consumer preferences or technological shifts. This can lead to loss of revenue, lower margins and reduced cash flows. This applies to both self-financed projects and games where the Company acts as publisher and is responsible for a significant proportion of the financing. There is also a risk that capitalised development expenses may need to be written down.

Development of new games and improvement of existing games

Embracer Group's continuing growth depends, among other things, on the ability to regularly develop new games and improve existing games in a way that improves the gaming experience and to initiate new game development projects.

Embracer group is dependent on a few significant distributors for its game titles

The Company's sales of digital and physical game titles are largely conducted through a few significant distributors, whose ability to keep on providing the digital and physical distribution channels is a prerequisite for Embracer Group to continue generating revenue from them.

M&A risk

Embracer Group has made, and may make, acquisitions that did not achieve the expected financial benefits at the time of acquisition. An unsuccessful acquisition may strain the Group's resources.

CLASSES OF SHARES

SEK m	Class A shares	Class B shares	Total
Number of shares	27,000,000	285,067,198	312,067,198
Number of votes	270,000,000	285,067,198	555,067,198

The shares are issued on two series, Series A and Series B. The number of shares of each type may correspond to a maximum of the entire number of

shares in the company. Class A shares carry ten (10) votes and Class B shares carry one (1) vote.

OWNERS WITH MORE THAN 10 PERCENT OF THE VOTES

31 March 2020	Class A shares	Class B shares	Capital, %	Votes, %
Lars Wingefors through company ¹⁾	19,504,401	88,571,196	34.6	51.1
Erik Stenberg through company ²⁾	4,223,172	19,177,800	7.5	11.1

¹⁾ Lars Wingefors AB and Lars Wingefors 2 AB, controlled to 100% by CEO Lars Wingefors.

²⁾ Xagonus AB, controlled to 100% by deputy Group CEO Erik Stenberg

Exchange rate changes

The Group's revenues are mainly in EUR and USD, while the reporting currency is SEK. Although the Group has costs in both EUR and USD which offsets the exposure, the Group is affected by long-term exchange rate changes. During the year, the Company has chosen to hedge certain flows in EUR.

SHAREHOLDER AGREEMENTS AND AUTHORIZATION

To the best of Embracer Group's knowledge, there are no shareholder agreements or other agreements between the Company's shareholders aimed at jointly influencing the Company. Neither does the Board know of any agreements or similar that could lead to a change in control of the Company. At the General Meeting on March 11, 2020 resolved to authorize the board of directors during the period up until the next annual general meeting, on one or more occasions, to resolve to issue A shares and B shares, without preferential rights for the shareholders to be paid in cash, in kind and/or by way of set-off.

Share issue in accordance with the authorization above could only take place in connection with the completion of the acquisition of Saber Interactive as of April 1, 2020 and the number of shares issued may amount to the maximum number, at a subscription price, as stated in the press release in connection with the acquisition of Saber Interactive i.e., in total 40,360,798 shares, whereof 6,399,137 are A shares and 33,961,661 are B shares.

NON-FINANCIAL DISCLOSURES

Remuneration of the CEO and other senior executives consists of a market-based basic salary, with customary employee benefits and a pension.

Pay during the period of notice and termination benefits shall not exceed six months' salary for each senior executive. The Board shall have the right to depart from this policy if there are special reasons to do so in individual cases

OPERATIONS SUBJECT TO PERMIT AND NOTIFICATION REQUIREMENTS UNDER THE SWEDISH ENVIRONMENTAL CODE

The Group and Parent Company

The Group and Parent Company do not conduct any operations subject to permit or notification requirements under the Swedish environmental code.

PROPOSED ALLOCATION OF THE COMPANY'S PROFIT

The Board proposes that the unrestricted equity of SEK 5,333,197 thousand be allocated as follows:

Carried forward (SEK thousand)	5,333,197
Total	5,333,197

More detailed disclosures about the Group's and the Parent Company's financial results and position can be found in the income statements, balance sheets and accompanying notes.

CONSOLIDATED INCOME STATEMENT

SEK m	Note	Apr 2019– Mar 2020	Jan 2018– Mar 2019 (15 months)
Net sales	3	5,249.4	5,754.1
Work performed by the Company for its own use and capitalized		752.8	475.2
Other operating income	4	305.9	333.3
Total operating income		6,308.1	6,562.6
Operating expenses			
Goods for resale		–2,576.0	–3,260.7
Other external expenses	5, 7	–784.0	–868.0
Personnel expenses	6	–1,130.0	–841.2
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	14-22	–1,475.9	–1,018.0
Total operating expenses		–5,965.9	–5,987.9
Profit from participation in associated companies		3.2	-
Operating profit		345.4	574.6
<i>Profit from financial items</i>			
Other interest income, etc.	10	94.3	3.4
Other interest expenses, etc.	11	–30.9	–32.6
Total financial items		63.4	–29.2
Profit after financial items		408.8	545.4
Profit before tax		408.8	545.4
Tax on profit for the period	13	–125.5	–148.6
Net profit for the period		283.3	396.8
<i>Attributable to:</i>			
Equity holders of the parent		284.9	397.4
Non-controlling interests		–1.6	–0.6

CONSOLIDATED BALANCE SHEET

SEK m	Note	Mar 31, 2020	Mar 31, 2019
ASSETS			
Non-current assets			
Intangible assets			
Completed development projects	14	438.6	394.9
IP-rights	15	1,479.8	1,055.9
Publishing and distribution relationships	16	130.9	161.2
Film rights	17	245.0	138.7
Goodwill	18	1,411.7	830.2
Projects in progress and advances for intangible assets	19	2,152.9	1,114.7
Other intangible assets	20	12.0	11.4
		5,870.9	3,707.0
Property, plant and equipment			
Land and buildings	21	120.7	114.0
Equipment, tools, fixtures and fittings	22	63.8	41.6
		184.5	155.6
Financial assets			
Investments in associates and jointly controlled entities	25	55.4	14.3
Non-current receivables in jointly controlled entities	26	9.0	-
Ownership interests in other entities	27	9.9	-
Deferred tax assets	28	165.5	181.7
Other non-current receivables	29	11.3	0.2
		251.1	196.2
Total non-current assets		6,306.5	4,058.8
Current assets			
Inventories etc.			
Raw materials and supplies		1.1	1.1
Finished goods and goods for resale		351.7	310.3
Advances to suppliers		0.0	11.5
		352.8	322.9
Current receivables			
Advances to suppliers		11.6	9.0
Trade receivables		959.4	942.5
Current tax assets		36.3	50.9
Other receivables		350.6	178.4
Prepayments and accrued income	30	109.7	116.6
		1,467.6	1,297.4
Short-term investments			
		192.7	499.4
Cash and bank balances			
Cash and bank balances	44	2,317.6	2,429.7
		2,317.6	2,429.7
Total current assets		4,330.7	4,549.4
TOTAL ASSETS		10,637.2	8,608.2

CONSOLIDATED BALANCE SHEET CONTINUED

SEK m	Note	Mar 31, 2020	Mar 31, 2019
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital	31	0.9	0.9
Other paid-in capital		5,300.5	4,976.2
Retained earnings, incl. net profit		1,068.8	719.3
Equity attributable to equity holders of the parent		6,370.2	5,696.4
Non-controlling interests		25.1	16.4
Total equity		6,395.3	5,712.8
<i>Provisions</i>			
Provisions for pensions	36	24.8	19.3
Deferred tax liability	28	414.8	217.8
Other provisions	37	801.4	429.4
Total provisions		1,241.0	666.5
<i>Non-current liabilities</i>			
Loans from credit institutions	38, 41	221.8	211.3
Total non-current liabilities		221.8	211.3
<i>Current liabilities</i>			
Liabilities to credit institutions	41	1,097.6	664.5
Current account credit facilities	39, 41	144.9	23.1
Advances from customers		36.7	4.9
Trade payables		844.7	576.7
Current tax liabilities		85.4	170.8
Other liabilities		135.5	158.8
Accruals and deferred income	40	434.3	418.8
Total current liabilities		2,779.1	2,017.6
TOTAL EQUITY AND LIABILITIES		10,637.2	8,608.2

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK m	Share capital	Other paid-up capital	Reserves	Other equity including net profit	Minority interest	Consolidated equity
Opening balance, 2018-01-01	0.7	811.1	6.5	254.9	-	1,073.2
Net profit	-	-	-	397.4	-0.6	396.8
Changes recognised directly in equity						
Translation differences	-	-	58.4	-	-	58.4
Change in actuarial reserve	-	-	2.1	-	-	2.1
Acquisition of NCI	-	-	-	-	17.0	17.0
Total	-	-	60.5	-	17.0	77.5
Owner transactions						
New share issue	0.2	4,233.7	-	-	-	4,233.9
Issue expenses	-	-88.0	-	-	-	-88.0
Tax effect, issue expenses	-	19.4	-	-	-	19.4
Total	0.2	4,165.1	-	-	-	4,165.3
Closing balance, 2019-03-31	0.9	4,976.2	67.0	652.3	16.4	5,712.8
Opening balance, 2019-04-01	0.9	4,976.2	67.0	652.3	16.4	5,712.8
Net profit	-	-	-	284.9	-1.6	283.3
Changes recognised directly in equity						
Translation differences	-	-	70.2	-	-	70.2
Change in actuarial reserve	-	-	-2.9	-	-	-2.9
Change in hedge reserve	-	-	-2.7	-	-	-2.7
Other	-	-	10.3	-	-	10.3
Total	-	-	74.9	-	-	74.9
Owner transactions						
New share issue	0.0	324.8	-	-	-	324.8
Issue expenses	-	-0.6	-	-	-	-0.6
Tax effect, issue expenses	-	0.1	-	-	-	0.1
Offset to minority in connection with issue and minority share in issue	-	-	-	-10.3	10.3	0.0
Total	0.0	324.3	-	-10.3	10.3	324.3
Closing balance, 2020-03-31	0.9	5,300.5	141.9	926.9	25.1	6,395.3

CONSOLIDATED CASH FLOW STATEMENT

SEK m	Note	Apr 2019– Mar 2020	Jan 2018– Mar 2019 (15 months)
Operating activities			
Profit after financial items		408.8	545.4
Adjustment for non-cash items	45	1,347.3	960.8
		1,756.1	1,506.2
Income tax paid		–151.9	–66.2
Cash flow from operating activities before changes in working capital		1,604.2	1,440.0
Cash flow from changes in working capital			
Increase(-)/Decrease(+) in inventories		6.8	–112.2
Increase(-)/Decrease(+) in operating receivables		137.5	–259.2
Increase(+)/Decrease(-) in operating liabilities		–20.1	287.8
		1,728.4	1,356.4
Investing activities			
Acquisition of property, plant and equipment		–42.4	–140.3
Acquisition of intangible assets		–1,653.4	–1,335.7
Acquisition of subsidiaries/operations, net cash effect		–905.6	–1,070.6
Acquisition of other securities		–28.5	-
Sales of other securities		1.3	-
Change in long-term loans		–5.5	-
		–2,634.1	–2,546.6
Financing activities			
New share issue		-	3,537.7
Other paid-in capital		-	0.2
Issue expenses		–1.2	–88.1
Proceeds from borrowings		470.7	934.7
Received dividend		5.2	-
Repayment of loans and overdrafts		-	–896.2
Pensions paid		–1.3	-
		473.4	3,488.3
Cash flow for period			
Cash & bank equivalents at beginning of period		2,929.1	626.5
Exchange differences		13.6	4.5
Cash & bank equivalents and short-term investments at end of period		2,510.4	2,929.1

PARENT COMPANY INCOME STATEMENT

SEK m	Note	Apr 2019– Mar 2020	Jan 2018– Mar 2019 (15 months)
Net sales	3	495.9	416.4
Other operating income	4	11.1	13.2
Total operating income		507.0	429.6
Operating expenses			
Other external expenses	5, 7	–64.3	–19.9
Personnel expenses	6	–12.8	–6.4
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	14, 15, 19, 20, 22	–333.3	–240.3
Total operating expenses		–410.4	–266.6
Operating profit		96.6	163.0
Profit/loss from financial assets			
Result from participations in Group companies	8	0.0	–71.0
Result from financial assets	9	39.7	8.5
Interest income, etc.	10	83.0	23.7
Interest expenses, etc.	11	–21.5	–28.5
Total financial income/expenses		101.2	–67.3
Profit after financial items		197.8	95.7
Appropriations			
Group contributions paid		–15.0	–62.6
Appropriations, other	12	–45.0	–3.9
Profit before tax		137.8	29.2
Tax on profit for the period	13	–29.7	–22.4
Net profit for the period		108.1	6.8

PARENT COMPANY BALANCE SHEET

SEK m	Note	Mar 31, 2020	Mar 31, 2019
ASSETS			
Non-current assets			
Intangible assets			
Completed development projects	14	230.9	154.9
IP rights	15	152.8	52.0
Projects in progress	19	10.1	27.7
		393.8	234.6
Property, plant and equipment			
Equipment, tools, fixtures and fittings	22	1.6	0.0
		1.6	0.0
Financial assets			
Investments in Group companies	23	2,477.0	1,946.3
Receivables from Group companies	24	266.6	154.7
Investments in associates	25	70.0	70.0
		2,813.6	2,171.0
Total non-current assets		3,209.0	2,405.6
Current assets			
Current receivables			
Trade receivables		10.1	-
Receivables from Group companies		895.3	392.3
Current tax assets		3.5	7.3
Other receivables		6.8	6.3
Prepayments and accrued income	30	10.9	5.1
		926.6	411.0
Short-term investments			
Short-term investments		192.7	499.4
		192.7	499.4
Cash and bank balances			
Cash and bank balances		1,761.8	2,166.8
		1,761.8	2,166.8
Total current assets		2,881.1	3,077.2
TOTAL ASSETS		6,090.1	5,482.8

PARENT COMPANY BALANCE SHEET CONTINUED

SEK m	Note	Mar 31, 2020	Mar 31, 2019
EQUITY AND LIABILITIES			
<i>Equity</i>			
Restricted equity			
Share capital	31, 32	0.9	0.9
Development expenditure fund		241.1	193.5
		242.0	194.4
<i>Unrestricted equity</i>			
Share premium reserve		5,396.9	4,976.1
Retained earnings		-171.9	-34.0
Net profit for the period		108.1	6.8
		5,333.1	4,948.9
Total equity		5,575.1	5,143.3
<i>Untaxed reserves</i>			
Accumulated accelerated amortisation	34	9.3	9.3
Tax allocation reserves	35	131.3	86.3
		140.6	95.6
<i>Provisions</i>			
Other provisions	37	3.6	3.6
		3.6	3.6
<i>Non-current liabilities</i>			
Long-term loans from credit institutions	38	221.7	208.5
Total non-current liabilities		221.7	208.5
<i>Current liabilities</i>			
Current account credit facilities	39	137.8	23.1
Trade payables		4.6	3.5
Liabilities to Group companies		-	1.5
Current tax liabilities		0.0	-
Other liabilities		1.1	0.3
Accruals and deferred income	40	5.6	3.4
Total current liabilities		149.1	31.8
TOTAL EQUITY AND LIABILITIES		6,090.1	5,482.8

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

SEK m	Restricted equity		Unrestricted equity		Total equity
	Share capital	Development expenditure fund	Share premium reserve	Retained earnings, incl. net profit	
Opening balance, 2018-01-01	0.7	134.9	811.1	24.6	971.3
Net profit	-	-	-	6.8	6.8
Owner transactions					
New share issue	0.2	-	4,233.7	-	4,233.9
Issue expenses	-	-	-88.1	-	-88.1
Tax effect	-	-	19.4	-	19.4
Total	0.2	-	4,165.0	-	4,165.2
Transfers between items in equity					
Development expenditure fund	-	58.6	-	-58.6	-
Total	-	58.6	-	-58.6	-
Closing balance, 2019-03-31	0.9	193.5	4,976.1	-27.2	5,143.3
Opening balance, 2019-04-01	0.9	193.5	4,976.1	-27.2	5,143.3
Net profit	-	-	-	108.1	108.1
Owner transactions					
New share issue	0,0	-	324.8	-	324.8
Issue expenses	-	-	-1.2	-	-1.2
Tax effect	-	-	0.1	-	0.1
Total	0.0	-	323.7	-	323.7
Transfers between items in equity					
Development expenditure fund	-	47.6	-	-47.6	-
Share premium reserve	-	-	97.1	-97.1	-
Total	-	47.6	97.1	-144.7	-
Closing balance, 2020-03-31	0.9	241.1	5,396.9	-63.8	5,575.1

PARENT COMPANY CASH FLOW STATEMENT

SEK m	Note	Apr 2019– Mar 2020	Jan 2018– Mar 2019 (15 months)
Operating activities			
Profit after financial items		197.8	95.7
Adjustment for non-cash items	45	342.7	302.8
		540.5	398.5
Income tax paid		–26.3	–27.5
Cash flow from operating activities before changes in working capital		514.2	371.0
Cash flow from changes in working capital			
Increase(-)/Decrease(+) in operating receivables		–525.2	–231.6
Increase(+)/Decrease(-) in operating liabilities		1.1	–100.0
Cash flow from operating activities		–9.9	39.4
Investing activities			
Acquisition of shares in subsidiaries		–316.3	–1,307.6
Acquisition of intangible assets		–383.7	–303.6
Acquisition of tangible assets		–1.7	-
Cash flow from investing activities		–701.7	–1,611.2
Financing activities			
New share issue		-	3,537.7
Issue expenses		–1.2	–88.1
Proceeds from borrowings		127.8	303.2
Repayment of loans		-	–86.7
Loans granted to group company		–111.7	-
Provided group contribution		–15.0	-
Cash flow from financing activities		–0.1	3,666.1
Cash flow for period		–711.7	2,094.3
Cash & bank equivalents at beginning of period		2,666.2	571.9
Cash & bank equivalents and short-term investments at end of period		1,954.5	2,666.2

NOTES (AMOUNTS IN SEK MILLIONS UNLESS OTHERWISE INDICATED)

NOTE 1 ACCOUNTING POLICIES

The Annual Report has been prepared in accordance with the Swedish Annual Accounts Act and the Swedish Accounting Standards Board's General Recommendation BFNAR 2012:1 Annual Report and Consolidated Statements (K3).

The Parent Company applies the same accounting policies as the Group, apart from the cases described below in the section entitled "Accounting Policies – Parent Company".

The accounting policies are unchanged from the previous year. Assets, provisions and liabilities have been measured at cost unless otherwise stated below.

Intangible assets

Completed development projects

Recognised at cost less accumulated amortisation and impairment. Cost consists of all directly attributable expenses. Indirect production costs that represent a considerable part of the total cost of production and are significant in size are included in the cost. Amortisation is applied using the declining balance method over the useful life of the asset. Amortisation is recognised as a cost in the income statement.

IP rights

IP rights acquired are recognised at cost less accumulated amortisation. Amortisation is applied on a straight-line basis over the expected useful life of the asset and is recognised as an expense in the income statement.

Publishing and distribution relationships

Publishing and distribution relationships acquired are recognised at cost less accumulated amortisation. Amortisation is applied on a straight-line basis over the expected useful life of the asset and is recognised as an expense in the income statement.

Film rights

Film rights acquired are recognised at cost less accumulated amortisation. Amortisation is based on actual sales in relation to expected sales for the relevant title.

Goodwill

Goodwill is recognised at cost less accumulated amortisation and impairment. Amortisation is applied on a straight-line basis over the expected useful life of the asset and is recognised as an expense in the income statement.

Ongoing development of game projects (capitalisation of intangible assets generated)

Capitalisation model: All expenditure arising during the development phase is capitalised when the following criteria are fulfilled: it is the Company's intention to complete the intangible asset and to use or sell it; the conditions are in place for using or selling the intangible asset; it is technically feasible for the Company to complete the intangible asset so that it can be used or sold; adequate technical, financial and other resources are available to complete the development and to use or sell the intangible asset; it is probable that the intangible asset will generate future economic benefits; and the Company is able to measure reliably the expenditure attributable to the asset during its development.

Other intangible assets

Other intangible assets are recognised at cost less accumulated amortisation and impairment. Amortisation is applied on a

straight-line basis over the expected useful life of the asset and is recognised as an expense in the income statement.

<i>Intangible assets generated</i>	<i>Useful life</i>
Completed development projects games	2 years
Ongoing development of game projects	-
Film rights	0-4 years
<i>Intangible assets acquired</i>	
Other intangible assets	5 years
IP rights	5 years
Publishing and distribution relationships	5 years
Goodwill	5 years

Property, plant and equipment

Items of property, plant and equipment are recognised at cost less accumulated depreciation and impairment. In addition to the purchase price, cost comprises expenditure directly attributable to the acquisition.

Subsequent costs

Subsequent costs are included in the carrying amount of the asset if they meet the criteria for recognition in the asset's carrying amount. Expenses for ongoing maintenance and repairs are recognised as they arise.

Depreciation is applied on a straight-line basis over the expected useful life of the asset, as this reflects the expected consumption of the asset's future economic benefits. Depreciation is recognised as an expense in the income statement.

	<i>Useful life</i>
Buildings	33-40 years
Equipment, tools, fixtures and fittings	3-14 years

Impairment – property, plant and equipment, intangible assets and investments in Group companies

At each reporting date, an assessment is made to identify whether there is any indication that an asset's value is lower than its carrying amount. If there is such an indication, the asset's recoverable amount is measured.

The recoverable amount is the higher of fair value less costs of disposal and value in use. Value in use is calculated by reference to the present value of the future cash flows the asset is expected to generate during its use and on disposal or retirement. A pre-tax discount rate used that reflects market assessments of the time value of money and the risks specific to the asset. A previous impairment loss is reversed only if the basis of the calculation of the recoverable amount at the time of the previous impairment has changed.

Leases

Lessee

All leases have been classified as finance leases or operating leases. A finance lease is a lease that transfers from lessor to lessee substantially all the financial risks and rewards incidental to ownership of an asset. Leases that are not finance leases are classified as operating leases.

– Finance leases

Rights and obligations under finance leases are reported as an asset and liability in the balance sheet. On initial recognition, the asset and liability are measured at the lower of the asset's fair value and the present value of the minimum lease payments. Expenditure directly attributable to setting up and arranging the lease is added to the amount reported as an asset.

After initial recognition, the minimum lease payments are apportioned between the interest charge and the reduction of the liability using the effective interest method. Variable lease payments are recognised as an expense in the financial year in which they are incurred.

The leased asset is depreciated over its useful life.

– Operating leases

Operating lease payments, including any upfront lease payment but excluding expenses for services such as insurance and maintenance, are recognised as an expense on a straight-line basis over the lease term.

Foreign currency items

Foreign currency monetary items are translated at the closing rate. Non-monetary items are not translated but are reported at the acquisition-date rate.

Foreign currency non-monetary items measured at fair value are translated at the rate on the date when the fair value was determined. Other non-monetary items are not translated but are reported at the acquisition-date rate.

Exchange differences arising from the settlement or translation of monetary items are recognised in the income statement in the financial year in which they arise.

Net investments in foreign operations

An exchange difference relating to a monetary item that is part of a net investment in a foreign operation and which is measured based on cost is recognised in the consolidated financial statements directly as a separate component of equity.

Translation of foreign operations

Assets and liabilities, including goodwill and other surplus and deficit values on consolidation, are translated at the closing rate for the reporting currency. Income and expenses are translated at a rate that represents an approximation of the actual rate – an average rate. Exchange differences arising on translation are recognised directly in equity.

Inventories

Inventories are recognised at the lower of cost and net realisable value at the reporting date. Net realisable value is the estimated selling price of the goods less costs of disposal. The risk of obsolescence has been taken into account.

Financial assets and liabilities

Financial assets and liabilities are reported in accordance with Chapter 11 (Financial instruments measured based on cost of acquisition) in BFNAR 2012:1.

Recognition and derecognition in the balance sheet

A financial asset or liability is recognised in the balance sheet when the Company becomes a party to the instrument's contractual terms. A financial asset is derecognised in the balance sheet when the contractual rights to receive the cash flows from the asset have ceased or been settled. The same applies when the risks and rewards incident to ownership have essentially been transferred to another party and the Company no longer has control over the financial asset. A financial liability is derecognised in the balance sheet when the contractual obligation has been discharged or extinguished.

Measurement of financial assets

On initial recognition, financial assets are measured at cost, including any transaction expenses directly attributable to the acquisition of the asset.

Financial current assets are subsequently measured at the lower of cost and net realisable value on the reporting date.

Trade and other receivables that are current assets are measured individually at the amount expected to be received.

Financial assets are subsequently measured at cost less any impairment and plus any appreciation in value.

Interest-bearing financial assets are measured at amortised cost using the effective interest method.

After initial recognition, derivative instruments that are financial assets and for which hedge accounting has not been applied (see below) are measured at the lower of cost and net realisable value on the reporting date.

Measurement of financial liabilities

Financial liabilities are measured at amortised cost. Expenditure directly attributable to borrowing corrects the cost of the loan and is amortised using the effective interest method.

Derivative instruments with a negative value and for which hedge accounting has not been applied (see below) are reported as financial liabilities and are measured at the amount most favourable to the Company if the obligation is settled or transferred on the reporting date.

Hedge accounting

Hedge accounting is only applied when there is an economic relationship between the hedging instrument and the hedged item that corresponds to the Company's risk management objective. In addition, to qualify for hedge accounting, the hedging relationship must be expected to be highly effective during the period for which hedging has been identified, and the hedging relationship and the Company's risk management objective and strategy for undertaking the hedge must be documented at the inception of the hedge.

(i) Hedging of foreign currency receivables and liabilities

For hedging of foreign currency receivables and liabilities with forward exchange contracts, the underlying receivable or liability is measured at the forward rate. However, if the forward premium (the difference between the spot rate on the contract date and the forward rate) is significant, the underlying receivable or liability is measured at the spot rate on the contract date. The forward premium is then accrued over the term of the contract as interest expense or interest income.

(ii) Hedging of firm commitments and forecast transactions in foreign currency

The result of hedging of firm commitments and highly probable forecast transactions in foreign currency is reported at the same time as the hedged transaction affects profit or loss.

Employee benefits

Post-employment benefits

– Classification

Post-employment benefits plans are classified as either defined-contribution or defined-benefit plans.

Under defined-contribution plans, fixed contributions are paid to another entity, normally an insurance company, and the Company no longer has any obligation to the employee when the contribution is paid. The size of the employee's post-employment benefits depends on the contributions paid and the investment returns arising from the contributions.

Under defined-benefit plans, the Company has an obligation to pay the agreed benefits to present and former employees. The Company essentially bears the risk of the benefits being higher than expected (actuarial risk) and the risk of the return on assets deviating from expectations (investment risk). Investment risk arises even if the assets are transferred to another entity.

The Group has both defined-benefit and defined-contribution pension plans.

– Defined-contribution plans

Contributions for defined-contribution plans are recognised as an expense. Unpaid contributions are recognised as a liability.

– Defined-benefit plans

The Company has chosen to apply the simplification rules contained in BFNAR 2012:1. Pension obligations in the Group's foreign subsidiaries follow the foreign subsidiary's reporting.

Termination benefits

Termination benefits, to the extent that the compensation does not give rise to any future economic benefits, are only recognised as a liability and an expense when the Company has a legal or constructive obligation to either

- a) terminate the employment of an employee or group of employees before the normal retirement date, or
- b) provide termination benefits as a result of an offer made to encourage voluntary redundancy.

Termination benefits are only recognised when the Company has a detailed plan for the termination, without realistic possibility of withdrawal.

Tax

Tax on profit for the year in the income statement consists of current tax and deferred tax. Current tax is income tax for the current financial year relating to taxable profit for the year and the portion of the previous financial year's income tax not yet reported. Deferred tax is income tax for taxable profit for future financial years as a result of past transactions or events.

Deferred tax liabilities are recognised for all taxable temporary differences. Deferred tax assets are recognised for deductible temporary differences and for tax loss carryforwards available for future use. The measurement is based on how the carrying amount of the corresponding asset or liability is expected to be recovered or settled. The amounts are based on the tax rates and regulations that have been enacted by the reporting date and have not been discounted to the present value.

Deferred tax liabilities or assets relating to temporary differences attributable to investments in subsidiaries, branches, associates or jointly controlled entities are not recognised if the Company is able to control the date of the reversal of the temporary differences and it is not probable that any such reversal will occur in the foreseeable future.

Deferred tax assets have been measured at a maximum of the amount likely to be recovered based on current and future taxable profit. The measurement is reviewed at each reporting date.

In the consolidated balance sheet, untaxed reserves are divided into deferred tax and equity.

Contingent liabilities

A contingent liability is:

- a possible obligation arising from past events whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events outside the Company's control, or
- an existing obligation arising from past events which is not recognised as a liability or provision because it is not probable that an outflow of resources will be required to settle the obligation or the amount cannot be measured with sufficient reliability.

'Contingent liabilities' is a collective term for any guarantees,

financial obligations and liabilities that are not recognised in the balance sheet.

Revenue

Revenue has been recognised at the fair value of the consideration received or receivable to the extent that it is probable that the economic benefits will flow to the Company and the amount can be measured reliably.

Sale of goods

Revenue from the sale of goods is normally recognised when the significant risks and rewards of ownership of the goods have been transferred from the Company to the buyer.

Interest, royalties and dividends

Revenue is recognised when the economic benefits associated with the transaction are likely to flow to the Company and when the amount of the revenue can be measured reliably. Interest is recognised as revenue using the effective interest method. Royalties are recognised on an accrual basis in accordance with the economic substance of the agreement. Dividend revenue is recognised when the right to receive payment is established.

Basis of consolidation

Subsidiaries

Subsidiaries are companies in which the Parent Company, directly or indirectly, holds more than 50 percent of the votes or otherwise exercises control. Control exists when the Company has the power to govern the financial and operating policies of an entity so as to obtain benefits. Accounting for business acquisitions is based on the accounting entity method. This means that the purchase price allocation is prepared when the acquirer obtains control. From this point onwards, the acquirer and the acquired entity are regarded as one accounting entity. Application of the accounting entity method also means that all assets (including goodwill), liabilities, income and expenses are included in their entirety even for partly-owned subsidiaries.

For subsidiaries, cost is measured as the sum of the acquisition-date fair values of assets given, plus liabilities incurred or assumed, equity instruments issued, expenses directly attributable to the acquisition and any additional consideration. The purchase price allocation determines, with a few exceptions, the acquisition-date fair values of the identifiable assets acquired and liabilities assumed and non-controlling interest. Non-controlling interests are measured at the acquisition-date fair value. The acquired company's income and expenses, identifiable assets and liabilities and any goodwill or negative goodwill that has arisen are included in the consolidated financial statements from the date of acquisition.

Associates

Shareholdings in associates, in which the Group holds a minimum of 20% and a maximum of 50% of the votes or otherwise has significant influence over financial and operating policies, are reported according to the equity method. The equity method means that the carrying amount of shares in associates corresponds to the Group's share of the associates' equity, any residual values of surplus or deficit values, including goodwill and negative goodwill, minus any internal gains. The Group's share of associates' profit after tax adjusted for any amortisation or recognition of acquired surplus or deficit values, including amortisation of goodwill/recognition of negative goodwill, is reported under Profit/loss from investments in associates in the consolidated income statement. Dividends received from associates reduce the carrying amount. Any shares of profit earned after the acquisition of an associate

that have not yet been realised through a dividend are allocated to the equity method reserve.

Elimination of transactions between Group companies, associates and jointly controlled entities

Intra-group receivables and liabilities, income and expense, and unrealised gains or losses arising from intra-group transactions are eliminated in full.

Accounting policies – Parent Company

The Parent Company's accounting policies are consistent with those set out above in the consolidated financial statements, apart from the following cases.

Financial assets and liabilities

– Shares in subsidiaries, associates and jointly controlled entities
Shares in subsidiaries, associates and jointly controlled entities are recognised at cost less accumulated impairment losses. In addition to the purchase price, cost comprises expenditure directly attributable to the acquisition.

– Tax

Deferred tax attributable to untaxed reserves is not reported separately in the Parent Company.

– Provisions

A provision is recognised in the balance sheet when the Company has an obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

On initial recognition, provisions are measured at the best estimate of the amount that will be required to settle the obligation at the reporting date. The provisions are reviewed at each reporting date.

– Anticipated dividend

As the Parent Company holds more than half of the votes for all shares in the subsidiary, dividends are recognised when the right to receive a dividend is considered established and the amount can be measured reliably.

– Group contributions and shareholder contributions

Group contributions received/provided are recognised as an appropriation in the income statement. The Group contribution received/provided has affected the Company's current tax.

Shareholder contributions provided without any issued shares or other equity instruments being received in exchange are recognised in the balance sheet as an increase in the carrying amount of the share.

NOTE 2 ACCOUNTING ESTIMATES AND ASSESSMENTS

Preparation of final accounts and application of accounting policies are often based on management's assessments, accounting estimates and assumptions that are considered reasonable in the current circumstances. Estimates and assumptions are based on historical experience and a number of other factors which are considered reasonable under the prevailing conditions. Results of these estimates and assumptions are used to determine the carrying amounts of assets and liabilities that are not otherwise evident from other sources. The actual outcome may differ from these estimates. The accounting estimates and assumptions are reviewed regularly.

According to Company management, significant assessments in the accounting policies applied and sources of estimation uncertainty within the Group and Parent Company are primarily related to intangible assets, inventory valuation and receivables.

Intangible assets

Significant risks in the financial reporting are primarily related to the carrying amount of intangible assets. The carrying amount is dependent on the future market for the Company's services developing as expected. At 31 March 2020, the assessment is that the carrying amount of these items does not exceed their fair value.

Receivables

Receivables are recognised net of the provision for doubtful trade receivables. The provision for doubtful trade receivables is based on individual assessment. The net value corresponds to the value expected to be obtained.

It is management's assessment that the current provision is sufficient.

Inventories

Inventories are measured at the lower of cost and net realisable value. Calculation of net realisable value is based on factors such as assessments of future sales prices, which also take into account expected price reductions. The actual outcome of future sales prices may differ from the assessments made.

NOTE 3 NET SALES PER GEOGRAPHICAL MARKET

Net sales per geographical market	GROUP	
	2019/20	2018/19
Europe	3,211.0	3,832.7
US	1,345.3	1,136.0
Sweden	113.1	109.2
Other	580.0	676.1
	5,249.4	5,754.0

Net sales per geographical market	PARENT COMPANY	
	2019/20	2018/19
Europe and Other	495.4	416.0
Sweden	0.5	0.4
	495.9	416.4

NOTE 4 OTHER OPERATING INCOME

	GROUP	
	2019/20	2018/19
Marketing contributions	140.9	226.7
Exchange gains on operating receivables/liabilities	35.8	10.2
Reversal of reserves	19.7	18.3
Indemnities	16.3	37.8
Insurance compensation	6.4	5.0
Benefits for development projects	51.8	-
Other	35.0	35.3
	305.9	333.3

	PARENT COMPANY	
	2019/20	2018/19
Exchange gains on operating receivables/liabilities	11.1	12.9
Other	-	0.3
	11.1	13.2

Benefits related to project development have been received during the year. Project development expenses are capitalized according to the company's accounting principles. The benefits received are reported on a separate row in the Consolidated Income Statement and reduce Work performed by the Company for its own use and capitalized. Operating profit is not affected during development.

NOTE 5 AUDITORS' FEES AND REMUNERATION

	GROUP	
	2019/20	2018/19
EY		
Audit services	4.9	1.7
Tax advisory services	0.4	-
Other services	7.0	5.7
<i>Other auditors</i>		
Audit services	2.5	3.2
Tax advisory services	1.1	1.1
Other services	2.4	0.1
	18.3	11.8

	PARENT COMPANY	
	2019/20	2018/19
EY		
Audit services	1.8	0.5
Other services	2.2	1.8
	4.0	2.3

The item 'audit services' comprises examination of the annual financial statements, accounting records and administration of the business by the CEO and Board, other procedures required to be carried out by the Company's auditors and advice or other assistance relating to observations made during the performance of such other procedures.

NOTE 6 EMPLOYEES, PERSONNEL EXPENSES AND BOARD FEES

Average number of employees	2019/20	Men, %	2018/19	Men, %
PARENT COMPANY				
Sweden	10	70%	3	100%
Total, Parent Company	10	70%	3	100%
SUBSIDIARIES				
Sweden	266	76%	81	84%
Austria	189	47%	111	77%
Germany	412	72%	230	79%
Czech Republic	141	86%	97	74%
US	309	85%	170	77%
UK	217	81%	132	75%
France	21	90%	-	-
Italy	175	83%	-	-
Other	116	79%	202	78%
Total, subsidiaries	1,846	77%	1,023	78%
Group, total	1,856	77%	1,026	78%

Gender distribution – senior executives	Female, %	
	31/03/2020	31/03/2019
PARENT COMPANY		
Board	20%	20%
Other senior executives	0%	0%
Group, total		
Board	5%	2%
Other senior executives	14%	0%

Salaries, other benefits and social security contributions, including pension costs	2019/20		2018/19	
	Salaries and benefits	Social security contributions	Salaries and benefits	Social security contributions
PARENT COMPANY (of which pension costs)	8.9	3.9 (1.1) ¹⁾	3.6	2.2 (0.8) ¹⁾
SUBSIDIARIES (of which pension costs)	903.7	211.6 (65.6)	674.8	151.5 (49.2)
Group, total ³⁾ (of which pension costs)	912.6 ²⁾	215.5 (66.7)	678.4 ²⁾	153.7 (50.0)

¹⁾ SEK 0.4 (previous year 0.5) million of the Parent Company's pension costs relates to the Company's CEO and Board. The Company's outstanding pension obligations to these individuals are - (previous year -).

²⁾ SEK 4.7 (4.6) million of the Group's pension costs relate to CEOs and Boards in the Group. The Group's outstanding pension obligations to these individuals are - (previous year -).

³⁾ Some companies have classified remuneration of self-employed individuals as a payroll expense in the income statement. In total, the remuneration amounts to SEK - (previous year 14.2) million. The amount does not include the total SEK - (678.4) million in the table above.

NOTE 6 CONTINUED

Salaries and employee benefits (Board and CEO, Other employees)	2019/20		2018/19	
	Board and CEO	Other employees	Board and CEO	Other employees
Parent Company (of which bonus etc.)	1.7 (-)	7.2	2.1 (-)	1.5
Subsidiaries (of which bonus etc.)	86.2 (12.7)	817.5	60.5 (8.9)	614.3
Group, total (of which bonus etc.)	87.9 (12.7)	824.7	62.6 (8.9)	615.8

Remuneration of Senior executives	2019/20							Pension obligation
	Basic salary, Board fees	Variable remuneration	Other benefits	Pension costs	Financial instruments etc.	Other remuneration	Total	
Kicki Wallje Lund	0.6	1.0	-	-	-	-	1.6	-
Lars Wingefors (Board member and CEO)	1.0	-	-	0.2	-	-	1.2	-
Erik Stenberg	0.7	-	-	0.2	-	-	0.9	-
Jacob Jonmyren	0.2	0.3	-	-	-	-	0.5	-
Ulf Hjalmarsson	0.2	-	-	-	-	-	0.2	-
Other senior executives (five) ¹⁾	11.6	0.1	0.3	1.8	-	0.0	13.8	-
Total	14.3	1.4	0.3	2.2	-	0.0	18.2	-

Remuneration of Senior executives	2018/19							Pension obligation
	Basic salary, Board fees	Variable remuneration	Other benefits	Pension costs	Financial instruments etc.	Other remuneration	Total	
Kicki Wallje Lund	0.5	0.7	-	-	-	-	1.2	-
Lars Wingefors (Board member and CEO)	1.1	-	-	0.3	-	-	1.4	-
Pia Rosin	0.1	-	-	-	-	-	0.1	-
Maria Segolsson	0.1	-	-	-	-	-	0.1	-
Erik Stenberg	0.9	-	-	0.2	-	-	1.1	-
Jacob Jonmyren	0.2	-	-	-	-	-	0.2	-
Ulf Hjalmarsson	0.2	-	-	-	-	-	0.2	-
Other senior executives (five) ¹⁾	17.9	5.1	-	1.4	-	-	24.4	-
Total	21.0	5.8	-	1.9	-	-	28.7	-

¹⁾ Remuneration of other senior executives has been paid from the company in which they are employed. For other employees, remuneration is paid from the Parent Company

Termination benefits

Embracer Group and its CEO and CFO must observe a notice period of three months. In addition to the notice period, both the CEO and CFO are entitled to termination benefits corresponding to three months' salary, provided Embracer Group terminated the employment contract and the CEO or CFO has not been dismissed.

Other CEOs have a notice period in the Group varying from 3 to a maximum of 6 months, with remuneration paid until employment is terminated. The other senior executives are entitled to a notice period with remuneration up to 6 months. The executives must observe the same notice period.

NOTE 7 OPERATING LEASES

Leases where the Company is lessee	GROUP	
	31/03/2020	31/03/2019
<i>Future minimum lease payments under non-cancellable operating leases</i>		
Within one year	72.3	46.4
Between one and five years	184.7	151.7
After five years	12.2	19.4
	269.2	217.5
	2019/20	2018/19
Lease payments recognised in financial year	65.2	40.5

Lease costs mainly refer to external premises rent.

Leases where the Company is lessee	PARENT COMPANY	
	31/03/2020	31/03/2019
<i>Future minimum lease payments under non-cancellable operating leases</i>		
Within one year	2.1	0.2
Between one and five years	3.6	0.4
	5.7	0.6
	2019/20	2018/19
Lease payments recognised in financial year	1.3	0.2

The Parent Company has rented premises from a related company in 2019/2020. The agreement continues indefinitely.

NOTE 8 RESULT FROM PARTICIPATIONS IN GROUP COMPANIES

	PARENT COMPANY	
	2019/20	2018/19
Impairment of shares in subsidiaries	0.0	-71.0
	0.0	-71.0

NOTE 9 RESULT FROM FINANCIAL ASSETS

	PARENT COMPANY	
	2019/20	2018/19
Exchange gains on long-term loans to subsidiaries	40.4	8.5
Other	-0.7	-
	39.7	8.5

NOTE 10 INTEREST AND SIMILAR INCOME

	GROUP	
	2019/20	2018/19
Interest income, other	2.6	2.5
Exchange gains	91.7	0.9
	94.3	3.4
	2019/20	2018/19
Interest income, Group companies	30.6	22.8
Interest income	0.1	-
Exchange gains	52.3	0.9
	83.0	23.7

NOTE 11 INTEREST AND SIMILAR EXPENSES

	GROUP	
	2019/20	2018/19
Exchange losses	-13.5	-13.6
Interest expenses, other	-17.4	-17.7
Other finance costs	-	-1.3
	-30.9	-32.6
	2019/20	2018/19
Losses on disposal of short-term investments	-	-0.6
Exchange losses	-13.2	-19.0
Interest expenses, other	-8.3	-8.9
	-21.5	-28.5

NOTE 12 APPROPRIATIONS, OTHER

	PARENT COMPANY	
	2019/20	2018/19
Tax allocation reserve, transfers	-45.0	-3.9
	-45.0	-3.9

NOTE 13 TAX ON PROFIT FOR THE PERIOD

Tax on profit for the period	GROUP	
	2019/20	2018/19
GROUP		
Current tax	-140.8	-85.9
Deferred tax	15.2	-62.4
Change in current tax reported previous year	0.1	-0.3
Total tax	-125.5	-148.6

NOTE 13 CONTINUED

Reconciliation of effective tax	2019/20		2018/19	
	Percent	Amount	Percent	Amount
GROUP				
Profit before tax		408.8		545.4
Tax according to Parent's applicable tax rate	-21.4%	-87.5	-22.0%	-120.0
Effect of different tax rates for foreign subsidiaries	-2.5%	-12.6	-2.5%	-13.8
Amortisation of goodwill on consolidation	-3.0%	-61.0	-3.0%	-16.5
Other non-deductible expenses	-2.7%	-11.7	-2.7%	-14.5
Non-taxable income	1.9%	31.3	1.9%	10.3
Increase in tax losses for which no corresponding deferred tax was recognised	-0.0%	-11.8	-0.0%	0.2
Utilisation of previously uncapitalised tax losses	0.9%	24.3	0.9%	4.8
Tax attributable to prior years	-0.1%	0.1	-0.1%	-0.3
Standard interest on tax allocation reserve	-0.0%	-0.1	-0.0%	-0.1
Other	0.2%	3.5	0.2%	1.3
Recognised effective tax	-30.7%	-125.5	-27.2%	-148.6
PARENT COMPANY				
Profit before tax		137.8		29.2
Tax according to Parent's applicable tax rate	-21.4%	-29.5	-22.0%	-6.4
Non-deductible expenses	0.2%	-0.2	-54.5%	-15.9
Standard interest on tax allocation reserve	-0.1%	0.1	-	-
Dividend from subsidiaries	0.1%	-0.1	-0.3%	-0.1
Recognised effective tax	-21.5%	-29.7	-76.8%	-22.4

NOTE 14 COMPLETED DEVELOPMENT PROJECTS

Accumulated cost	GROUP	
	31/03/2020	31/03/2019
At beginning of period	1,014.4	304.2
Business acquisitions	5.6	98.6
Transferred from projects in progress	548.1	519.0
Investments for the period	40.5	86.3
Discard	-81.8	-
Translation differences for the period	22.0	6.3
At end of period	1,548.8	1,014.4
Accumulated amortisation		
At beginning of period	-619.5	-171.0
Amortisation for the period	-553.8	-445.2
Discard	81.8	-
Translation differences for the period	-18.7	-3.3
At end of period	-1,110.2	-619.5
Carrying amount at end of period	438.6	394.9
PARENT COMPANY		
At beginning of period	504.3	250.6
Transferred from projects in progress	360.1	253.7
Reclassifications	17.5	-
At end of period	881.9	504.3
Accumulated amortisation		
At beginning of period	-349.4	-126.3
Amortisation for the period	-301.6	-223.1
At end of period	-651.0	-349.4
Carrying amount at end of period	230.9	154.9

NOTE 15 IP RIGHTS

Accumulated cost	GROUP	
	31/03/2020	31/03/2019
At beginning of period	1,322.0	105.5
Business acquisitions	720.3	1,159.9
Investments for the period	14.3	32.8
Divestments	-3.7	0.0
Reclassifications	0.0	10.7
Translation differences for the period	72.5	13.1
At end of period	2,125.4	1,322.0
Accumulated amortisation		
At beginning of period	-266.1	-64.5
Amortisation for the period	-359.4	-198.9
Divestments	2.1	0.0
Reclassifications	0.0	-0.2
Translation differences for the period	-22.2	-2.5
At end of period	-645.6	-266.1
Carrying amount at end of period	1,479.8	1,055.9

NOTE 15 CONTINUED

Accumulated cost	PARENT COMPANY	
	31/03/2020	31/03/2019
At beginning of period	134.0	90.5
Investments for the period	134.0	32.8
Divestments	-3.7	0.0
Reclassifications	0.0	10.7
At end of period	264.3	134.0
Accumulated amortisation		
At beginning of period	-82.0	-64.5
Amortisation for the period	-31.6	-17.3
Divestments	2.1	0.0
Reclassifications	0.0	-0.2
At end of period	-111.5	-82.0
Carrying amount at end of period	152.8	52.0

NOTE 16 PUBLISHING AND DISTRIBUTION RELATIONSHIPS

Accumulated cost	GROUP	
	31/03/2020	31/03/2019
At beginning of period	208.4	-
Business acquisitions	-	205.5
Translation differences for the period	10.9	2.9
At end of period	219.3	208.4
Accumulated amortisation		
At beginning of period	-47.3	-
Amortisation for the period	-36.6	-46.6
Translation differences for the period	-4.5	-0.7
At end of period	-88.4	-47.3
Carrying amount at end of period	130.9	161.2

NOTE 17 FILM RIGHTS

Accumulated cost	GROUP	
	31/03/2020	31/03/2019
At beginning of period	276.3	-
Business acquisitions	124.3	164.7
Investments for the period	142.6	107.8
Translation differences for the period	28.7	3.8
At end of period	571.9	276.3
Accumulated amortisation		
At beginning of period	-137.6	-
Amortisation for the period	-173.4	-135.7
Translation differences for the period	-15.9	-1.9
At end of period	-326.9	-137.6
Carrying amount at end of period	245.0	138.7

NOTE 18 GOODWILL

Accumulated cost	GROUP	
	31/03/2020	31/03/2019
At beginning of period	906.0	24.7
Business acquisitions	829.9	877.7
Translation differences for the period	44.4	3.6
At end of period	1,780.3	906.0
Accumulated amortisation		
At beginning of period	-75.8	-1.0
Amortisation for the period	-285.1	-75.1
Translation differences for the period	-7.7	0.3
At end of period	-368.6	-75.8
Carrying amount at end of period	1,411.7	830.2

NOTE 19 PROJECTS IN PROGRESS

Accumulated cost	GROUP	
	31/03/2020	31/03/2019
At beginning of period	1,203.4	300.8
Business acquisitions	48.3	228.2
Transferred to Completed development projects	-558.0	-519.0
Investments for the period	1,447.9	1,105.8
Advances deducted during period	-0.6	-
Reclassifications	17.4	61.9
Translation differences for the period	138.7	25.7
At end of period	2,297.1	1,203.4
Accumulated amortisation		
At beginning of period	-88.7	-
Depreciation for the period	-33.4	-88.1
Translation differences for the period	-4.7	-0.6
Reclassifications	-17.4	-
At end of period	-144.2	-88.7
Carrying amount at end of period	2,152.9	1,114.7

Accumulated cost	PARENT COMPANY	
	31/03/2020	31/03/2019
At beginning of period	27.7	10.6
Reclassifications	-17.6	-
Investments for the period	0.0	17.1
Carrying amount at end of period	10.1	27.7

NOTE 20 OTHER INTANGIBLE ASSETS

Accumulated cost	GROUP	
	31/03/2020	31/03/2019
At beginning of period	17.0	72.6
Business acquisitions	2.5	13.8
Investments for the period	8,0	3,0
Divestments	-1.5	-
Reclassifications	-5.8	-72.5
Translation differences for the period	2,0	0,2
At end of period	22.2	17.0
Accumulated impairment		
At beginning of period	-5.6	-0.2
Amortisation for the period	-4.9	-5.5
Divestments	0.5	-
Reclassifications	-0.9	0.2
Translation differences for the period	0.7	-0.1
At end of period	-10.2	-5.6
Carrying amount at end of period	12.0	11.4

Accumulated cost	PARENT COMPANY	
	31/03/2020	31/03/2019
At beginning of period	-	10.6
Reclassifications	-	-10.6
Investments for the period	-	-
Carrying amount at end of period	-	-
Accumulated impairment		
At beginning of period	-	-0.2
Amortisation for the period	-	-
Reclassifications	-	0.2
At end of period	-	-
Carrying amount at end of period	-	-

NOTE 21 LAND & BUILDINGS

Accumulated cost	GROUP	
	31/03/2020	31/03/2019
At beginning of period	117.6	-
Investments for the period	3.5	108.7
Business acquisitions	0.0	7.3
Divestments and discards	-0.5	-
Translation differences for the period	7.7	1.6
At end of period	128.3	117.6
Accumulated impairment		
At beginning of period	-3.6	-
Depreciation for the period	-3.7	-3.6
Translation differences for the period	-0.3	0.0
At end of period	-7.6	-3.6
Carrying amount at end of period	120.7	114.0

NOTE 22 EQUIPMENT, TOOLS, FIXTURES AND FITTINGS

Accumulated cost	GROUP	
	31/03/2020	31/03/2019
At beginning of period	65.7	12.5
Business acquisitions	10.5	19.6
Investments for the period	39.0	32
Divestments and discards	-0.2	-
Translation differences for the period	6.6	1.6
At end of period	121.6	65.7
Accumulated impairment		
At beginning of period	-24.1	-4.4
Business combinations	-2.2	-
Depreciation for the period	-26.4	-19.3
Divestments and discards	0.2	-
Translation differences for the period	-5.3	-0.4
At end of period	-57.8	-24.1
Carrying amount at end of period	63.8	41.6

Accumulated cost	PARENT COMPANY	
	31/03/2020	31/03/2019
At beginning of period	0.3	0.3
Investments for the period	1.6	-
Divestments and discards	-0.2	-
At end of period	1.7	0.3
Accumulated impairment		
At beginning of period	-0.3	-0.3
Depreciation for the period	-0.1	0.0
Divestments and discards	0.2	-
At end of period	-0.1	-0.3
Carrying amount at end of period	1.6	0.0

NOTE 23 INVESTMENTS IN GROUP COMPANIES

Accumulated cost	PARENT COMPANY	
	31/03/2020	31/03/2019
At beginning of period	2,019.6	95.7
Investments for the period	530.7	1,923.8
Divestments	0.0	-
At end of period	2,550.3	2,019.6
Accumulated impairment		
At beginning of period	-73.3	-2.3
Impairment for the period	-	-71.0
At end of period	-73.3	-73.3
Carrying amount at end of period	2,477.0	1,946.3

	Number of shares	Holding, %	31/03/2020	31/03/2019
			Carrying amount	Carrying amount
THQ Nordic GmbH, FN366280y, Vienna, Austria ¹⁾		100	217.8	0.3
We Sing Company Holding AB, 556997-4255, Karlstad, Sweden	500	100	0.1	0.1
House in the Woods AB, 556997-4271, Färentuna, Sweden	500	100	7.8	7.8
Mirage Game Studios AB, 559043-8437, Karlstad, Sweden	500	100	0.0	0.0
Pieces Interactive AB, 556744-4384, Skövde, Sweden	585,904	100	5.9	5.9
Experiment 101 AB, 559019-9609, Stockholm, Sweden	500	100	8.0	8.0
Coffee Stain Holding AB, 556995-0180, Skövde, Sweden	9,015	100	864.0	864.0
Koch Media Holding GmbH, 482610x, Höfen, Austria ¹⁾	3,500	100	1,211.2	926.8
Bugbear Entertainment Oy, 1586716-8, Helsinki, Finland	900	90	133.2	133.2
PAE Smart Investments LCC, 120 780 004 0315, Saint Petersburg, Russia ²⁾		100	28.5	-
Other subsidiaries, dormant or of minor importance			0.5	0.2
			2,477.0	1,946.3

¹⁾ During the year THQ Nordic GmbH and Koch Media Holding GmbH have received shareholder contribution from Embracer with EUR 18,2 million and EUR 26,5 million.

²⁾ PAE Smart Investments LCC is a shell company created for acquiring Sabers operation in Russia as per April 1, 2020.

Business acquisitions during the financial year

During the year, Gunfire Games LLC, Milestone S.R.L, Amplifier Game Invest, KSM GmbH, Game Outlet Europe, PAE Smart Investments and Tarsier Studios have been acquired by the Group. In addition to the above mentioned companies, a number of smaller acquisitions have also taken place.

NOTE 24 NON-CURRENT RECEIVABLES FROM GROUP COMPANIES

Accumulated cost	PARENT COMPANY	
	31/03/2020	31/03/2019
At beginning of period	154.7	146.3
Additional receivables	102.1	-
Translation differences for the year	9.8	8.4
At end of period	266.6	154.7

NOTE 25 INVESTMENTS IN ASSOCIATES

Accumulated cost	GROUP	
	31/03/2020	31/03/2019
At beginning of period	14.3	-
Business acquisitions	36.8	13.9
This years investments	7.3	-
Reclassifications	-0.4	-
Dividend received	-5.2	-
Divestments for the period	-1.1	-
Profit/loss from investments in associates and jointly controlled entities	3.6	0.4
Translation difference	0.1	-
Carrying amount at end of period	55.4	14.3

GROUP	Share of equity	Share of votes	Number of shares	Carrying amount
Ghost Ship Games ApS	30%	30%	24,000	
Iron Gate AB	30%	30%	30,000	
Palindrome Interactive AB	50%	50%	500	
Fall Damage Studio AB	50%	50%	499	
Neon Giant AB	22%	22%	17,990	
Kavalri Games AB	22%	22%	1,694,216	
Framebunker ApS	34%	34%	42,475	
				55.4

GROUP	Reg. no.	Reg'd office
Ghost Ship Games ApS	37 98 98 19	Copenhagen
Iron Gate AB	559203-4820	Skövde
Palindrome Interactive AB	559005-7906	Skövde
Fall Damage Studio AB	559064-6484	Stockholm
Neon Giant AB	559119-4070	Uppsala
Kavalri Games AB	559164-5089	Lidingö
Framebunker ApS	35 23 72 75	Copenhagen

Accumulated cost	PARENT COMPANY	
	31/03/2020	31/03/2019
At beginning of period	70.0	-
Acquisitions during the year	-	70.0
Carrying amount at end of period	70.0	70.0

PARENT COMPANY	Share of equity	Share of votes	Number of shares	Carrying amount
Coffee Stain Publishing AB	30%	30%	450	70.0
				70.0

PARENT COMPANY	Reg. no.	Reg'd office	Equity	Earnings
Coffee Stain Publishing AB	559073-7069	Skövde	88.8	47.2

The remaining shares are owned by Coffee Stain Holding AB, which means that the company is 100% owned by Embracer Group.

NOTE 26 NON-CURRENT RECEIVABLES FROM JOINTLY CONTROLLED ENTITIES

Accumulated acquisition values	GROUP	
	31/03/2020	31/03/2019
At beginning of period	-	-
Business acquisitions	9.0	-
Carrying amount at end of period	9.0	-

NOTE 27 OWNERSHIP INTERESTS IN OTHER ENTITIES

Accumulated acquisition values	GROUP	
	31/03/2020	31/03/2019
At beginning of period	-	-
Investments in the period	9.3	-
Reclassification	0.4	-
Translation difference	0.2	-
Carrying amount at end of period	9.9	-

NOTE 28 DEFERRED TAX

Significant temporary differences	GROUP 31/03/2020			
	Deferred tax assets	Deferred tax liabilities, current	Deferred tax liabilities, non-current	Net
Untaxed reserves	-	-	37.0	-37.0
Intangible assets	34.3	-	369.0	-334.7
Property, plant and equipment	9.3	-	2.5	6.8
Other temporary differences	30.2	-	6.3	23.9
Tax loss carryforwards	84.2	-	-	84.2
Other unused tax credits	7.5	-	-	7.5
Deferred tax assets/liabilities	165.5	-	414.8	-249.3
Offsetting	-	-	-	-
Deferred tax assets/liabilities (net)	165.5	-	414.8	-249.3

Significant temporary differences	PARENT COMPANY 31/03/2020
Deferred tax liabilities attributable to untaxed reserves	30.1

Significant temporary differences	GROUP 31/03/2019			
	Deferred tax assets	Deferred tax liabilities, current	Deferred tax liabilities, non-current	Net
Untaxed reserves	-	-	29.9	-29.9
Intangible assets	13.7	54.3	185.4	-226.0
Property, plant and equipment	6.9	-	1.5	5.4
Other temporary differences	26.0	-	1.0	25.0
Tax loss carryforwards	134.5	-	-	134.5
Other unused tax credits	0.6	-	-	0.6
Deferred tax assets/liabilities	181.7	54.3	217.8	-90.4
Offsetting	-	-	-	-
Deferred tax assets/liabilities (net)	181.7	54.3	217.8	-90.4

Significant temporary differences	PARENT COMPANY 31/03/2019
Deferred tax liabilities attributable to untaxed reserves	20.5

NOTE 29 OTHER NON-CURRENT RECEIVABLES

	GROUP	
	31/03/2020	31/03/2019
At beginning of period	0.2	-
Business acquisitions	10.8	0.2
Translation differences	0.3	-
Carrying amount at end of period	11.3	0.2

NOTE 30 PREPAYMENTS AND ACCRUED INCOME

	GROUP	
	31/03/2020	31/03/2019
Accrued income	56.2	88.5
Prepaid rents	10.3	5.0
Prepaid expenses	26.6	16.1
Other items	16.6	7.0
	109.7	116.6

	PARENT COMPANY	
	31/03/2020	31/03/2019
Prepaid rent	0.6	-
Prepaid insurance premiums	0.1	0.1
Prepaid financing expenses	1.7	3.4
Prepaid interest expenses	1.3	1.2
Other items	6.6	0.4
	10.9	5.1

NOTE 33 EARNINGS PER SHARE

	GROUP	
	31/03/2020	31/03/2019 ¹⁾
Earnings per share, SEK	0.91	1.56
Profit for the period, SEK m	284.9	397.4
Weighted average number of shares outstanding, thousands	311,411	254,493

¹⁾ Adjustments of the previous year's figures has been made in the light of the stock split 1:3 that was made in October 2019.

There are no outstanding conversion loans, subscription options or similar in Embracer Group, which could cause potential dilution for shareholders. In accordance with the Board's proposal, the Annual General Meeting in September 2019 passed a resolution authorising the Board on one or more occasions before the next AGM to decide on the issue of Class B shares, convertibles and/or warrants with the right to convert to or subscribe

NOTE 34 ACCUMULATED ACCELERATED AMORTISATION

	PARENT COMPANY	
	31/03/2020	31/03/2019
IP rights	9.3	9.3
	9.3	9.3

NOTE 35 TAX ALLOCATION RESERVES

	PARENT COMPANY	
	31/03/2020	31/03/2019
Allocated for financial year 2014	13.9	13.9
Allocated for financial year 2015	13.4	13.4
Allocated for financial year 2016	17.2	17.2
Allocated for financial year 2017	37.9	37.9
Allocated for financial year 2018/19	3.9	3.9
Allocated for financial year 2019/20	45.0	-
	131.3	86.3

NOTE 31 SHARE CAPITAL

The Company's share capital consists of 27,000,000 Class A shares and 285,067,198 Class B shares. The shares are denominated in SEK and the par value of each share is SEK 0.0027778. Each Class A share entitles the holder to 10 votes and each Class B share entitles the holder to one vote at general meetings.

NOTE 32 PROPOSED ALLOCATION OF THE COMPANY'S PROFIT

The Board proposes that the unrestricted equity of SEK 5,333,197 thousand be allocated as follows:

Carried forward	5,333,197
Total	5,333,197

for a number for Class B shares, with or without derogation from shareholders' preferential rights, corresponding to a maximum of ten (10) percent of the total number of shares in the Company, to be settled in cash, by payment in kind and/or by way of set-off. The Extra General Meeting on March 11, 2020 resolved to authorize the board of directors during the period up until the next annual general meeting, on one or more occasions, to resolve to issue A shares and B shares, without preferential rights for the shareholders to be paid in cash, in kind and/or by way of set-off.

Share issue in accordance with the above would only take place in connection with the completion of the acquisition of Saber Interactive as of April 1, 2020 and the number of shares issued may amount to the maximum number, at a subscription price, as stated in the press release in connection with the acquisition of Saber Interactive i.e., in total 40,360,798 shares, whereof 6,399,137 are A shares and 33,961,661 are B shares.

NOTE 36 PROVISIONS FOR PENSIONS

	GROUP	
	31/03/2020	31/03/2019
Pension obligations		
At beginning of period	37.7	-
Business acquisitions	-	35.4
Pension provisions for the period	2.4	2.3
Translation differences for the period	3.0	1.2
Net changes in previous provisions	3.5	-1.2
At end of period	46.6	37.7
Pension obligation secured through payments		
At beginning of period	-18.4	-
Business acquisitions	-	-15.9
Translation differences for the period	-1.3	-0.6
Paid-in funds	-2.0	-1.6
Net changes in previously paid-in funds	-	-0.3
At end of period	-21.8	-18.4
Carrying amount at end of period	24.8	19.3

NOTE 37 OTHER PROVISIONS

	GROUP	
	31/03/2020	31/03/2019
Provision for returns, price adjustments, customer bonuses and complaints	284.9	312.8
Calculated additional consideration	411.8	47.2
Provision for disputes	40.3	33.8
Provision for personnel expenses	57.4	26.4
Other	7.0	9.2
	801.4	429.4
Of which expected to be settled within 12 months	389.6	360.9
Of which expected to be settled after 12 months	411.8	68.5

	PARENT COMPANY	
	31/03/2020	31/03/2019
Additional consideration	3.6	3.6
	3.6	3.6

31/03/2020	Opening balance	Business combinations	Amounts utilised	Reversal of reserve	Provision during period	Translation differences	Closing balance
Provision for additional consideration	47.2	-	-2.4	-	350.9	16.2	411.9
Provision for personnel expenses	26.4	22.3	-11.5	-	17.7	2.5	57.4
Provision for price reductions, returns, customer bonuses and complaints	312.8	52.0	-322.8	-12.3	239.7	15.4	284.8
Provision for disputes and legal fees	33.8	0.5	-4.1	-4.2	12.3	2.1	40.4
Other	9.2	5.7	-9.4	-	0.9	0.5	6.9
	429.4	80.5	-350.2	-16.5	621.5	36.7	801.4

31/03/2019	Opening balance	Business combinations	Amounts utilised	Reversal of reserve	Provision during period	Translation differences	Closing balance
Provision for additional consideration	3.6	-	-	-	43.6	-	47.2
Provision for personnel expenses	-	21.3	-7.3	-	11.9	0.5	26.4
Provision for price reductions, returns, customer bonuses and complaints	-	267.1	-233.6	-3.6	276.7	6.2	312.8
Provision for disputes and legal fees	-	10.5	-5.5	-1.3	29.5	0.6	33.8
Other	-	5.0	-2.5	-0.2	6.8	0.2	9.2
	3.6	303.9	-249.0	-5.1	368.5	7.5	429.4

Provision for returns, price adjustments, customer bonuses and complaints

The amounts for the period's provisions and amounts utilised during the period refer primarily to the cost of sold games and volume bonuses to customers.

Additional consideration

Contingent consideration of SEK 411.9 million has been calculated in connection with three acquisitions. The final contingent consideration which corresponds to the provisions at 31 March 2020 is largely dependent on the revenue development for each game over a certain period from the launch date.

Disputes and fees

The provision for costs associated with disputes and fees is based on the expected outcome of active legal proceedings. The provision is based on the Group's assessment of the outcome after obtaining a legal opinion from independent legal experts. The increase in the provision for disputes and fees is based on current risk assessments in the ongoing proceedings.

Provision for personnel expenses

Refers to expected payments over a future period of 40 years regarding contractual obligations for personnel (anniversary benefits, bonuses and other personnel provisions regarding post-employment benefits that are not pensions/termination benefits. These provisions relate to obligations in Austria, Italy, France and Spain).

NOTE 38 NON-CURRENT LIABILITIES

The Group does not have any liabilities due for payment after five years.

NOTE 39 CURRENT ACCOUNT CREDIT FACILITIES

	GROUP	
	31/03/2020	31/03/2019
Credit limit granted	283.2	250.0
Unutilised portion	-138.3	-226.9
Utilised credit amount	144.9	23.1

	PARENT COMPANY	
	31/03/2020	31/03/2019
Credit limit granted	263.2	250.0
Unutilised portion	-125.4	-226.9
Utilised credit amount	137.8	23.1

In addition to the unutilised current account credit facilities, the Group had unutilised credit of SEK 1,630.7 (1,260.9) million at the reporting date.

The Group's total cash & bank equivalents, short-term investments and unutilised credit facilities were SEK 4,279.3 million on 31 March 2020, compared with SEK 4,416.9 million on 31 December 2019.

NOTE 40 ACCRUALS AND DEFERRED INCOME

	GROUP	
	31/03/2020	31/03/2019
Deferred income	313.6	95.9
Accrued personnel-related expenses	44.2	39.5
Accrued royalties/commission	53.2	112.6
Audit and consulting expenses	2.2	1.0
Accrued expenses for merchandise	0.6	103.0
Provision for returns etc	-	36.7
Other items	20.4	31.1
	434.3	418.8

	PARENT COMPANY	
	31/03/2020	31/03/2019
Accrued personnel-related expenses	1.5	0.6
Audit and consulting expenses	1.6	1.4
Accrued Board fees	0.3	0.2
Accrued interest expenses	1.7	1.1
Other items	0.5	0.1
	5.6	3.4

NOTE 41 PLEDGED ASSETS AND CONTINGENT LIABILITIES

	GROUP	
	31/03/2020	31/03/2019
Pledged assets		
<i>For own liabilities and provisions</i>		
<i>Current account credit facilities/</i>		
<i>Other liabilities to credit institutions</i>		
<i>Floating charges</i>	306.0	252.4
<i>Property mortgages</i>	67.5	62.5
<i>Shares in subsidiaries</i>	672.6	405.2
Total pledged assets	1 263.3	720.1
Contingent liabilities	27.8	51.4

Contingent liabilities

The amount for 2019/20 refers guarantees for subsidiaries' commitments within the Koch Media group. The amount for 2018/19 referred to guarantor liability for invoices sold to independent parties, referred to as forfeiting

	PARENT COMPANY	
	31/03/2020	31/03/2019
Pledged assets		
<i>For own liabilities and provisions</i>		
<i>Current account credit facilities/</i>		
<i>Other liabilities to credit institutions</i>		
<i>Floating charges</i>	250.0	250.0
<i>Shares in subsidiaries</i>	1,429.0	1,180.0
<i>Receivables from Group companies</i>	266.5	154.8
Total pledged assets	1,945.5	1,584.8
Contingent liabilities		
Guarantees for subsidiaries	1.0	None

NOTE 42 RELATED PARTY TRANSACTIONS

- > THQ Nordic GmbH has invoiced Game Outlet Europe AB³⁾ for sold games and services amounting to SEK 0.5 (13.1) million.
- > Quantic Labs S.R.L.¹⁾ has invoiced THQ Nordic GmbH for QA-services amounting to SEK 18.2 (10.8) million.
- > Gaya Entertainment GmbH²⁾ has invoiced Koch Media GmbH for merchandise sold amounting to SEK 0.5 (1.8) million.
- > Gaya Entertainment GmbH²⁾ has invoiced THQ Nordic GmbH for merchandise sold amounting to SEK 3.0 (2.9) million.
- > THQ Nordic GmbH has invoiced Gaya Entertainment GmbH²⁾ for products and services amounting to SEK - (5.7) million.
- > Quantic Labs S.R.L.¹⁾ has invoiced Koch Media GmbH for services amounting to 0.7 MSEK (0.5).
- > Koch Media GmbH has invoiced Game Outlet Europe AB for services amounting to SEK - (8.1) million.
- > Game Outlet Europe AB has invoiced Koch Media GmbH for services amounting to SEK 0.1 (0.7) million.
- > THQ Nordic GmbH has invoiced Quantic Labs S.R.L.¹⁾ for services amounting to SEK - (0.9) million.
- > Nordic Games Group AB has invoiced Game Outlet Europe AB³⁾ for services amounting to SEK 0.1 million (-).
- > Embracer Group AB also has a rental agreement with Lars Wingefors AB. Embracer Group AB paid SEK 0.3 (0,3) million in rent and an additional SEK 1.7 (0.1) million for equipment other services by companies in the Lars Wingefors AB-group.

All transactions with closely related parties have been conducted at market prices.

- 1) Companies owned by Nordic Games Group AB, a Group that is wholly owned by Lars Wingefors, Erik Stenberg, Mikael Broden, Pelle Lundborg, Klemens Kreuzer and Reinhard Pollice.
- 2) The Company was owned, until 5 June 2019, by Nordic Games Group AB, a Group that is wholly owned by Lars Wingefors, Erik Stenberg, Mikael Broden, Pelle Lundborg, Klemens Kreuzer and Reinhard Pollice. From 5 June the Company is a part of Embracer Group.
- 3) The Company was owned, until 15 August 2019, by Nordic Games Group AB. From 15 August the Company is a part of Embracer Group.

NOTE 43 INTEREST PAID AND DIVIDEND RECEIVED

	GROUP	
	31/03/2020	31/03/2019
Interest received on exchange gains	64.6	2.5
Interest paid	-30.9	-17.7

	PARENT COMPANY	
	31/03/2020	31/03/2019
Interest received on exchange gains	83.0	-
Interest paid and realized exchange losses	-21.5	-8.9

NOTE 44 CASH & BANK EQUIVALENTS

Components of cash & bank equivalents	GROUP	
	31/03/2020	31/03/2019
Bank deposits	2,317.6	2,429.7
	2,317.6	2,429.7

Components of cash & bank equivalents	PARENT COMPANY	
	31/03/2020	31/03/2019
Bank deposits	1,761.8	2,166.8
	1,761.8	2,166.8

NOTE 45 OTHER CASH FLOW DISCLOSURES

Adjustments for non-cash items	GROUP	
	2019/20	2018/19
Depreciation/amortisation	1,475.9	1,018.0
Unrealised exchange differences	-	5.6
Gains/losses on sale of non-current assets	-2.3	-
Other non-cash movements	-126.3	-62.8
	1,347.3	960.8

	PARENT COMPANY	
	2019/20	2018/19
Depreciation/amortisation	333.3	240.3
Exchange gain on non-current receivable	-	-8.5
Impairment of shares in subsidiaries	-	71.0
Other	9.4	-
	342,7	302.8

NOTE 46 ACQUISITIONS OF SUBSIDIARIES

Acquisitions in 2019/20				GROUP
Company	Operations	Acquisition date	Capital and votes	Sales 2019/20
Piranha Bytes GmbH	Studio	22/05/2019	100%	
Gaya Entertainment GmbH	Sale of merchandise (Partner Publishing)	05/06/2019	100%	
Gunfire Games LLC	Studio	14/08/2019	100%	
Milestone S.R.L	Studio	14/08/2019	100%	
Amplifier Game Invest AB	Investment company (games startups)	14/08/2019	100%	
KSM GmbH	Film	15/08/2019	100%	
Game Outlet Europé AB	Niche distributor of reprinted physical videogames	15/08/2019	100%	
Tarsier Studios AB	Studio	31/12/2019	100%	
Misc Games AS	Studio	31/12/2019	53%	
Voxler SAS	Studio	19/02/2020	100%	
				527.3

In addition to the above companies, a number of smaller studios were started during the financial year 2019/20.

NOTE 47 GROUP INFORMATION

Of the Parent Company's total purchases and sales measured in SEK. 52.4 (10.8) percent of purchases and 84.0 (98.0) percent of sales are related to other companies within the group of companies to which the company belongs.

NOTE 48 SIGNIFICANT EVENTS AFTER THE END OF THE FINANCIAL YEAR

ACQUISITIONS

Saber Interactive

Embracer Group completed the acquisition of Saber Interactive Inc. April 1, 2020. Saber Interactive is an independent developer and publisher of top-quality video games for PC, consoles and mobile platforms, headquartered in Maplewood, New Jersey. The company was founded by Matthew Karch, currently CEO, and Andrey Iones, currently COO, in 2001. Saber Interactive has extensive experience with projects starting from conception, design, pre-production. The company has approximately 600 internal developers and studios in St Petersburg in Russia, Madrid in Spain, Porto in Portugal, Minsk in Belarus, and Sundsvall in Sweden plus several external developers who are committed to working with Saber Interactive. Games developed include work-for-hire projects, self-funded as well as co-published proprietary titles.

Purchase price: The initial purchase price of USD 150 million, on a cash and debt free basis, and a potential earn-out payment of USD 375 million. The total consideration, assuming full earnout, thus amounts to USD 525 million.

Preliminary surplus value and related amortizations: The SEK 5,853 million surplus value identified in the preliminary purchase price allocation for Saber will result in non-operational amortizations of approximately SEK 293 million on a quarterly basis for the coming five years starting from 1 April 2020.

4A Games Limited

Embracer Group AB has entered into an agreement to acquire the Malta-based 4A Games Limited. 4A Games is a top-tier independent AAA PC and Console developer behind the successful Metro franchise and a long-term development partner to the Embracer owned publisher Deep Silver. Through the acquisition, Saber Interactive onboards a reputable team of 150+ people across two studios in Malta and Ukraine as well as best-in-class internally developed and owned First-Person-Shooter technology to the Group. The upfront purchase price amounts to approximately MUSD 36 on a cash and debt free basis and is paid in cash and in newly issued B shares, plus an earn-out consideration, subject to fulfilment of agreed milestones, of a maximum USD 35 million. 4A Games expects net sales of approximately MEUR 20 for the period Jan-Dec 2020, with an operational EBIT of approximately MEUR 12.

New World Interactive LLC

Embracer Group AB has entered into an agreement to acquire the US/Canada based New World Interactive LLC. NWI is an award-winning indie-spirited creator and developer of First-Person-Shooter IPs for PC founded in 2010 in North America. Through the acquisition, Embracer Group adds its first studio in Canada and establishes a strong foothold for further growth.

Deca Live Operations GmbH

Embracer Group AB has entered into an agreement to acquire the Germany-based Deca Live Operations GmbH. DECA Games, founded by Ken Go, who is also the seller, is a mobile asset care and live operations expert within the Free-to-Play games segment. Through the acquisition, Embracer Group adds a strong team forming a key pillar in building a growing and profitable mobile and FTP business within the group while

NOTE 48 CONTINUED

DECA will benefit from Embracer's IP catalog, access to capital and deal flow. The upfront purchase price amounts to approximately MEUR 25 and is paid in newly issued B shares, plus an earn-out consideration, subject to fulfilment of agreed earnings targets, of a maximum of approximately MEUR 60.

Vermila Studios, a ten-person strong game development studio based in Madrid, Spain.

Rare Earth Games, an Austria-based development studio Rare Earth Games with a team of highly experienced industry veterans.

Palindrome Interactive, (remaining 50% of the shares) a 14-person strong game studio located in Skövde, Sweden.

Pow Wow Entertainment, a development studio with AAA and GaaS experience based in Vienna, Austria.

Sola Media, a sales agent of international film-and TV-rights based in Stuttgart, Germany.

Other significant events after the end of the financial year

> David Gardner was elected as a new board member as of 1 April 2020, at an extra general meeting. David Gardner has a solid industry background and his professional experience includes entrepreneurial and senior management positions in both Electronic Arts and Atari S.A.

> Embracer Group successfully completed a directed share issue of SEK 1,646.5 million, April 8, 2020. The new share issue will further improve the Group's financial position and enable it to continue its long track record of successful acquisitions and adding new game publishers, development studios or new exciting franchises.

> Matthew Karch, CEO and founder of Saber Interactive, was elected as a new member as of 20 May, 2020, at an extra general meeting.

> Amplifier Game Invest signed and completed the acquisition of the Italian based studio, DESTINYbit with four innovative and talented developers. The studio is currently working on an up-coming title called Dice Legacy. The acquisition represents an expansion to southern Europe for Amplifier Game Invest.

> Embracer Group established an office, under the lead of Anton Skog, in Seoul, Korea for business development focus in the Korean market.

NOTE 49 KPI DEFINITIONS

Average number of employees: Number of employees in average during the period.

Earnings per share: Profit for the year divided by the average number of shares outstanding during the year

EBIT: Earnings before interest and taxes

EBITDA: Earnings before interest, taxes, depreciation and amortisation

EBIT margin: EBIT as a percentage of net sales

EBITDA-margin: EBITDA as a percentage of net sales

Equity/assets ratio: Total equity +78-78,4 percent for the financial year 2019/20 and earlier, of untaxed reserves divided by total assets

Net sales growth: Comparison between current period net sales and net sales for the corresponding period in the previous year
Operational EBIT: EBIT excluding non-operational depreciations and amortizations

Operating margin: Operating profit divided by net sales.

Karlstad, 21 August 2020

Kicki Wallje-Lund
Chairman

David Gardner

Ulf Hjalmarsson

Jacob Jonmyren

Matthew Karch

Erik Stenberg

Lars Wingefors
CEO

Our audit report was submitted on 26 August 2020

Ernst & Young AB

Ulrich Adolfsson
Authorised Public Accountant

THIS IS A TRANSLATION FROM THE SWEDISH ORIGINAL

AUDITOR'S REPORT

To the general meeting of the shareholders of Embracer Group AB (publ), corporate identity number 556582-6558

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of Embracer Group AB (publ) for the financial year 2019-04-01 – 2020-03-31. The annual accounts and consolidated accounts of the company are included on pages 59-94 in this document.

In our opinion, the annual accounts and consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company and the group as of 31 March 2020 and their financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Information than the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the other information. The other information comprises pages 1-58 (but does not include the annual accounts, consolidated accounts and our auditor's report thereon).

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the

information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence

the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- > Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- > Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- > Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors [and the Managing Director].
- > Conclude on the appropriateness of the Board of Directors' [and the Managing Director's] use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- > Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether

the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

- > Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Embracer Group AB (publ) for the financial year 2019-04-01 – 2020-03-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- > has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- > in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined whether the proposal is in accordance with the Companies Act.

Karlstad, 26 August 2020

Ernst & Young AB

Ulrich Adolfsson
Authorised Public Accountant

SHAREHOLDER INFORMATION

ANNUAL GENERAL MEETING 16 SEPTEMBER

The Annual General Meeting of Embracer Group AB, reg. no. 556582-6558, will be held at 15.00 CET on Wednesday 16 September 2020 at Elite Stadshotellet, Kungsgatan 22 in Karlstad.

INFORMATION WITH RESPECT TO THE CORONAVIRUS

Due to the development of the coronavirus the goal is that the annual general meeting shall be swift and effective to minimize spread of disease. Shareholders should carefully consider the possibility to vote in advance, please see below, as well as the possibility of participating by way of proxy. Shareholders who display symptoms of infection (dry cough, fever, respiratory distress, sore throat, headache, muscle and joint ache), have been in contact with people displaying symptoms, have visited a risk area, or belong to a risk group, are in particular encouraged to utilize such possibility. The board of directors of the Company has resolved on the following measures to minimize the risk of the spread of the coronavirus at the general meeting:

- > Possibility to vote in advance and participate via video conference
- > Registration for the general meeting will commence at 14.30 CET.
- > External guests will not be invited.
- > No food or refreshments will be served.
- > The Company follows the development and the recommendations of the authorities and will, if necessary, update the information about the annual general meeting on the Company's website, www.embracer.com.

RIGHT TO ATTEND AND NOTIFICATION

Shareholders who wish to attend the annual general meeting must:

- > on the record date, which is Tuesday 8 September 2020, be registered in the share register maintained by Euroclear Sweden AB; and

- > notify the company of their participation and any assistants (no more than two) in the annual general meeting no later than Thursday 10 September 2020. The notification shall be in writing to Baker & McKenzie Advokatbyrå KB, Attn: Ian Gulam, Box 180, 101 23 Stockholm (kindly mark the envelope "Embracer AGM 2020"), or via e-mail: ian.gulam@bakermckenzie.com. The notification should state the name, personal/corporate identity number, shareholding, share classes address and telephone number and, when applicable, information about representatives, counsels and assistants. When applicable, complete authorization documents, such as registration certificates and powers of attorney for representatives and assistants, should be appended the notification.

NOMINEE SHARES

Shareholders, whose shares are registered in the name of a bank or other nominee, must temporarily register their shares in their own name with Euroclear Sweden AB in order to be entitled to participate in the general meeting. Such registration, which normally is processed in a few days, must be completed no later than Tuesday 8 September 2020 and should therefore be requested from the nominee well before this date.

PROXY ETC.

Shareholders represented by proxy shall issue dated and signed power of attorney for the proxy. If the proxy is issued by a legal entity, attested copies of the certificate of registration or equivalent authorization documents, evidencing the authority to issue the proxy, shall be enclosed. The proxy must not be more than one year old, however, the proxy may be older if it is stated that it is valid for a longer term, maximum five years. A copy of the proxy in original and, where applicable, the registration certificate, should in order to facilitate the entrance to the general meeting, be submitted to the Company by mail at the address set forth above and at the Company's disposal no later than on 10 September 2020. The proxy in original and, when applicable, the certificate of registration must be presented at the general meeting. A proxy form will be available on the Company's website, www.embracer.com, and will also be sent to shareholders who so request and inform the Company of their postal address.

ADVANCE VOTING

The shareholders may exercise their voting rights at the general meeting by voting in advance, so called postal voting in accordance with section 3 of the Act (2020:198) on temporary exceptions to facilitate the execution of general meetings in companies and other associations. The Company encourages the shareholders to use this opportunity in order to minimize the number of participants attending the general meeting in person and thus reduce the spread of the infection.

A special form shall be used for advance voting. The form is available on www.embracer.com. A shareholder who is exercising its voting right through advance voting do not need to notify the Company of its attendance to the general meeting. The advance voting form is considered as the notification of attendance to the general meeting.

The completed voting form must be at the Company's disposal no later than on Thursday 10 September 2020. The completed and signed form shall be sent to the address stated under "Right to attend and notification" above. A completed form may also be submitted electronically and is to be sent to ian.gulam@bakermckenzie.com. If the shareholder is a legal entity, a certificate of incorporation or a corresponding document shall be enclosed to the form. The same apply for shareholders voting in advance by proxy. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote is invalid.

Further instructions and conditions is included in the form for advance voting.

ATTEND REMOTELY

The shareholders might attend the general meeting either physically, in person or by proxy, or remotely (via video conference) and vote in advance. Those who are willing to attend remotely and would like to utilize their voting rights cannot do so by video conference and must instead participate via proxy or vote in advance to utilize their voting rights. The Company will prior to the annual general meeting announce information about attendance at the general meeting remotely.

IR CONTACT

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You are also welcome to ask a question or make an enquiry by email: ir@embracer.com

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