

**Welcome to**  
**Embracer Group's**  
**Annual General Meeting**

**FY 2022/23**

**September 21, 2023**

# TODAY'S AGENDA

15.00

## AGM (part 1) | 1-7

Welcome by Erik Larsson, equity analyst from SEB

Opening of the meeting by Kicki Wallje-Lund, Chairman of the Board

- Presentation of the business activities in the Embracer Group; Lars Wingefors Co-founder & CEO, Johan Ekström Group CFO & Deputy CEO
- Sustainability / ESG - Emma Ihre, Head of Sustainability Embracer Group
- Market insights by market analyst consultant Chris Stanton-Jones
- Coffee Stain by Anton Westbergh, CEO & Co-founder
- Gunfire Games by David Adams, CEO & Founder
- Q&A

~17.00

## AGM (part 2) | 8-18

Closing of the meeting



VIDEO GAME NEWS

13TH JUN 2023 / 9:19 AM

## Embracer Group announces plans to close some studios and cancel some game projects

THE RESTRUCTURING WILL MAKE IT A "MORE FOCUSED, SELF-SUFFICIENT COMPANY", ITS CEO SAYS

Posted by  
Chris Scullion

A graphic featuring the text "EMBRACER+ GROUP" in white, bold, sans-serif font. The text is set against a background that is dark purple on the left and bright pink on the right, separated by a diagonal line. The "+" symbol is smaller and positioned above the "R" in "EMBRACER".

EMBRACER+  
GROUP

HOME > BIZ > GLOBAL

Jun 13, 2023 12:47am PT

## 'Lord of the Rings' Owner Embracer Facing Restructure, Layoffs, Games Studio Closures; Appoints Interim COO

By K.J. Yossman



Dagens industri

Räntor

# Riksbankschefen utesluter inte fler räntehöjningar än nuvarande prognos

Publicerad: 10 juli 2023, 09:50

## ECB-chef: Lutar mot ny räntehöjning i september

Här är de nya hoten mot ekonomin

BBC Sign in Home News Sport Reel Worklife Travel

# NEWS

Home | War in Ukraine | Climate | Video | World | US & Canada | UK | Business | Tech | Science

Business | Market Data | New Tech Economy | Artificial Intelligence | Technology of Business | Economy | CEO Secrets

# US interest rates raised to highest level in 16 years

4 May

AP U.S. WORLD POLITICS VIDEO SPOTLIGHT ENTERTAINMENT SPORTS BUSINESS SCIENCE FACT CHECK CLIMATE HEALTH

WORLD NEWS

# Desperate Ukrainians take long and uncertain journey to escape Russian occupation

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MARKETS BUSINESS INVESTING TECH POLITICS CNBC TV INVESTING CLUB PRO

MAKES IT SELECT USA INTL

UPDATED MON, JUL 24 2023 - 3:00 PM EDT

# Ukraine war live updates: Russia says it views all Ukraine-bound ships as military cargo carriers; Odesa under attack again

Natasha Turak | Amanda Macias

“So do all who live to see such times. But that is not for them to decide. All we have to decide is what to do with the time that is given us.”

- Gandalf





## The Leadership Agenda

Explore now



Perspectives from the Global Entertainment & Media Outlook 2023–2027

# Resetting expectations, refocusing inward and recharging growth

Insight | 15 minute read | June 21, 2023



For the entertainment and media industries, 2022 marked an important inflection point. Total global entertainment and media (E&M) revenue rose 5.4% in 2022, to US\$2.32





SCREEN RANT SR Exclusives Star Wars Marvel DC Star Trek Ahsoka The Nun II Starfield Best Movies On Netflix TV Guide

Home > Gaming > Game Reviews

## Risk of Rain 2 - Survivors of The Void DLC Review: Into A Beautiful Void

Risk of Rain 2's Survivors of the Void DLC introduces the Railgunner and the Void Fiend characters and new stages to explore for countless hours.

BY NATALIE LINNEN PUBLISHED MAR 1, 2022



PC GAMER THE GLOBAL AUTHORITY ON PC GAMES US Edition [US Flag] [Social Icons] [Subscribe] [Search]

## Valheim celebrates the launch of 'hard mode' by offering up a custom-made viking tankard for the fastest and hardest speedrunner

By Andy Chalk published 20 days ago

The Trial of Tyr is a serious challenge for serious vikings.



G-LYFE NEWS REVIEWS VIDEOS MERCH

## DEEP ROCK GALACTIC: SPECIAL EDITION DROPS PHYSICAL RELEASE FOR PS5

GamingLfy.com September 7, 2023 Console, Indie Games, New Release Trailer, New Releases





SOURCE IP



EXPANSION INTO  
FILM



EXPANSION INTO  
MERCHANDISING



EXPANSION INTO  
MULTIMEDIA

TRANSMEDIA  
STRATEGY







# AGM AGENDA

(Part 1)

1. Opening of the meeting
2. Election of chair of the meeting
3. Preparation and approval of voting list
4. Election of one or two persons to certify the minutes
5. Question whether the general meeting has been duly convened
6. Approval of the agenda
7. Presentation of the business activities in the Embracer Group

# **Annual Operations Overview**

**FY 2022/23**

**Annual General Meeting**

**21 September, 2023**

**Embracer Group is a global group of creative and entrepreneurial businesses in PC/console, mobile and board games and other related media.**

**SEGMENTS**



**OPERATIVE GROUPS**

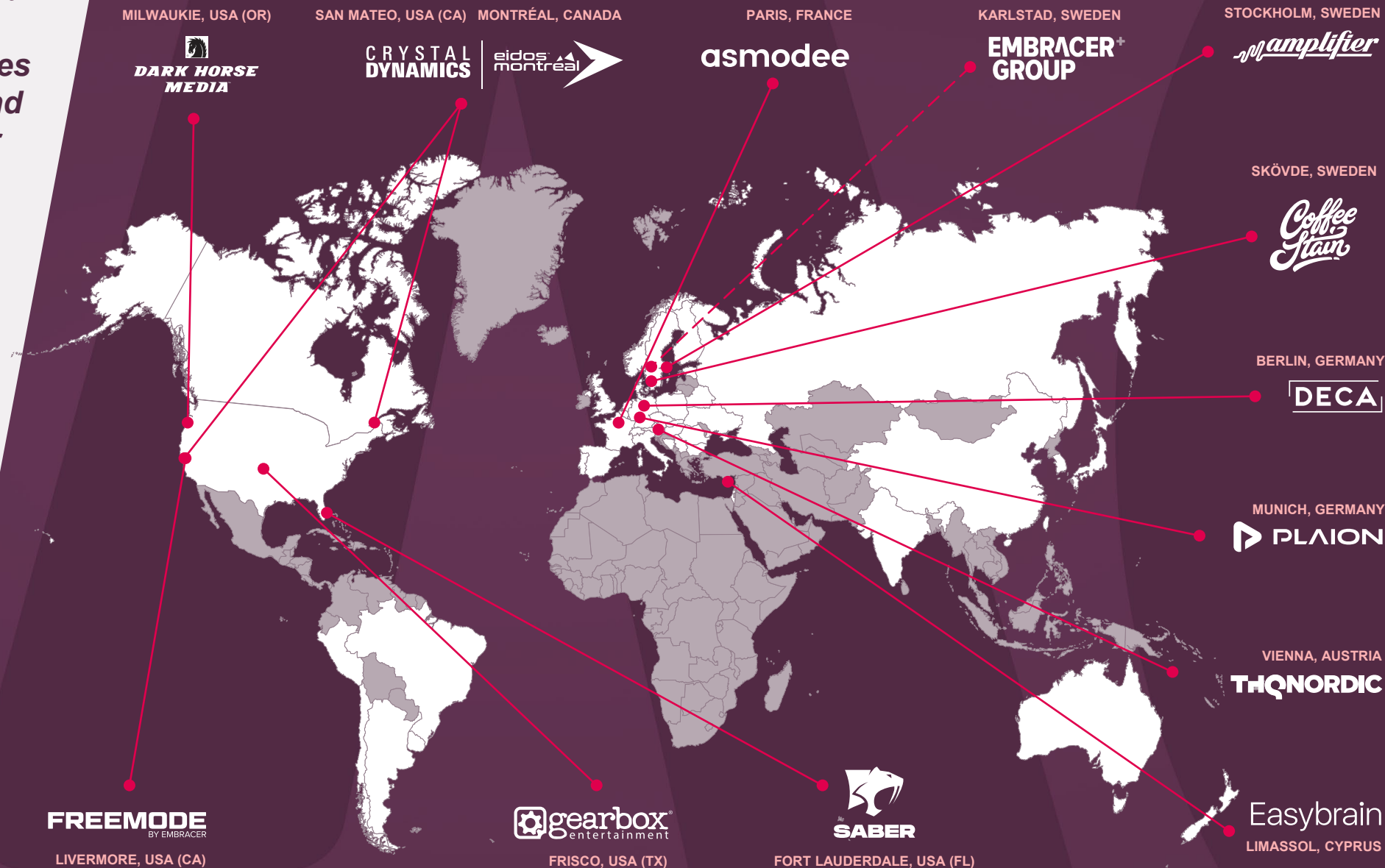
**12**

**INTERNAL STUDIOS**

**139**

**TOTAL HEADCOUNT**

**+16,500**



\*owned or controlled



# Operational & Financial Highlights FY 2022/23

## Net Sales Group

SEK **37,665m**

YOY GROWTH

**121%**

GROUP ORGANIC GROWTH

**2%**

GROUP PRO FORMA GROWTH

**0%**

## Adjusted EBIT

SEK **6,366m**

YOY GROWTH

**43%**

## Adjusted EPS AFTER FULL DILUTION

SEK **4.06**

**(3.50)**



Transition to IFRS



Stockholm main market

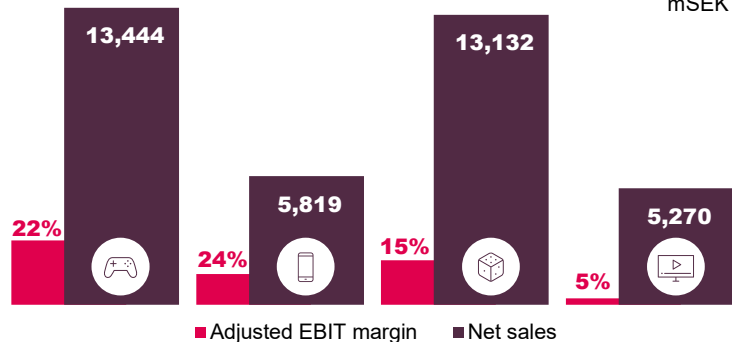
Invested / completed games

**1.8x**

First Group sustainability goals set



MIDDLE-EARTH



### TOP 5 | PC/CONSOLE GAMES



### TOP 5 | MOBILE GAMES



# TOMB RAIDER

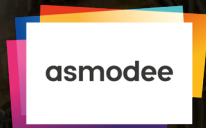
UNITS SOLD

95m



FEMALE GAMERS\*

50%



UNITS SOLD FY 22/23

+50m

# SATISFACTORY

MINUTES PLAYED

19bn

# DEAD ISLAND 2

TOTAL BISECTIONS

258m

PLAYER DEATHS

138m

HOURS PLAYED

64m

ZOMBIES KILLED

+6bn

# PAYDAY 3

ENEMIES KILLED

76m

# BERSERK

MANGA SERIES IN THE US

#1

# THE HOBBIT THE LORD OF THE RINGS

BOX OFFICE SALES

\$6bn

# PLAION<sup>1</sup>

ITEMS SHIPPED FY 22/23

+12m

# MEIRO

UNITS SOLD

33m

# EMBRACER+ GAMES ARCHIVE

GAMES

80,000

# Easybrain

YEARS SPENT PLAYING

1.5m

LEVELS FINISHED PER DAY

+100m

# The year in brief

M&A HIGHLIGHTS

OPERATIONAL HIGHLIGHTS

Q1 FY 2022/23

Q2 FY 2022/23

Q3 FY 2022/23

Q4 FY 2022/23

Q1 FY 2023/24



**FREEMODE**  
BY EMBRACER



First global sustainability goals set

First IFRS report

MSCI upgraded our ESG rating from BBB to A



Employee survey obtained a score of 80 out of 100 (81) satisfaction rate

Nasdaq  
Change of listing venue

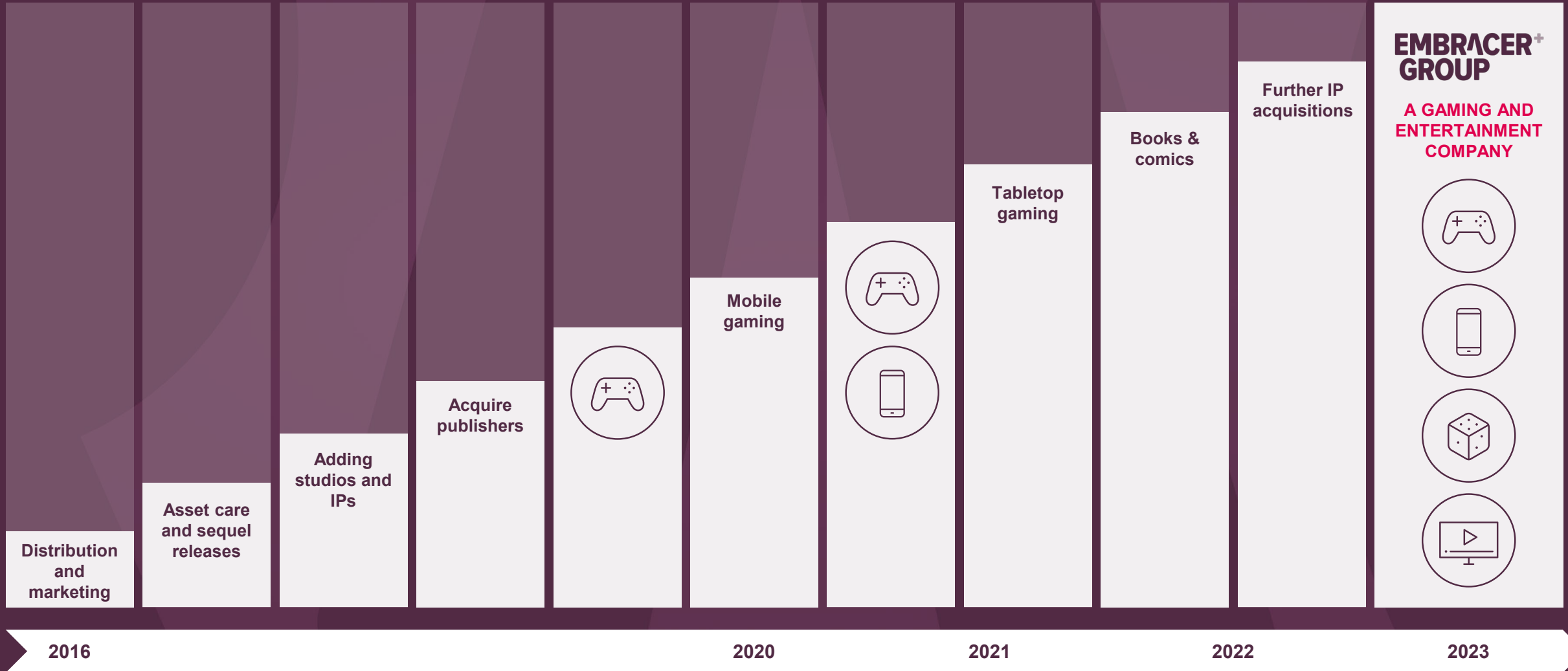
Strengthen corporate capabilities with new recruitments during the year



Transformative partnership deal not concluded

Initiation of restructuring program

# Embracer Group's growth journey

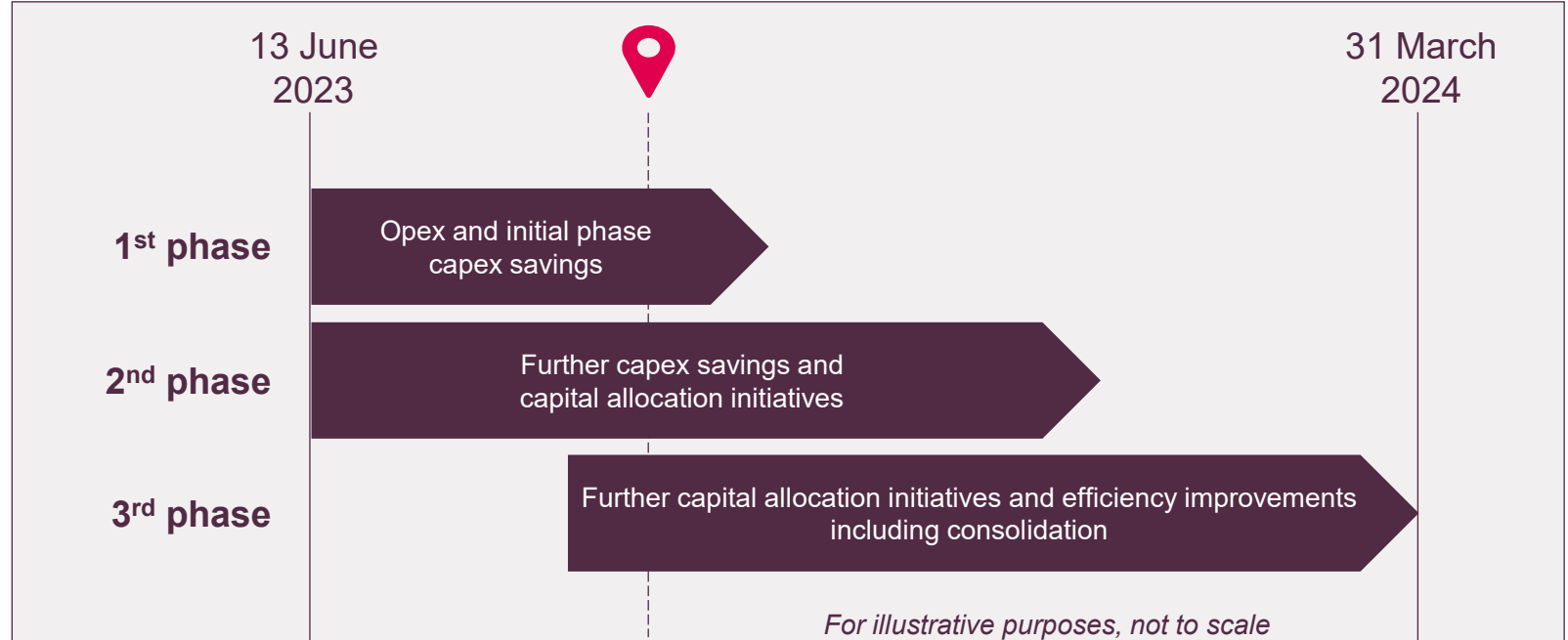


# Main Focus Areas being addressed in phases

**Capex and Opex savings**

**Capital allocation**

**Efficiency improvements**



**GOALS**

**At least SEK 2.9bn annual capex savings**

**At least SEK 0.8bn annual overhead savings**

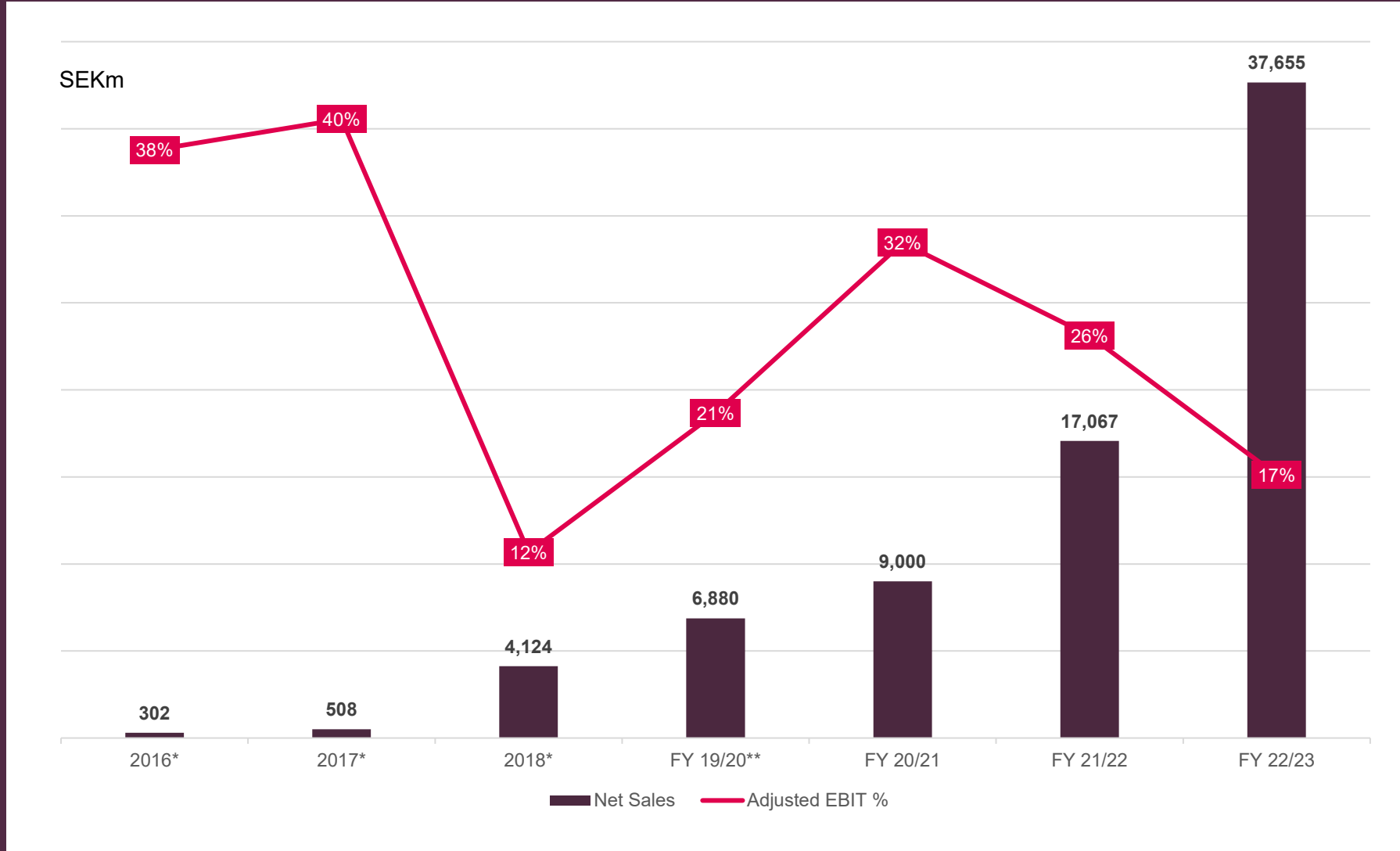
**Net debt below SEK 8.0bn by end of FY 23/24**

1.

# Financial overview FY 2022/23



# Continued growth in a year of many challenges

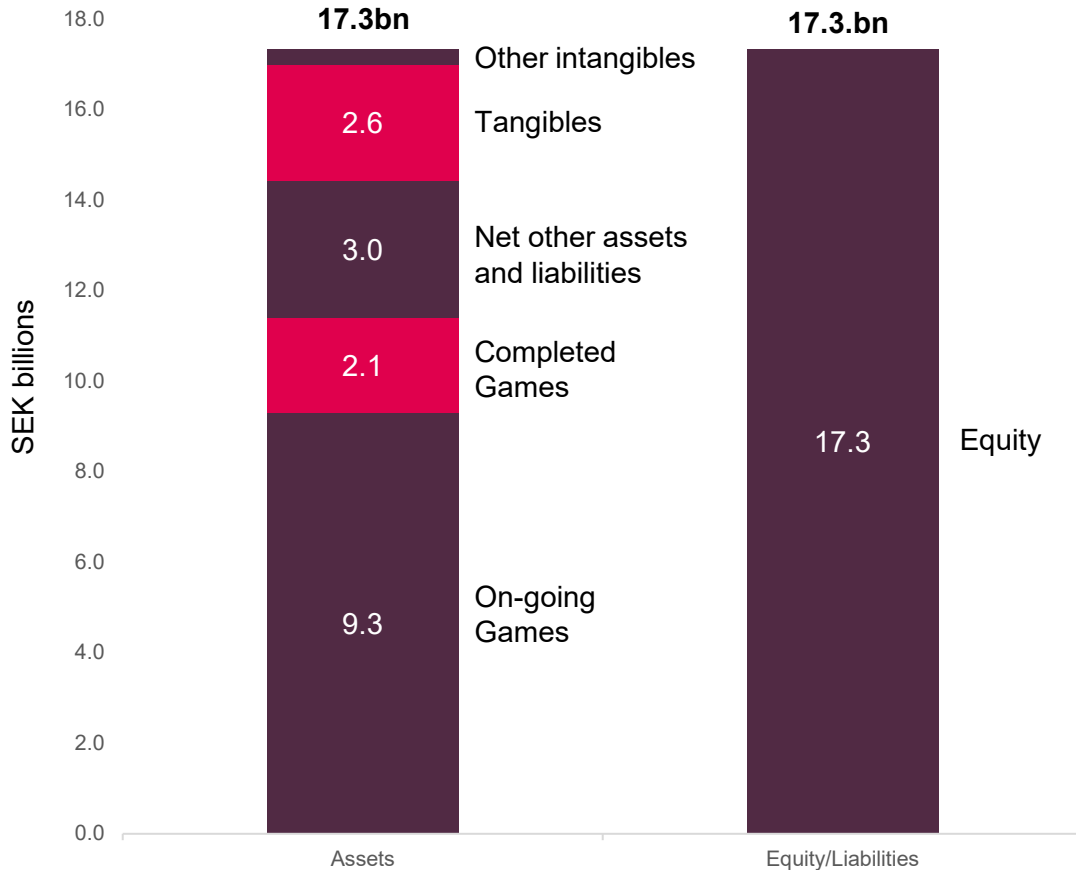


- Strong topline growth driven by several acquisitions during FY 22/23 and the acquisition of Asmodee late in the prior year
- Lower margins due to M&A, product mix and a soft performance for PC/Console Games, driven by lower ROI and delays
- Strengthened IP portfolio and transmedia potential through acquisitions including Tomb Raider and The Lord of the Rings

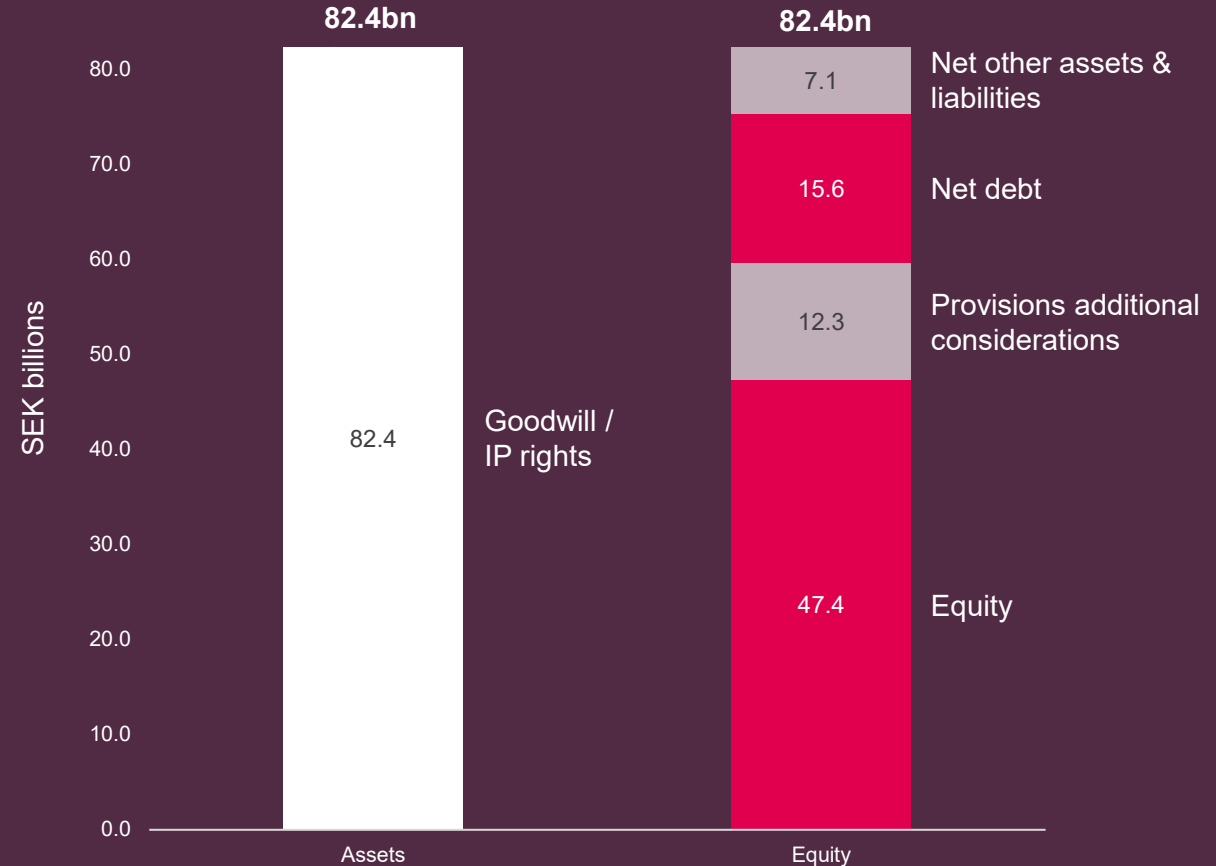
\*Calendar Year | \*\* 15 months

# Balance sheet per 31-03-23

## Operational balance sheet items



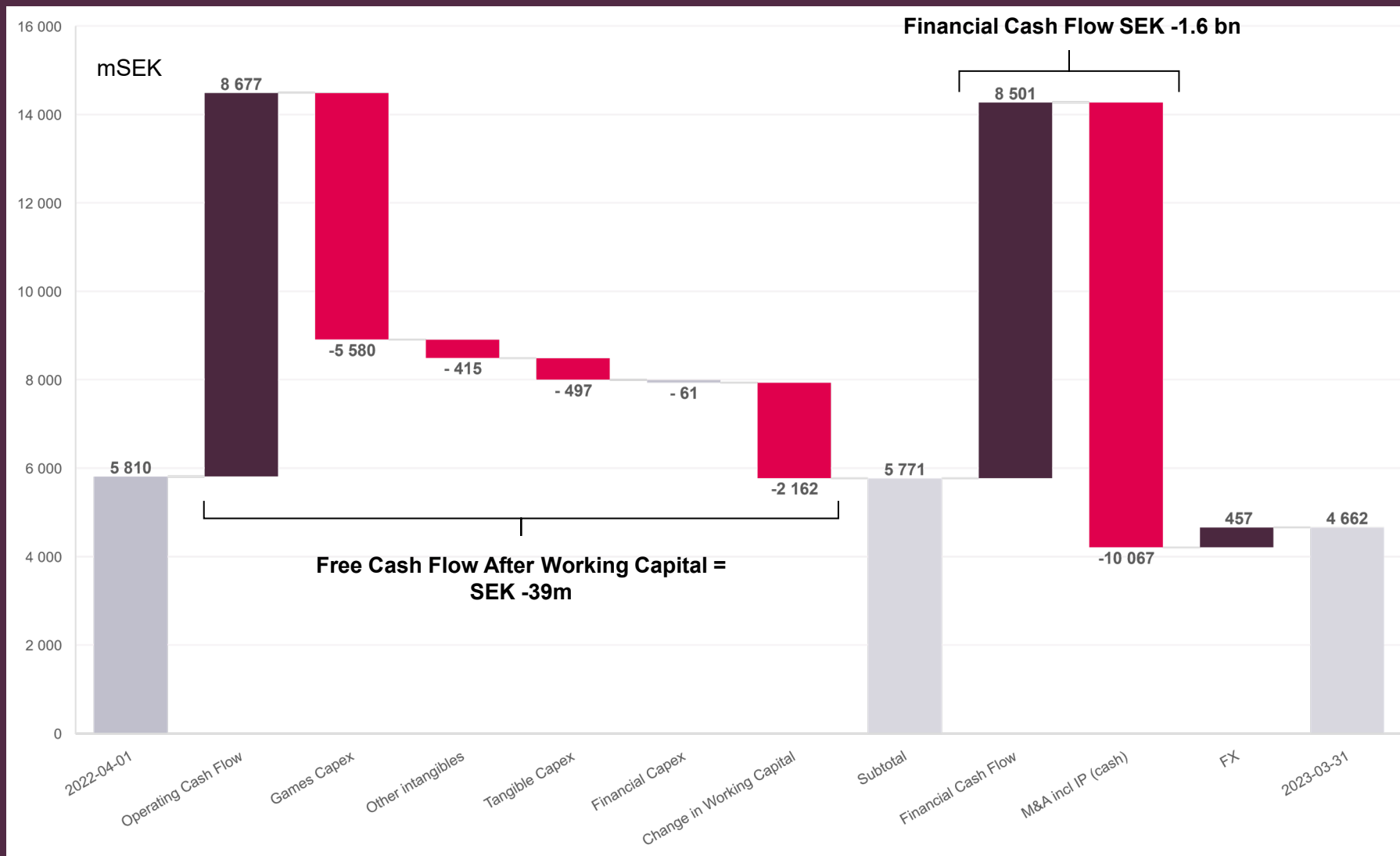
## Financial balance sheet items



SEK 11.4bn invested in our game's portfolio per year-end, where SEK 2.1bn relates to completed games and SEK 9.3bn relates to On-going development. SEK 82.4bn of assets are related to acquisitions (Goodwill and IP-rights). Net debt amounts to SEK 15.6bn.



# Cash Flow from 1 April 2022 to 31 March 2023

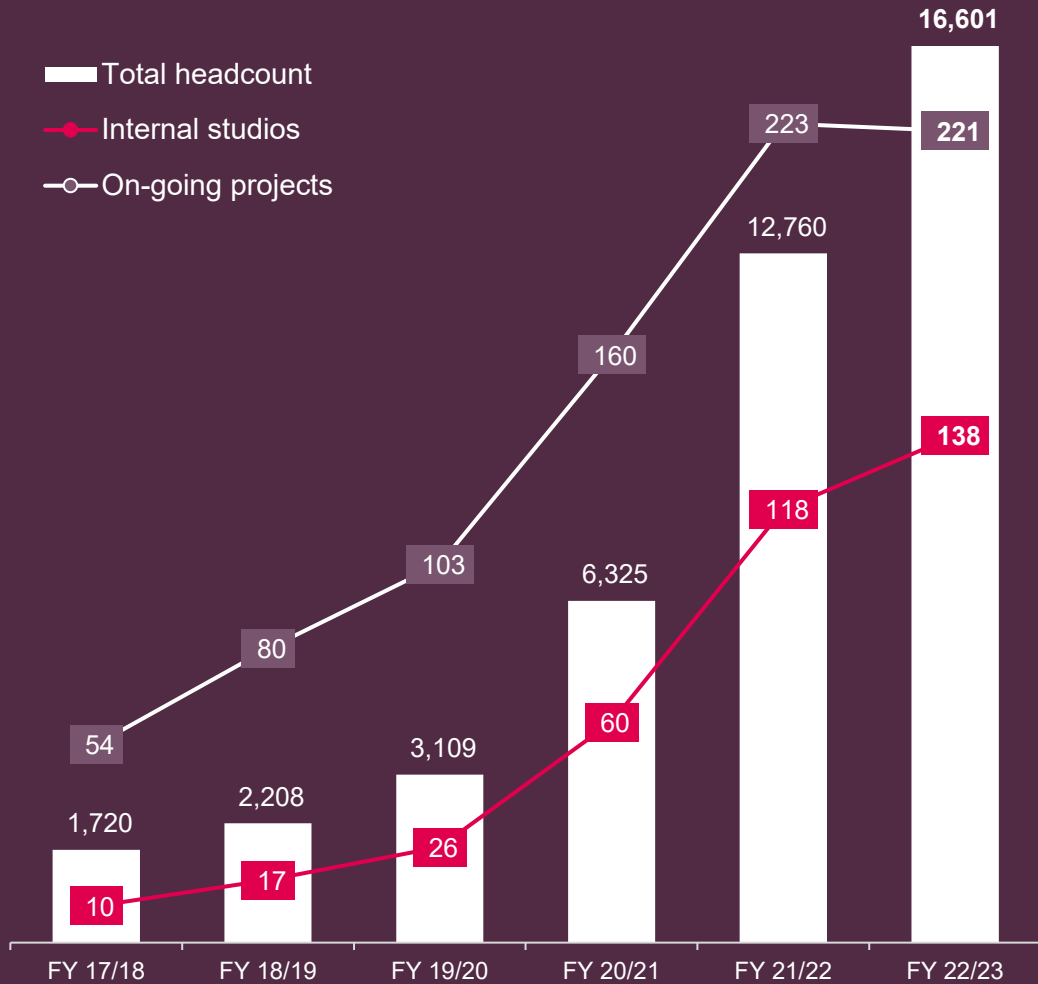


During last year we generated SEK 8.7bn in operating cash flow and invested SEK 5.6bn in our games portfolio, SEK 0.4bn in Other intangibles (mainly Film), SEK 0.5bn in tangible assets and SEK 0.1bn in Financial assets, resulting in an operational FCF of SEK -39m.

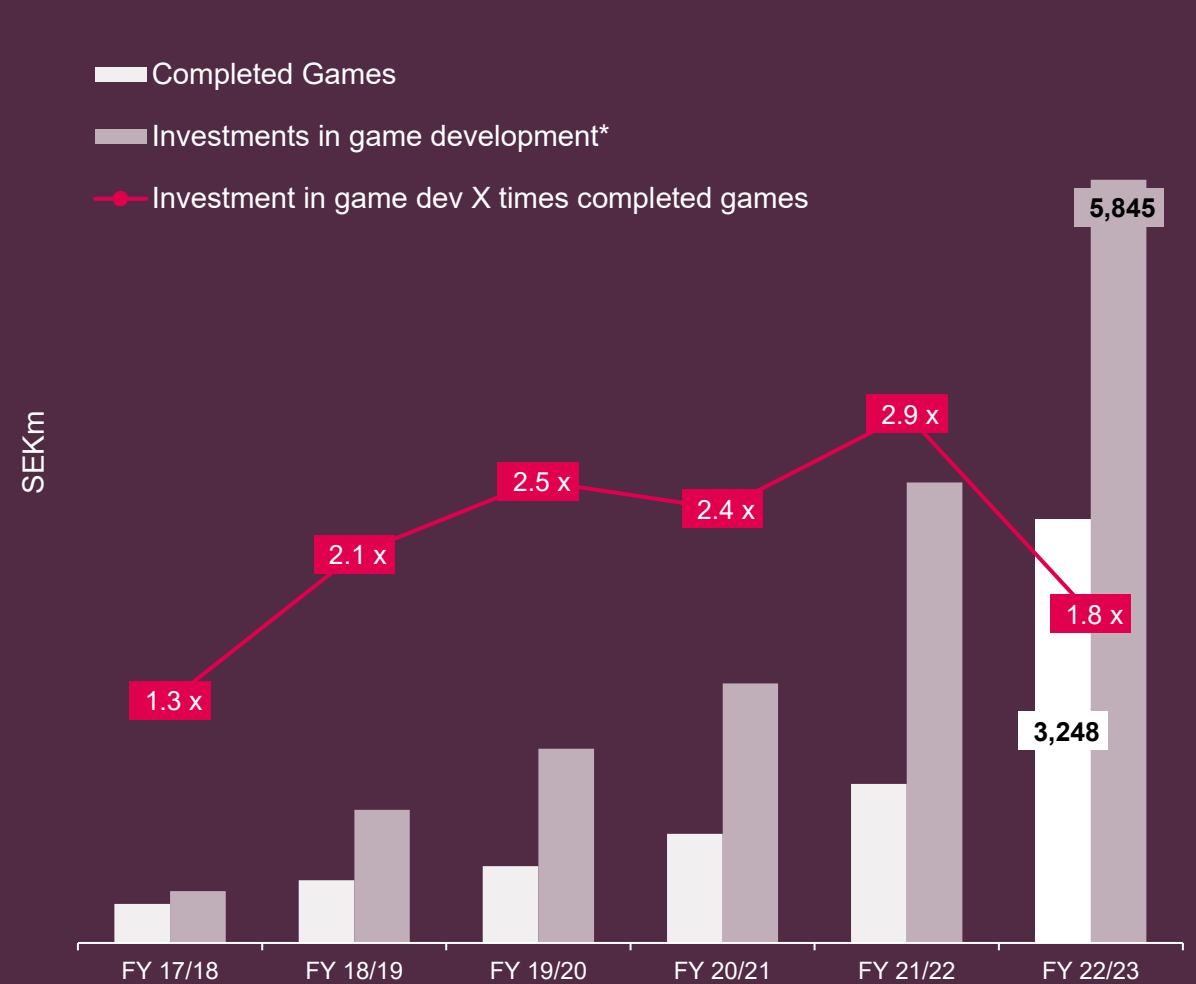
Negative cash flow from financing activities at SEK -1.6bn. Net impact from proceeds from borrowing repayment of loans -1.3bn and share issue 10.3bn. Net cash flow effect from acquisitions amount to SEK -10.1bn.

Cash balance SEK 4.7bn at year-end.

# Operational growth



# Investment growth



\*Gross game capex PC/Console

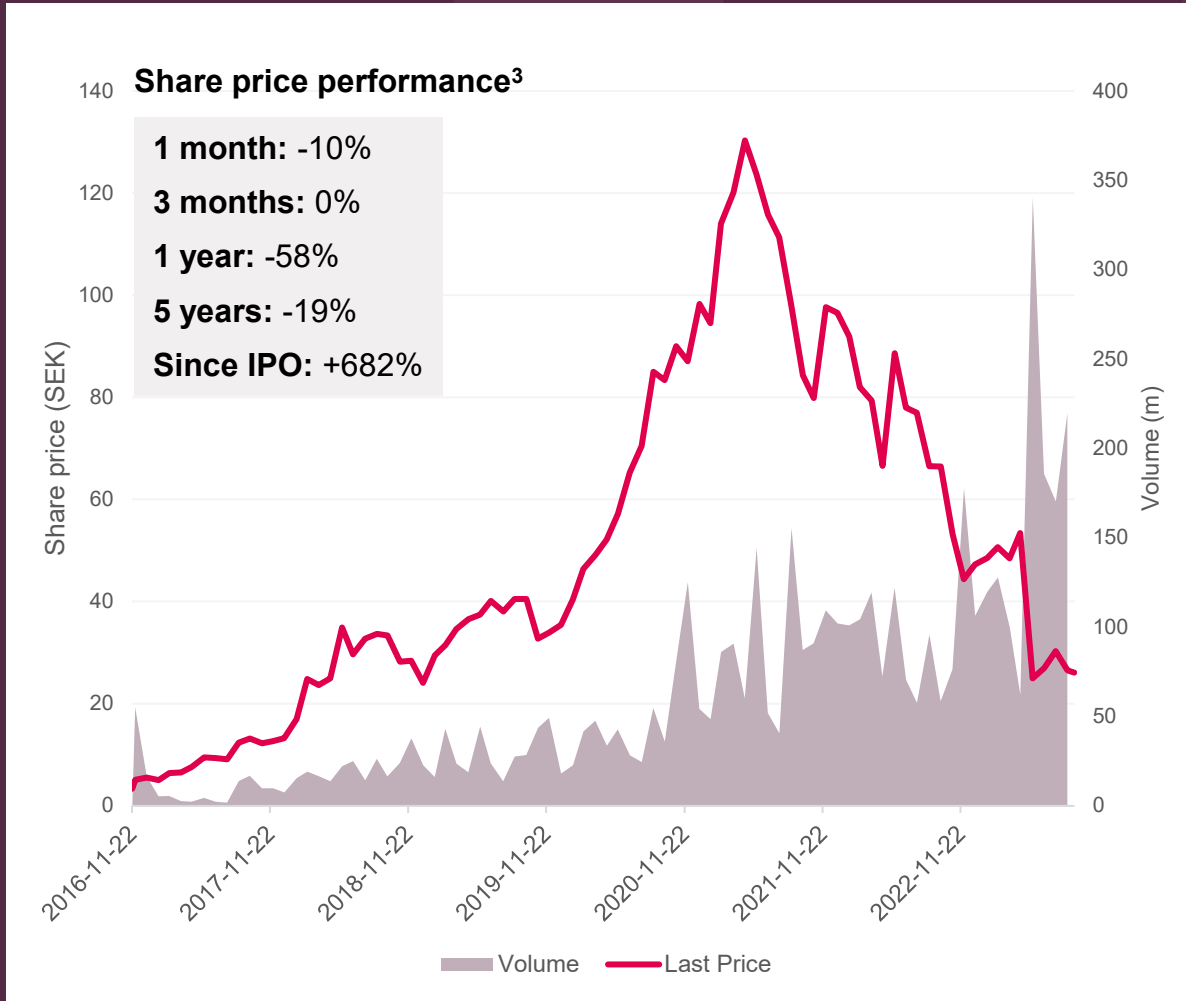
2.

**Share development**

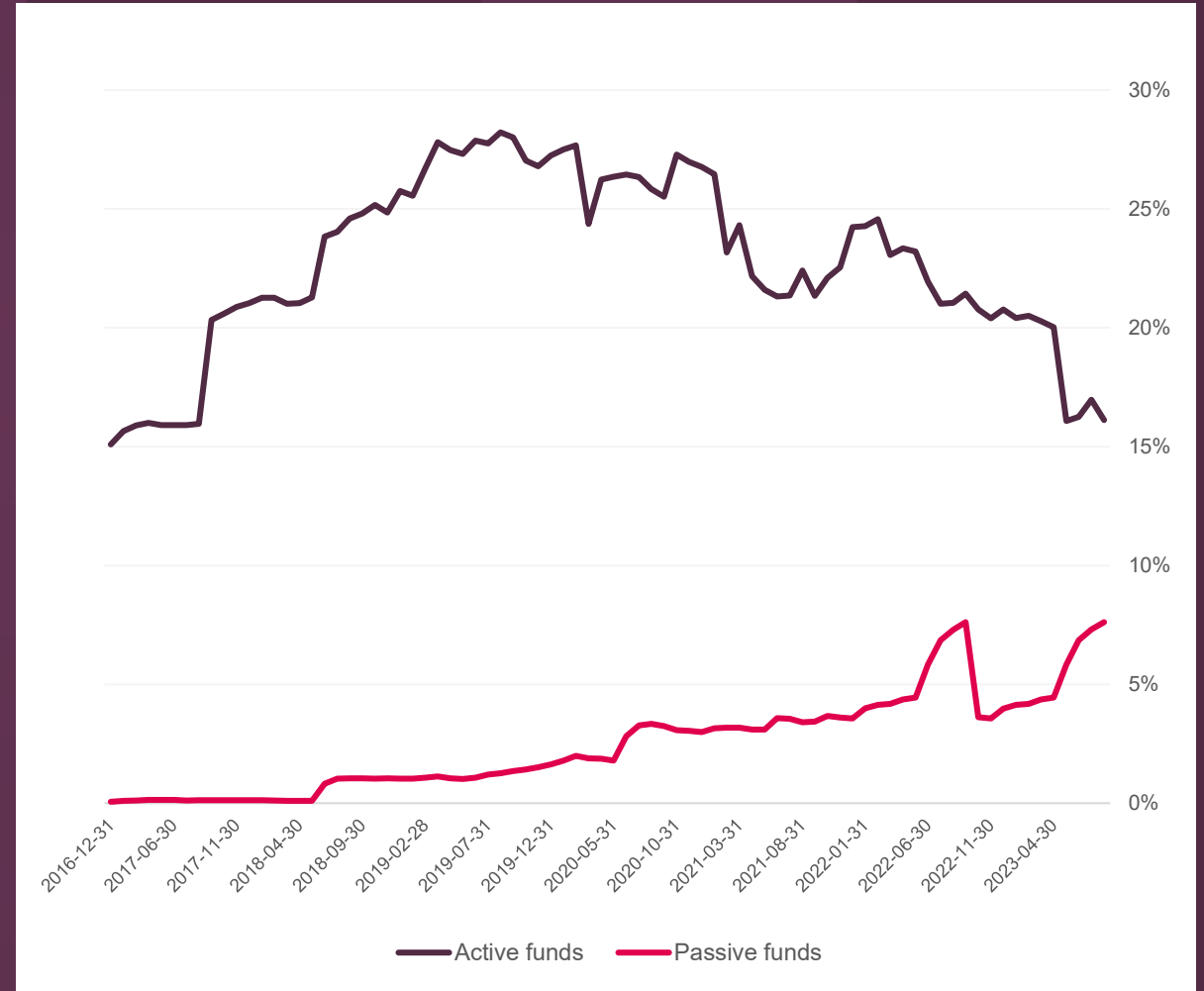


# Share development and fund ownership

## Embracer share development<sup>1</sup>



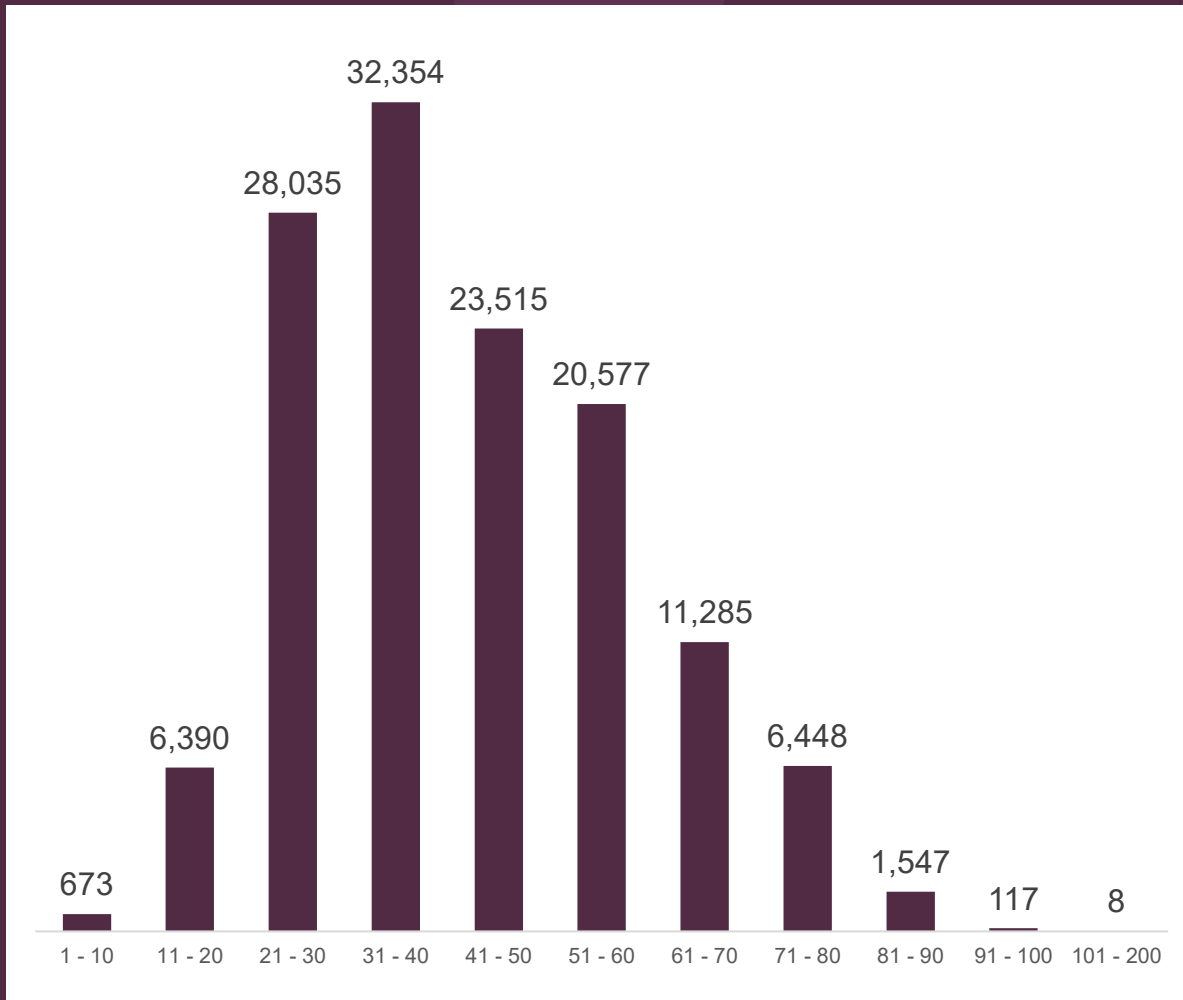
## Active vs. passive fund ownership<sup>2</sup>



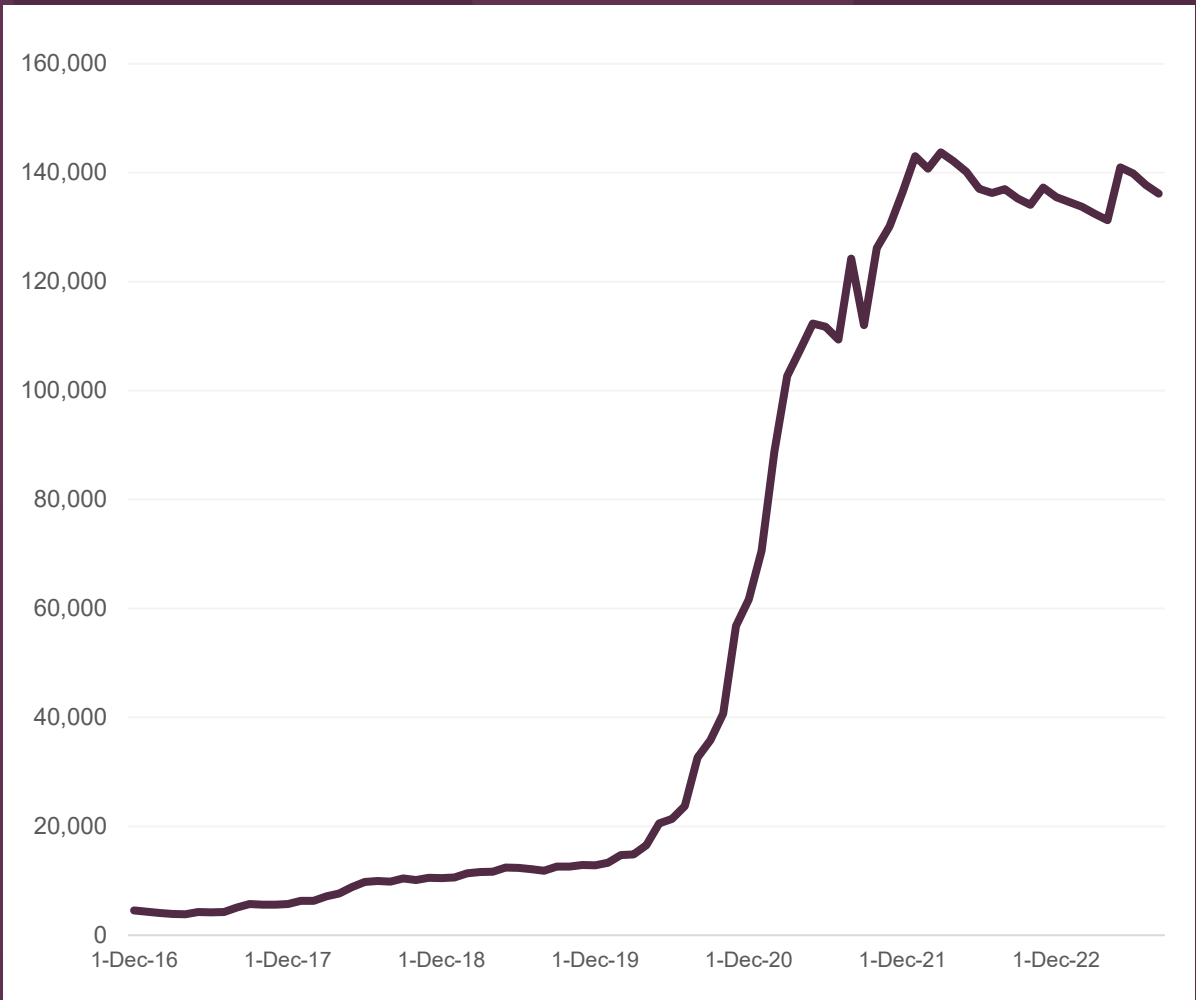
<sup>1</sup> Bloomberg | <sup>2</sup> Monitor | <sup>3</sup> as of September 20, 2023

# Shareholders

No. of known owners, by age<sup>1</sup>



No. of known shareholders<sup>1</sup>



<sup>1</sup> Monitor

**3.**

# **Sustainability**





**Sustainability is about acting  
in line with our values and creating  
long-term value for stakeholders**

# Why Sustainability?



## VALUES

Trust  
Long-term  
Embracing differences



## RISK MANAGEMENT

Legal  
Financial  
Reputational



## BUSINESS DEVELOPMENT

Products and Services  
Organization  
Collaborations



# Our main topics



## Great People

- Diversity and inclusion in skillsets and perspectives
- Employee well-being
- Career and creative development
- Community engagement



## Solid Work

- Diversity and inclusion in games and entertainment
- Digital well-being
- Accessibility
- Player community engagement
- Responsible marketing



## Our Planet

- Carbon emission reduction
- Raising awareness within the industry about environmental impact
- Part of the movement for a climate neutral industry

# Highlights 2022/23 - Group Sustainability Goals



Double the number of female Managing Directors/Studio Heads by 2025 compared with the base year 2021/22.



Reduce the carbon emissions by 45% by 2030 compared with the base year 2021/22 (in line with the Paris Agreement scope 1 and 2, and set Science Based Targets during 2022/23).



Every Operative group to set one or a few own sustainability goals for their operation during 2023/24.

# 2022/23 Highlights



Our MSCI rating improved to A



Sustainalytics included Embracer in Top-Rated ESG Companies List



Continued process to align and validate our carbon-reduction targets with Science Based Target initiative



Leadership and team development support



Donations from the parent company and our companies have initiated projects to support the people of Ukraine due to the ongoing war

# Ambitions 2023/24

- Integration and collaboration
- Implementation
- Reporting/Transparency



4.

# Market insights



# Today's speaker

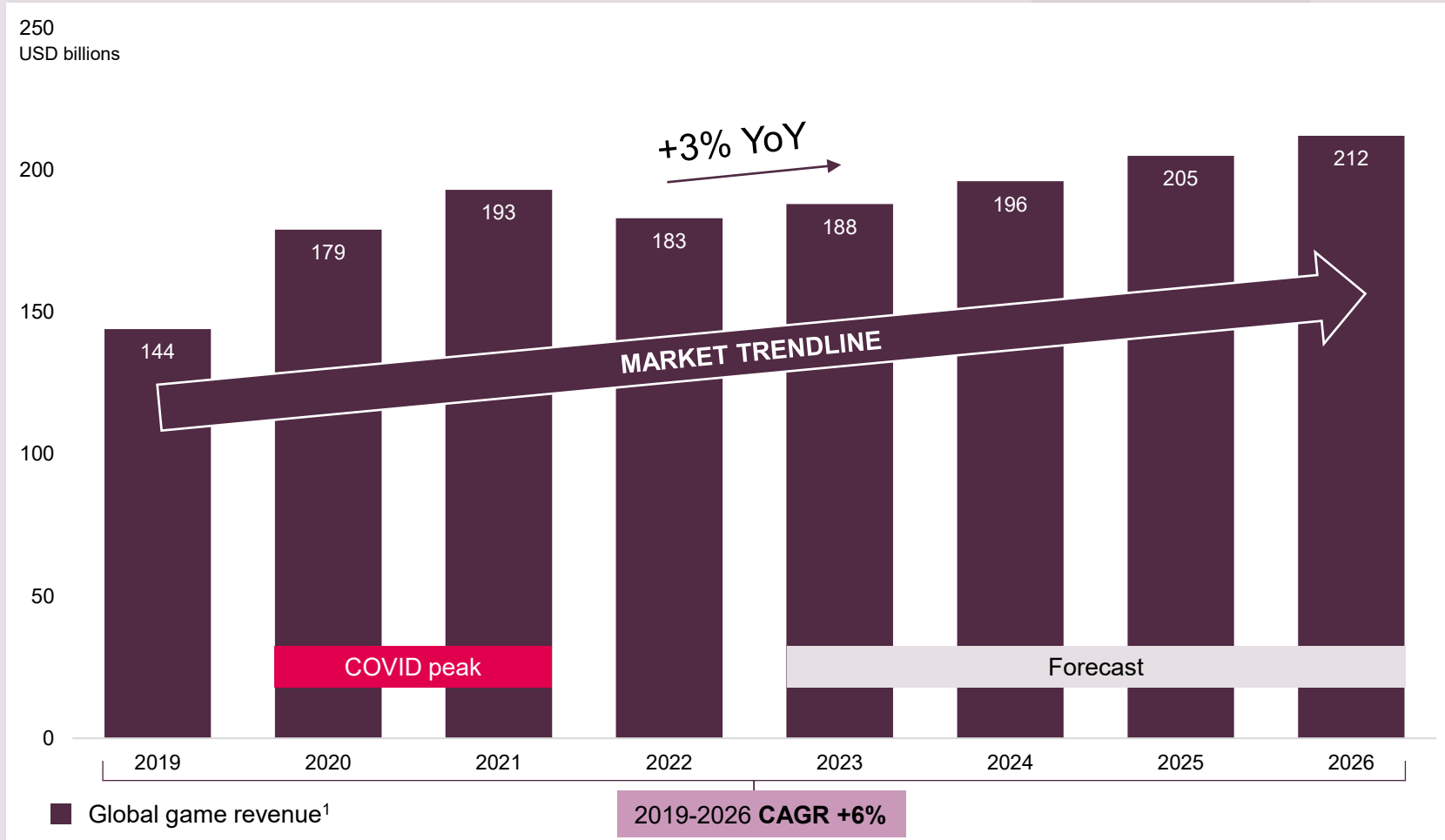


**CHRIS STANTON-JONES**

Market Analyst & Consultant

# Total Gaming Market

Market trendline is good - Return to growth in 2023



## Drivers

- Better comparables
- Console availability
- More big games
- Growing Mainstream acceptance
- More players

**What are the effects of the spending squeeze?**

<sup>1</sup> Newzoo

# Games Market Trends

## TOTAL MARKET

1. Gaming continues to **permeate the mainstream**
2. **The number of players** continues to grow **3.4bn** (+6% YoY) <sup>1</sup>
3. **The vast majority** (ca. 70%) of all revenue comes from in-game sales <sup>2</sup>
4. **Fewer big games generally** - Focus on established IPs + Live Services (in-game)
5. **Release schedule** can be patchy in the short term
6. The rise of **older gamers**
7. **Growth of multi-platform play** - The average gamer uses 3+ devices





# Games Market Trends

## PC & CONSOLE

- Largest markets are US & Europe (where Embracer is strongest)

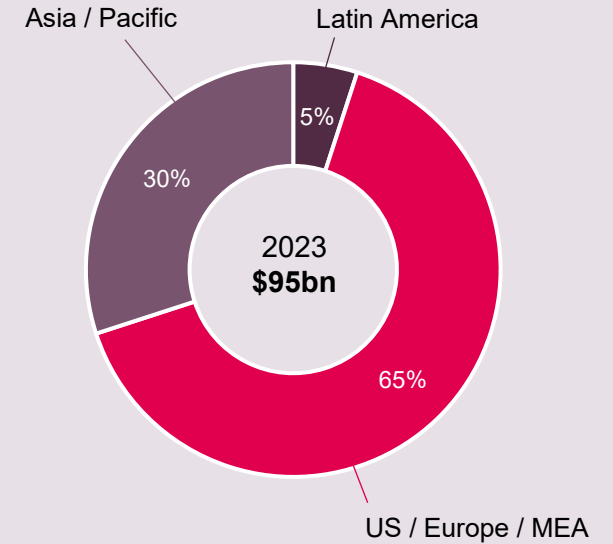
## CONSOLE

- Console is the fastest growing sector <sup>1</sup>
- PS5 owners are more engaged and spend more <sup>3</sup>
- PS5 is now in 'take-off' mode - Console sales over doubled YoY in US / Europe in H1 <sup>4</sup>

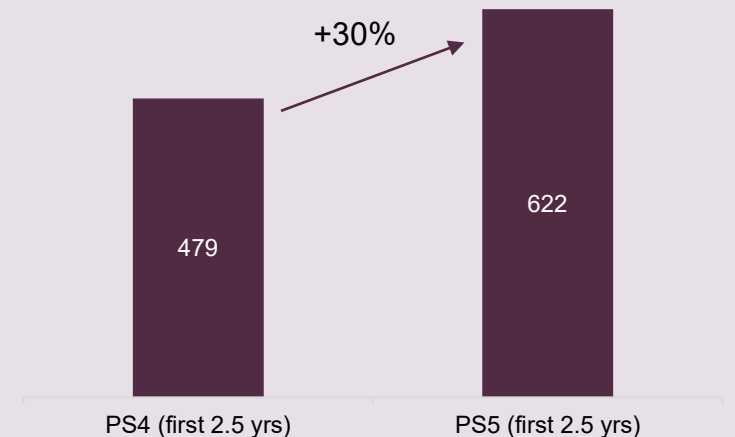
## PC

- PC market is 'steady' – increased PC hardware post pandemic
- The Premium full game sector is seeing consistent growth

PC & Console market split <sup>1</sup>



Consumer spend <sup>3</sup>  
(\$ per connected device)



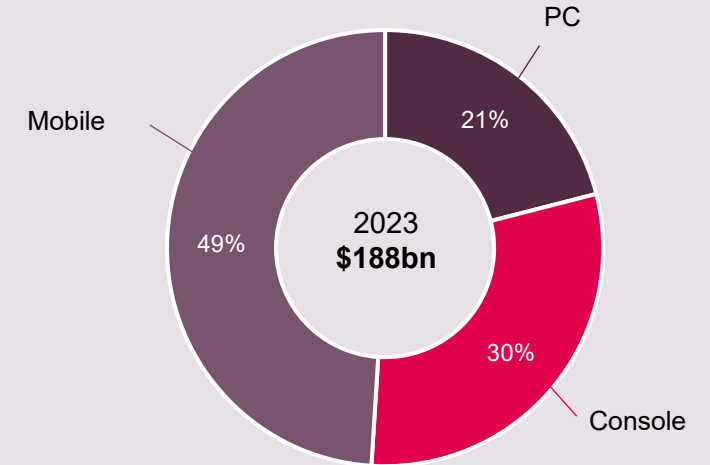
<sup>1</sup> Newzoo | <sup>2</sup> GSD/Circana | <sup>3</sup> Sony | <sup>4</sup> VG Chartz

# Games Market Trends

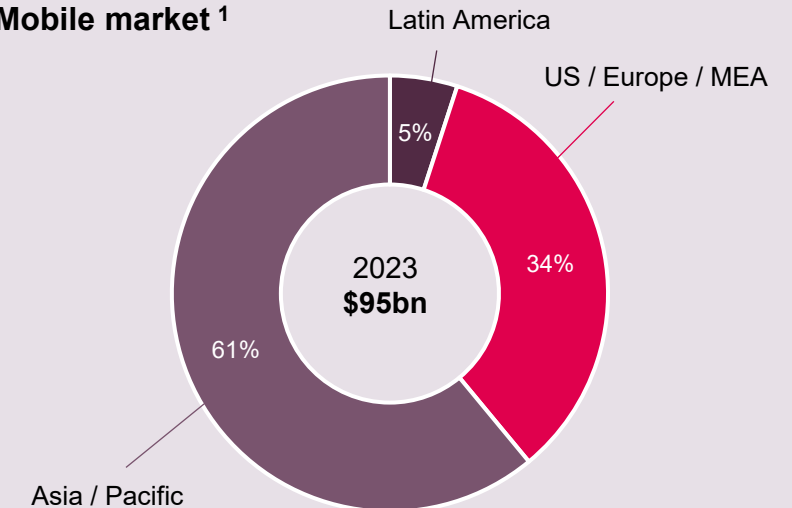
## MOBILE

- **The largest** games sector globally
- **Largest market** is Asia/Pacific
- **Market** still in growth
- But the most **unpredictable** sector (to forecast)
- **Ongoing challenges** such as IDFA and rising user acquisition costs
- **Ad revenues** (not included in market data)

Games market by sector <sup>1</sup>



Mobile market <sup>1</sup>



<sup>1</sup> Newzoo

# Tabletop games market

## Board games and trading card games

**TABLETOP MASS MARKET (FY 2022/23)**

**+2%** (Europe and the US)

**CAGR 2019-2022**

**+10%**



5.

# Coffee Stain



# Today's speaker



**ANTON WESTBERGH**

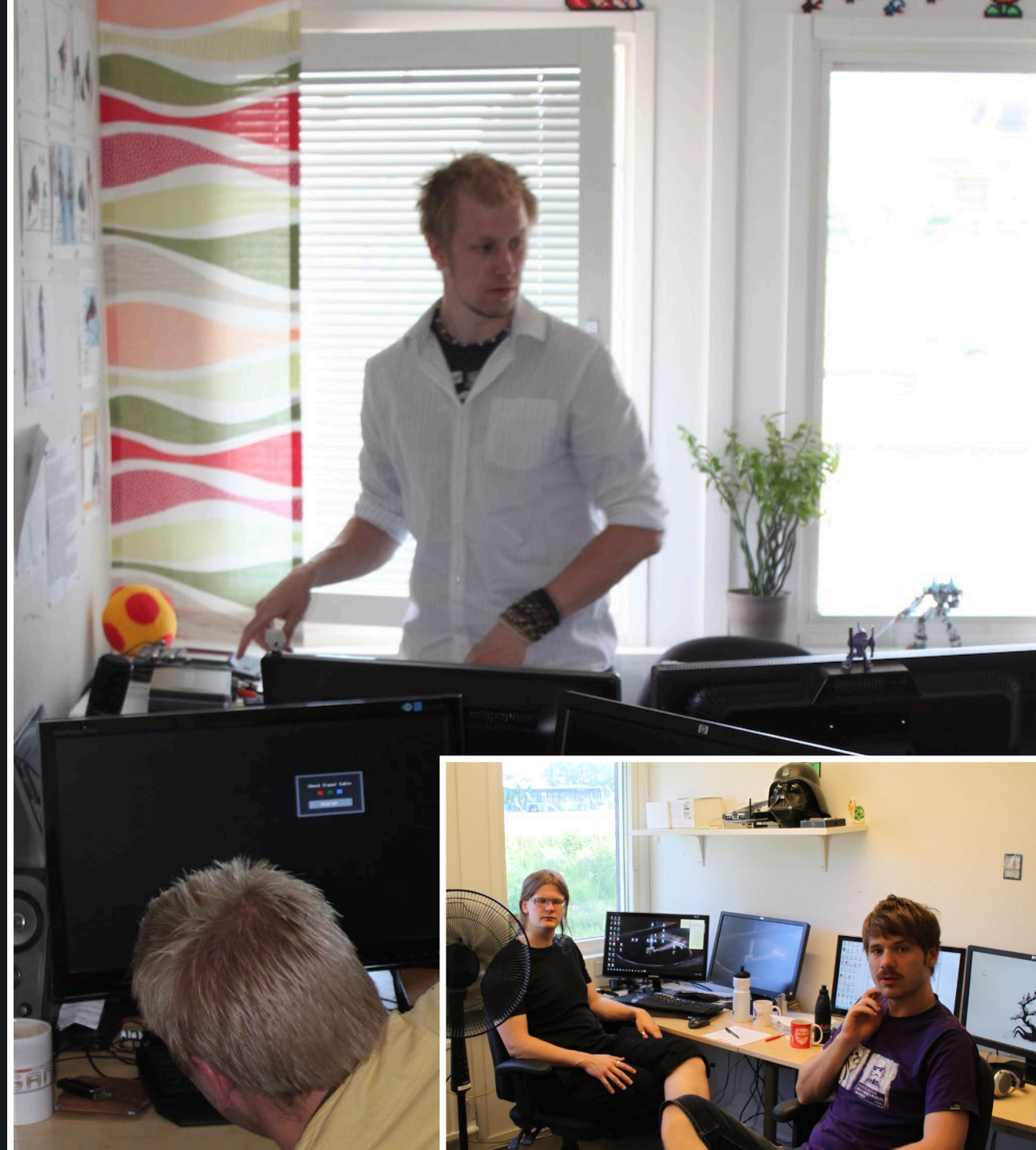
**CEO / CO-FOUNDER, Coffee Stain**



COFFEE STAIN



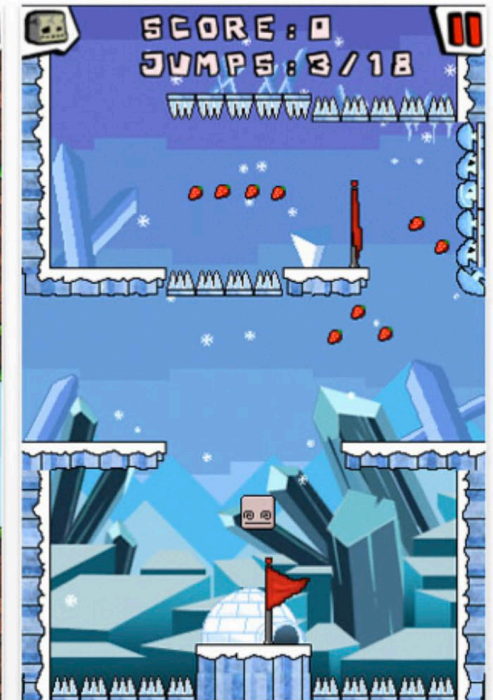
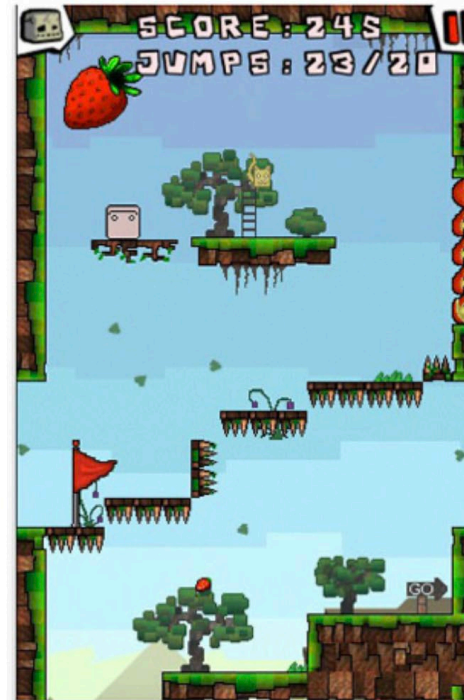
- Founded October 2010
- 9 students from the University of Skövde.
- Plan: make 6 mobile games in 12 months ☺





## Atari launches its first original iOS game – I Love Strawberries

December 22, 2010 by [Dusan Belic](#) - 1 Comment





	NEW RELEASES	TOP SELLERS	COMING SOON	SPECIALS
1	<b>SANCTUM</b> -75% 14,99€ 3,75€			2 <b>Grand Theft Auto: Liberty City</b> -33% 34,99€ 23,44€
3	<b>LEFT 4 DEAD 2</b> -33% 19,99€ 13,39€			4 <b>The Sims 3 PACK</b> -72% 249,92€ 69,99€
5	<b>COMMAND &amp; CONQUER 4</b> -80% 24,99€ 5,-€			6 <b>COUNTER STRIKE SOURCE</b> -75% 19,99€ 4,99€
7	<b>COMPANY HEROES COMPLETE PACK</b> -75% 24,97€ 6,24€			8 <b>Cities XL 2011</b> -80% 39,99€ 7,99€
9	<b>RISEN</b> -66% 29,99€ 10,19€			10 <b>LARA CROFT GUARDIAN OF LIGHT</b> -75% 14,99€ 3,74€
11	<b>BATMAN: YEAR OF THE LEAK EDITION</b> -33% 29,99€ 20,09€			12 <b>KILLING FLOOR COMPLETE PACK</b> -50% 25,74€ 12,87€
13	<b>AUDIOSURF Make Your Music</b> -85% 9,99€ 1,49€			14 <b>THE QUAKE COLLECTION</b> -75% 29,99€ 7,49€
15	<b>VALVE COMPLETE PACK</b> -79% 211,81€ 44,96€			16 <b>The Sims 3</b> 44,99€
17	<b>[PROTOTYPE]</b>			18 <b>THE KILLING FLOOR SUMMER SHOWDOWN EVENT</b>









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**Goat Simulator - IT'S HERE & IT'S AWESOME!**  
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

























**Goat Simulator Official Launch Trailer**  
 Coffee Stain 8.7M views 3 years ago  
 You can get it now at: App Store: <https://itunes.apple.com/app/id868692227> GooglePlay: ...

**GOAT SIMULATOR #1 (Teens React: Gaming)**  
 REACT 8.6M views 3 years ago  
 Don't Forget to Check Out **Goat Simulator #2** - <http://goo.gl/IXw15a> SUBSCRIBE TO THE REACT CHANNEL: <http://goo.gl/c5TeQI> ...  
 CC

**PIG SIMULATOR : Goat Simulator in Minecraft!**  
 DanTDM 16M views 3 years ago  
 "HOW MANY LIKES CAN WE GET?!" = Subscribe and join TeamTDM! :: <http://bit.ly/TxtGm8> = Follow Me on Twitter ...

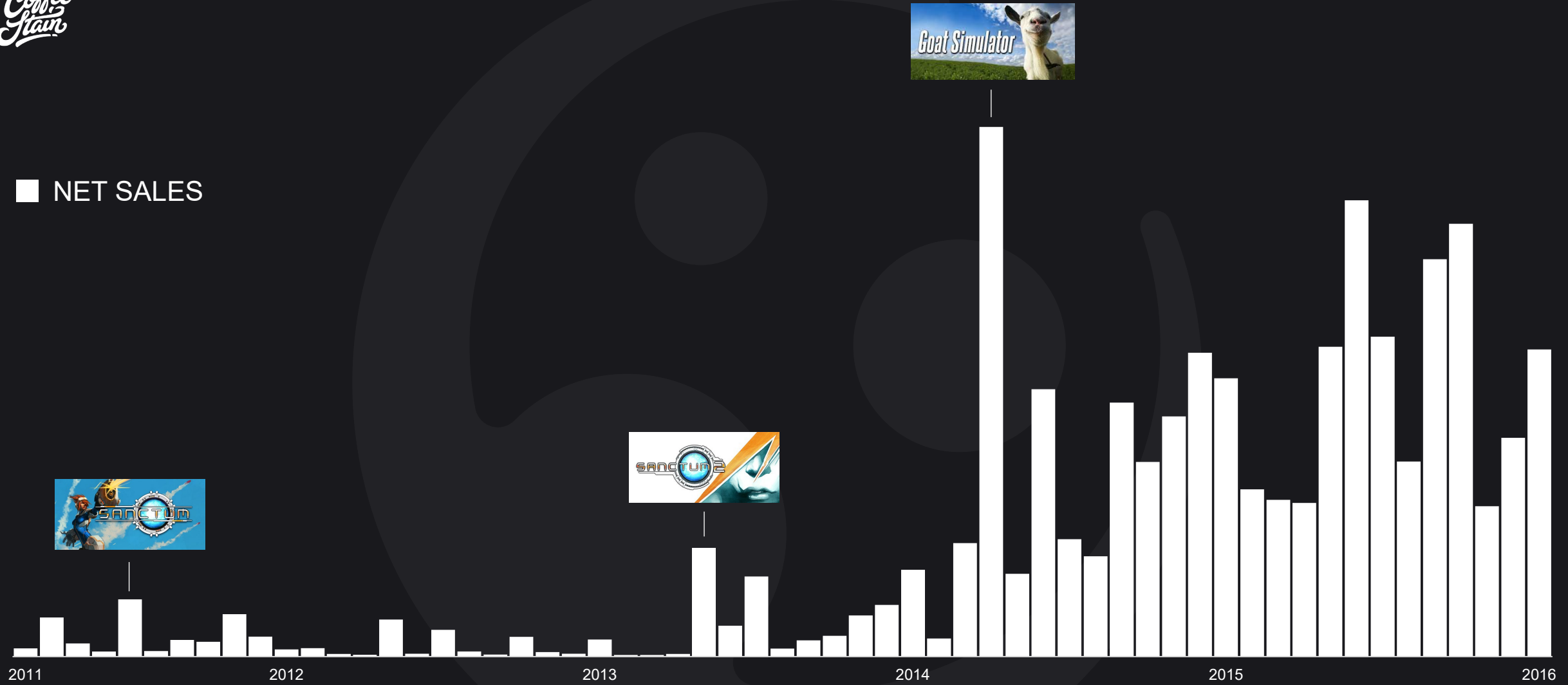
**GERMAN ES UNA CABRA | Goat Simulator**  
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Type	Name (Order by: Uploaded, Size, ULed by, SE, LE)	View: <b>Single</b> / Double	SE	LE
Games (PC)	Goat Simulator 2014 (2014) PC [ENG] (Coffee Stain Studios)     Uploaded 03-29 00:12, Size 641.52 MiB, ULed by azaq318		6851	153
Games (PC)	Minecraft 1.7.2 Cracked [Full Installer] [Online] [Server List]     Uploaded 10-27 2013, Size 110.04 MiB, ULed by TeamExtreme		5042	35
Games (PC)	South Park The Stick of Truth PC game + DLC ^^nosTEAM^^    Uploaded 03-04 10:31, Size 4.13 GiB, ULed by nosTEAM		4403	229
Games (PC)	GTA San Andreas full game pc <<with crack>>   Uploaded 03-28 2007, Size 3.92 GiB, ULed by kura931		3903	438
Games (PC)	The.Sims.3-RELOADED [iso]     Uploaded 05-18 2009, Size 5.6 GiB, ULed by .BONE.		3615	442
Games (PC)	The Sims 3 - Razor1911 Final MAXSPEED     Uploaded 07-25 2009, Size 5.58 GiB, ULed by extremezone		3520	394
Games (PC)	Minecraft 1.7.4 Cracked [Full Installer] [Online] [Server List]     Uploaded 12-13 2013, Size 274.11 MiB, ULed by TeamExtreme		3431	30
Games (PC)	The Elder Scrolls V Skyrim-Razor1911     Uploaded 11-10 2011, Size 5.12 GiB, ULed by extremezone		3195	294
Games (PC)	Euro Truck Simulator 2 FULL-P2P     Uploaded 10-20 2012, Size 552.97 MiB, ULed by extremezone		3120	75
Games (PC)	FIFA 14 PC game ^^nosTEAM^^    Uploaded 10-12 2013, Size 6.34 GiB, ULed by nosTEAM		2575	580
Games (PC)	Dark Souls II-RELOADED    Uploaded 04-24 18:04, Size 11.46 GiB, ULed by Drarbg		2372	1290

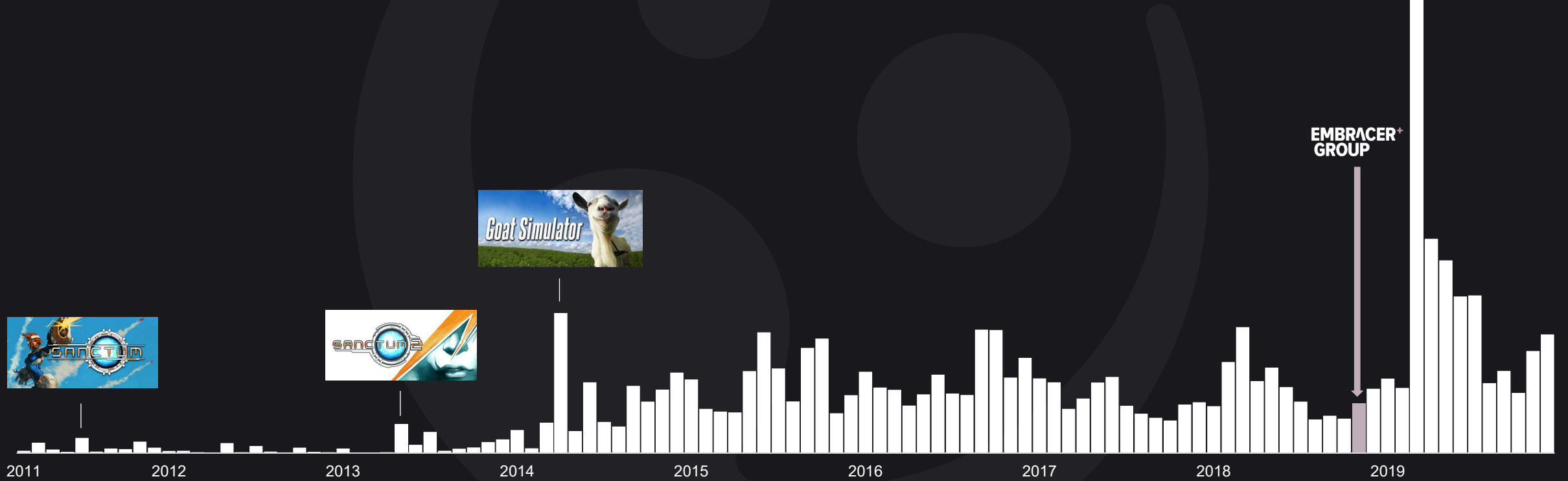


■ NET SALES



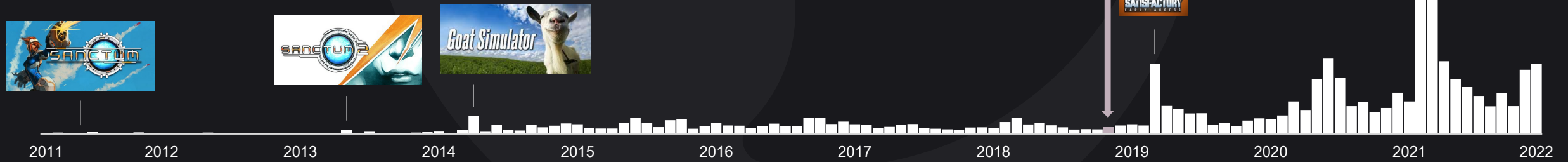


■ NET SALES





■ NET SALES



# Top products



Satisfactory is a first-person open-world factory building game with a dash of exploration and combat. Play alone or with friends, explore an alien planet, create multi-story factories, and enter conveyor belt

97% of the 120,243 user reviews for this game are positive.

RECENT REVIEWS: Overwhelmingly Positive (1,443)  
ALL REVIEWS: Overwhelmingly Positive (120,243)

RELEASE DATE: 8 Jun, 2020

**SOLD COPIES**  
**5M**

**NET SALES**  
**700 MSEK**



Deep Rock Galactic is a 1-4 player co-op FPS featuring badass space Dwarves, 100% destructible environments, procedurally-generated caves, and

97% of the 188,792 user reviews for this game are positive.

RECENT REVIEWS: Overwhelmingly Positive (4,110)  
ALL REVIEWS: Overwhelmingly Positive (188,792)

RELEASE DATE: 13 May, 2020

**SOLD COPIES**  
**7M**

**NET SALES**  
**800 MSEK**



A brutal exploration and survival game for 1-10 players, set in a procedurally-generated purgatory inspired by viking culture. Battle, build, and conquer

95% of the 357,317 user reviews for this game are positive.

RECENT REVIEWS: Very Positive (2,043)  
ALL REVIEWS: Overwhelmingly Positive (357,317)

RELEASE DATE: 2 Feb, 2021

**SOLD COPIES**  
**12M**

**NET SALES**  
**1,700 MSEK**

Hello!





# Coffee Stain & Ghost Ship Games (2023)

									
Country									
City	Skövde	Malmö	Stockholm	Göteborg	Trollhättan	Göteborg	Göteborg	Copenhagen	Skövde
Platforms	PC / Console	Mobile	PC / Console	PC / Console / Mobile	PC / Console	PC	PC	PC / Console	PC
Team size	25-50	5-10	25-50	10-25	5-10	10-15	5-10	25-50	5-10
IP		-				-			

## ABOUT COFFEE STAIN

- In total Coffee Stain has invested SEK 2.69 bn in acquisitions since 2018 to create the operative group. This includes likely earn-outs until 2029
- Pro forma net sales TTM Q1 FY 23/24 : **1,877** mSEK
- Pro forma adjusted EBIT TTM Q1 FY 23/24 : **1,177.5** mSEK (62.7%)
- Significant free cash flow generation since 2018 due to low Capex

# How we do it

1. Small independent teams
2. Agile Business Approach
3. Less Overhead & Bureaucracy

# Small independent teams

- Our teams generally own and control what they work on
- They are Involved in all stages of the project (marketing etc.)
- *Everyone should have an impact*

# Agile business approach

- Testing the grounds early (Early Access)
  - Reduces risk
  - Allows feedback from Community
  - Better products 😊
- Usually adding platforms later.

# Less Overhead & Bureaucracy

- Decentralized
- As flat as possible
- Avoiding overhead when possible

# Challenges

- Meeting requirements being part of a listed company
- Growing while Maintaining Quality & Focus (and our sanity)
- Finding and creating the right Products

COFFEE STAIN

# Content pipeline



GAME	LABEL	YEAR	STATUS	CURRENT PLATFORMS	UNITS SOLD	PEAK CCU*	REVIEW SCORE*
	Coffee Stain	2011	Backlog	PC (Steam)	> 500 k	4,467	90%
	Coffee Stain	2013	Backlog	PC (Steam), Xbox 360, PS3	> 1 M	13,560	92%
	Coffee Stain	2013	Backlog	PC (Steam)	> 10 k	923	87%
	Coffee Stain	2014	Post Launch Support	PC (Steam), Xbox 360, Xbox One, PS3, PS4, iOS, Android	> 1 M	10,022	90%
	Coffee Stain	2014	Backlog	PC (Steam)	> 300 k	1,000	92%
	Coffee Stain	2018	Post Launch Support	PC (Steam), Xbox One, PS4	> 7 M	46,392	97%
	Coffee Stain	2019	Early Access / Development	PC (EGS, Steam)	> 5 M	34,145	97%
	Coffee Stain	2020	Backlog	PC (EGS, Steam, GOG), Xbox One, PS4, iOS, Android	> 300 k	319	94%
	Coffee Stain	2021	Early Access / Development	PC (Steam), Xbox One, Xbox Series	> 12 M	498,478	95%
	Coffee Stain	2022	Early Access / Development	PC (Steam, EGS)	> 300 k	4,801	80%
	Coffee Stain	2022	Early Access / Development	PC (Steam, GOG)	> 300 k	4,167	87%
	Coffee Stain	2022	Development	PC (EGS), Xbox Series, PS5	>500 k	TBD	TBD
	Coffee Stain	2022	Post Launch Support	Roblox	-	-	-
UNANNOUNCED TITLE	Coffee Stain	TBD	Development	TBA	TBD	TBD	TBD
UNANNOUNCED TITLE	Coffee Stain	TBD	Development	TBA	TBD	TBD	TBD
UNANNOUNCED TITLE	Coffee Stain	TBD	Development	TBA	TBD	TBD	TBD
UNANNOUNCED TITLE	Coffee Stain	TBD	Development	TBA	TBD	TBD	TBD
	Ghost Ship	2023	Development	TBA	TBD	TBD	TBD
	Ghost Ship	2023	Development	TBA	TBD	TBD	TBD
	Ghost Ship	2023	Development	TBA	TBD	TBD	TBD
UNANNOUNCED TITLE	Ghost Ship	TBD	Development	TBA	TBD	TBD	TBD
UNANNOUNCED TITLE	Ghost Ship	TBD	Development	TBA	TBD	TBD	TBD

Source: as of 21 September, 2023 | \*Steam

6.

# Gunfire Games





# Today's speaker



**DAVID ADAMS**

**CEO & FOUNDER, Gunfire Games**





## About Gunfire Games

- Founded 2014
- Located in Austin Texas
- 100 employees
- Specialize in 3rd person action adventure, 3rd person shooter, and RPG genres
- Founding members created and developed the Darksiders IP





COMBINED UNIT SALES

~7M

PEAK CONCURRENT USERS (Steam)

110k+

COMBINED REVENUE

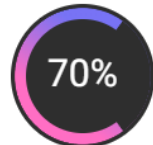
\$ 200M+



OpenCritic  
Rating



Top Critic  
Average



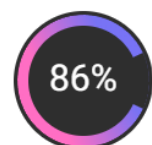
Critics  
Recommend



OpenCritic  
Rating



Top Critic  
Average



Critics  
Recommend



**Now we will have a 15 minute**

**Q&A**

**hosted by Erik Larsson, SEB**

# AGM AGENDA

(Part 2)

8. Presentation of the annual report and the auditors' report and the group annual report and the group auditor's report
9. Resolutions regarding:
  - a. adoption of income statement and balance sheet and the group income statement and the group balance sheet,
  - b. decision regarding the profit or loss of the company in accordance with the adopted balance sheet, and
  - c. discharge from liability of the board of directors and the CEO.
10. Determination of the number of directors and auditors
11. Determination of fees to the board of directors and to the auditors
12. Election of the board and auditors

# **The Board's Work in 2022/23**

# 86 recorded meetings

- 15 physical/video conference
- 71 per capsulam

64 related to the number of acquisitions (content such as issue of shares, allotment of shares etc)

## 11 Audit & Sustainability committee meetings

Extraordinary:  
IFRS conversion &  
listing change

## 4 Remuneration committee meetings



# The process to become listed on the regulated market

Nordic's biggest listing change...

And the largest IFRS conversion!

# IFRS

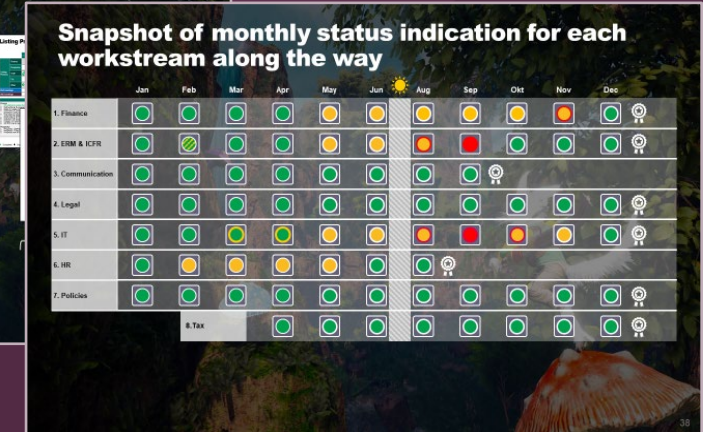
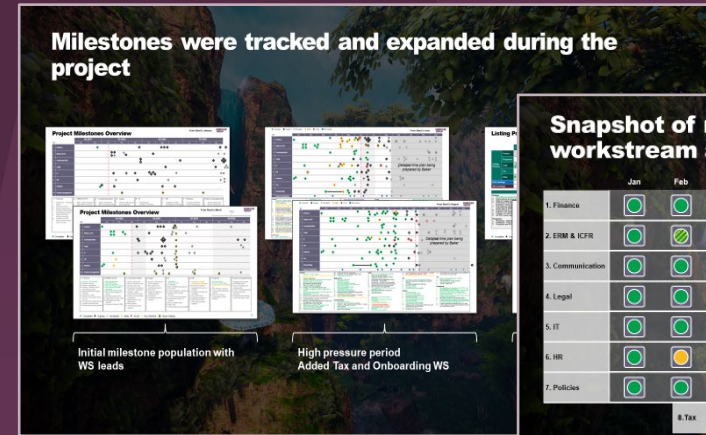
**INTERNATIONAL  
FINANCIAL  
REPORTING  
STANDARDS**

The up-listing to Nasdaq Stockholm's regulated market triggered a thorough readiness assessment and further refinement of our unique, decentralized governance model, risk management and commitment to sustainability.

# IPO Readiness Project

## During the process:

- 3 New Operating Groups
- 6 667 increase in total headcount
- 27 acquisitions since start of project
- 1 IFRS conversion successfully completed
- 120 milestones completed in the different workstreams.
- 2,499 controls has been implemented and assessed
  - 1,130 ICRF controls
  - 1,369 General IT Controls
- 7 reviews performed on Embracer



- 1) KPMG Pre-listing review
- 2) EY Audit (F-pages, Annual Report, Q2 Report, Proforma)
- 3) Tax DD
- 4) Legal DD
- 5) Listing audit review
- 6) SFSA prospectus review
- 7) Nasdaq review

# Financial strategy & macro economic conditions

## How to adopt to the new reality, focus has been on:

- Higher cost of capital & higher return requirements
- M&A strategy, follow ups on prior acquisitions
- Onboarding and Integration of new businesses
- Further attention on large investments in game development including financial evaluations of ongoing major development projects

# Reporting - Business Performance

Reports to Board	Key content
<b>Monthly reports</b>	KPIs, PL, BS, CF versus forecast, budget, prior, consensus, segment and operative group level
<b>Quarterly reports</b>	As in monthly report complemented with more information e.g. unreleased games, released games, PPA, earnouts
<b>Treasury reports</b>	Quarterly report from Treasury (key activities, short term and long term liquidity and financing overview)
<b>Yearly Budget approval</b>	End of March for upcoming fiscal year
<b>Financial Plan</b>	1+2 year financial plan adopted by board in August in conjunction with Strategy Meeting. Financial plan is updated and presented quarterly.
<b>CEO reports</b>	CEO reports from 12 operative groups
<b>Finance &amp; Governance report</b>	Status onboarding, Internal Control, IT controls, Sustainability


- Performance vs Budget & Forecasts
- Releases/platform/online vs physical
- Top Revenue Contributors
- Personnel overview (nationalities/female/male.....)
- Events
- Red flags / Green flags
- Ongoing discussions M&A & potential M&As
- Collaborations between Operative Groups
- Market updates

# Ordinary course of business

- Yearly strategy review
- Transformative acquisitions
- The M&A Process, a well-established part of the Governance Model
- Corporate Governance (apart from the uplisting)
- Sustainability – an integral part of strategy
- Enterprise Risk Management & Internal Control Framework & General IT Controls
- Issues relating to the war in Ukraine
- Partnership deals

ENTERTAINMENT

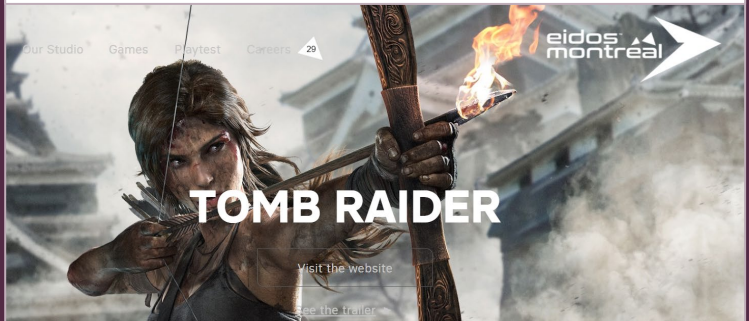
## Swedish entertainment company buys rights to 'Lord of the Rings' films and other Tolkien intellectual property



Home Svenska English EMBRACER GROUP

Press release • May 2, 2022 • 08:00

### EMBRACER GROUP ENTERS INTO AN AGREEMENT TO ACQUIRE EIDOS, CRYSTAL DYNAMICS, AND SQUARE ENIX MONTRÉAL AMONGST OTHER ASSETS



Our Studio Games Portfolio Careers 29

eidos montreal

## TOMB RAIDER

Visit the website

See the trailer

# Proposed to be newly elected



## CECILIA QVIST

**Born:** 1972

**Education/background:** Cecilia Qvist holds an MBA from the University of Edinburgh. Cecilia has extensive leadership experience in fast-paced, technology-driven companies undergoing transformational growth, including Leia Inc., Spotify, LEGO Ventures, and NASDAQ. For more than 20 years, she has worked with companies around the world on building dynamic, scalable business.

**Current assignments:** Board member of Kinnevik and board member of Polarium.



## BERNT INGMAN

**Born:** 1954

**Education/background:** Bernt Ingman holds a Bachelor of Economics from Uppsala University. Bernt has broad competence in strategic and operational business development, divestments and restructuring from different industries and service businesses. He has held senior management positions within international companies, both within business-to-business and business-to-consumer companies, such as Alimak, Gunnebo, Husqvarna and Munters. Bernt has more than 25 years broad experience from board work in listed as well as private companies.

**Current assignments:** Chairman of the board of TagMaster and chairman of the board of Pricer.



## YASMINA BRIHI

**Born:** 1975

**Education/background:** Yasmina Brihi holds an MBA from Harvard Business School. Yasmina has held several senior management positions within Google, including Senior Director Marketing and Senior Product Manager. She is well experienced in building and scaling businesses in multiple industries such as devices, music, gaming and e-Commerce. This includes vast experience in leading and growing large organizations, shaping and transforming team culture across geographies.

**Current assignments:** No other current assignments.

# Proposed to be re-elected



## CECILIA DRIVING

**Born:** 1971

**Education/background:** Cecilia Driving holds a LL.M. and a Bachelor of Science in Business Administration from Stockholm University. She has held several CFO positions in life-science, private equity, research and telecom companies.

**Current assignments:** Director and chair of the audit committee of Ovzon AB and Mabtech AB.



## DAVID GARDNER

**Born:** 1965

**Education/background:** David Gardner has a solid industry background and experience. He met Electronic Arts founder Trip Hawkins in 1982, and in 1983 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 later became part of EA's global management team based in California from 2004 to 2007. David became CEO of Atari S.A.

**Current assignments:** David is co-founder and general partner of London Venture Partners LLP, a VC-company founded in 2010.



## JACOB JONMYREN

**Born:** 1980

**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 and Media & Communication Studies (Master level) at Stockholm University. Jacob Jonmyren has long experience from the financial markets.

**Current assignments:** Jacob Jonmyren is CEO and board member at Jacob Jonmyren Kapital AB, Chairman of the Board at Lars Wingefors AB and board member at Forskningsstiftelsen SSE-MBA, Consilio International AB and RAM Rational Asset Management AB.

# Proposed to be re-elected



## KICKI WALLJE-LUND

**Born:** 1953

**Education/background:** Kicki Wallje-Lund has experience in business development from a variety of international companies, especially in the IT sector, primarily for the banking and finance industry as well as board assignments for listed companies on Nasdaq Stockholm, Large and Small cap. She has held leading global positions in companies like NCR, Digital Equipment, AT & T, Philips, ICL and Unisys.

**Current assignments:** Kicki Wallje-Lund has no other current assignments.



## LARS WINGEFORS

**Born:** 1977

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

**Current assignments:** Lars Wingefors is a board member and CEO of Lars Wingefors AB.



# AGM AGENDA

(Part 2)

13. Resolution regarding principles for appointment of nomination committee
14. Presentation and approval of the board of directors' remuneration report
15. Resolution regarding authorization for the board to issue shares, convertibles and/or warrants
16. Resolution regarding authorization for the board to resolve on repurchase of own shares
17. Resolution regarding authorization for the board to resolve on transfer of own shares
18. Closing of the meeting

**Closing of the meeting**

**Thank you**

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