

Q3

FY 2024/25

EMBRACER GROUP
INTERIM REPORT

OCTOBER-DECEMBER 2024

Adjusted EBIT amounted to SEK 1,175 million
- above management expectations

THIRD QUARTER, OCTOBER-DECEMBER 2024 (COMPARED TO OCTOBER-DECEMBER 2023)

- > During Q3 FY 2024/25 Embracer Group has reclassified Asmodee Group (Tabletop Games segment) as non-current assets held for distribution and discontinued operations as a consequence of the spin-off and listing that took place on February 7th 2025. More information is presented in [note 6](#) of this report.
- > Net sales decreased by -3% (7% organic growth) to SEK 7,364 million (7,625).
The sales split per operating segment:
 - > PC/Console Games: decreased by -23% to SEK 2,603 million (3,379).
 - > Mobile Games: increased by 2% to SEK 1,669 million (1,642).
 - > Entertainment & Services: increased by 19% to SEK 3,093 million (2,604).
- > EBIT¹⁾ amounted to SEK 638 million (-305), an EBIT margin of 9% (-4%). Adjusted EBIT decreased by -11% to SEK 1,175 million (1,318), corresponding to an Adjusted EBIT margin of 16% (17%).
- > Cash flow from operating activities amounted to SEK 1,712 million (1,719). Net investments in intangible assets amounted to SEK -891 million (-1,625). Free cash flow after changes in working capital amounted to SEK 907 million (260).
- > Basic earnings per share was SEK 0.77 (-1.48) and diluted earnings per share SEK 0.77 (-1.48). Adjusted earnings per share was SEK 0.99 (-0.18). Adjusted earnings per share after full dilution was SEK 0.97 (-0.18).
- > Net sales from discontinued operations amounted to SEK 4,930 million, Adjusted EBIT amounted to SEK 948 million and Free cash flow amounted to SEK 786 million.

NINE MONTHS, APRIL-DECEMBER 2024 (COMPARED TO APRIL-DECEMBER 2023)

- > Net sales decreased by -22% (-15% organic growth) to SEK 16,984 million (21,651).
The sales split per operating segment:
 - > PC/Console Games: decreased by -35% to SEK 7,381 million (11,284).
 - > Mobile Games: decreased by -3% to SEK 4,415 million (4,550).
 - > Entertainment & Services: decreased by -11% to SEK 5,188 million (5,818).
- > EBIT¹⁾ amounted to SEK -787 million (-1,056), an EBIT margin of -5% (-5%). Adjusted EBIT decreased by -42% to SEK 2,267 million (3,938), an Adjusted EBIT margin of 13% (18%).
- > Cash flow from operating activities amounted to SEK 1,821 million (4,615). Net investments in intangible assets amounted to SEK -2,784 million (-5,350). Free cash flow after changes in working capital amounted to SEK 395 million (-547).
- > Basic earnings per share was SEK -1.10 (-1.08) and diluted earnings per share SEK -1.10 (-1.08). Adjusted earnings per share was SEK 1.02 (1.28). Adjusted earnings per share after full dilution was SEK 1.00 (1.19).

Key performance indicators, Group	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Net sales, SEK m	7,364	7,625	16,984	21,651	27,409
EBIT ¹⁾ , SEK m	638	-305	-787	-1,056	-14,400
EBIT margin	9%	-4%	-5%	-5%	-53%
Adjusted EBIT, SEK m	1,175	1,318	2,267	3,938	4,984
Adjusted EBIT margin	16%	17%	13%	18%	18%
Cash flow from operating activities, SEK m	1,712	1,719	1,821	4,615	5,694
Net investments in intangible assets, SEK m	891	1,625	2,784	5,350	6,811
Net sales growth	-3%	4%	-22%	21%	-27%
Total game development projects	118	179	118	179	141
Total game developers	5,757	9,896	5,757	9,896	7,383
Total headcount	7,873	12,695	7,873	12,695	9,692

¹⁾ EBIT equals Operating profit in the Consolidated statement of profit or loss.
In this report, all figures in brackets refer to the corresponding period of the previous year, unless otherwise stated.



REASSURING Q3 PERFORMANCE AND A STRONG FOUNDATION FOR FUTURE VALUE CREATION

In Q3, net sales amounted to SEK 7.4 billion, with Adjusted EBIT of SEK 1.2 billion and a free cash flow of SEK 0.9 billion. The spin-off of Asmodee has been successfully completed and the separately listed company is now trading on Nasdaq Stockholm. With a pro forma net cash position of around SEK 5 billion as of Q3, we will accelerate our efforts to find the best allocation of companies and assets as part of our next spin-off. This process aims to maximize operational efficiency and unlock value. We are immensely proud of the teams involved in the successful release of Kingdom Come: Deliverance II, which has significantly outperformed our expectations so far.

In the quarter, Embracer's organic growth for continued operations (i.e., excluding Asmodee) amounted to 7%, with net sales of SEK 7.4 billion. Adjusted EBIT was relatively stable YoY at SEK 1.2 billion with a notably improved free cash flow of SEK 0.9 billion from continued operations. The profitability was supported by a resilient performance in PC/Console Games despite limited new releases in the quarter, while the organic growth was driven by Entertainment & Services and an improved organic growth trend for Mobile.

KINGDOM COME DELIVERANCE II SUCCESSFULLY RELEASED

We are excited to share that Kingdom Come: Deliverance II, the medieval role playing game released just over a week ago, has been initially successful, not only in terms of player and critic reception, but also in terms of performance. This reflects the dedication and hard work of our development studio, Warhorse Studios, and our publisher, Deep Silver. The game sold

over 1 million copies in the first 24 hours, and is fast approaching 2 million, with an especially strong performance on Steam with over 250,000 peak concurrent players. It is our strong belief that the game will continue to generate substantial revenues over the coming years, highlighting the exceptional quality, immersion and appeal of Kingdom Come: Deliverance II. Warhorse Studios has a robust roadmap, including updates and new content over the next 12 months, ensuring an engaging and continuously evolving experience for the community.

In Q4, for PC/Console, we expect a higher Adjusted EBIT YoY, primarily driven by the releases of Kingdom Come: Deliverance II, as well as Killing Floor 3, to be released late in the quarter. The quarter is expected to be slightly negatively impacted by Hyper Light Breaker, which was released in early access on PC in early Q4. The value of completed games development within PC/Console is expected to reach around SEK 2.75 billion in



*Kingdom Come: Deliverance II
Deep Silver | Warhorse Studios*

FY 2024/25, of which SEK 1.4 billion in the fourth quarter. For Mobile, we expect a limited Adjusted EBIT contribution due to substantial investments into user acquisition. For Entertainment & Services, we expect a limited Adjusted EBIT contribution with no notable product releases expected in a seasonally softer quarter.

We are excited about our future and our current games pipeline which we believe is one of the most well invested in the industry. We currently have more than 5,000 game developers working on our pipeline of upcoming games. Looking into the upcoming three financial years, FY 2025/26, FY 2026/27 and FY 2027/28, we currently have 10 AAA games under development, of which eight are from internal studios and two from external studios. This number does not include the releases in the current quarter, or any projects financed by third parties. However, we want to be clear that there is room to provide more time for development if deemed necessary to optimize both the quality and overall ROI, as we did for both *Dead Island 2* and *Kingdom Come: Deliverance II*.

In FY 2025/26, we currently have two AAA games scheduled to be released towards the end of the financial year. In addition, we have a slate of exciting mid-sized releases including *Gothic 1 Remake*, *REANIMAL*, *Fellowship*, *Deep Rock Galactic: Rogue Core*, *Titan Quest II*, *Screamer*, *Echoes of the End* (working title), *Tides of Tomorrow*, *Satisfactory* (console) and the full release of *Wreckfest 2*, alongside a similar number of mid-sized games yet to be announced.

IMPROVED PC/CONSOLE PERFORMANCE AND MOBILE GROWTH

In the PC/Console Games segment, organic growth

amounted to -1% with limited new releases in the quarter, as well as in the preceding quarters. Adjusted EBIT increased by 17% YoY in Q3. The Adjusted EBIT margin improved to 21%, driven by strong execution across many of the key businesses. The quarterly performance was supported by profitable external development projects, a few subscription deals, primarily related to the *Goat Simulator* franchise and *Dead Island 2*, as well as a strong holiday catalog performance for many of our games. The divested companies Saber and Gearbox also had a weak performance in the third quarter FY 2023/24 and this benefits the YoY comparison.

In the Mobile Games segment, organic growth improved significantly to 3% YoY from -7% in the preceding quarter. The Adjusted EBIT margin was clearly lower YoY at around 24%, driven by higher user acquisition costs, and with a tough comparison from last year's record-high profitability. DECA Games, which includes CrazyLabs, returned to a high single-digit organic growth, while divested mobile assets showed slightly negative growth. CrazyLabs saw an improved performance, as it took over the publishing rights for *Bus Frenzy - Traffic Jam*, which has scaled to become another successful hybrid casual game alongside *Alien Invasion*. In H1 FY 2025/26, the Mobile Games segment is expected to be in growth mode, implying higher user acquisition-to-sales with a positive ROI expected, driven by investments into *Bus Frenzy* and a few other titles. We are confident that these investments will provide a solid ROI and growth in the coming financial year.

The Entertainment & Services segment showed 19% organic growth in the quarter, primarily driven by PLAION Partner Publishing with several successful releases from partners in the quarter. The adjusted EBIT margin of 9% is lower YoY mainly explained by



product mix effects and by a softer-than-expected box office performance for the theatrical release of the original anime *The Lord of the Rings: The War of the Rohirrim*.

STRONGER POSITION TO CREATE VALUE AFTER SUCCESSFUL SPIN-OFF OF ASMODEE

It has been exciting to follow the progress of Asmodee since our transformation announcement less than ten months ago. The company is trading as a separately listed public company on Nasdaq Stockholm after a solid process. The spin-off will allow Asmodee an increased strategic focus and will enable it to resume its accretive M&A execution. I will remain a long-term and committed shareholder and look forward to contributing as Chairman of the Board, working closely alongside CEO Thomas Kægler and CFO Andrea Gasparini.

Over the past 18 months, we have created a stronger foundation for long-term value creation, with lower capex and significant net debt reduction. With a pro forma net cash position of around SEK 5 billion as of Q3, we have a strong financial position and we are further reassured by the performance and free cash flow generation in Q3. Embracer today has an increased focus on IP development within PC/Console and Mobile. However, we recognize that there is still work to be done to further enhance our operational resilience and optimize our business for the future.

We remain dedicated to creating additional publicly listed companies, with the separation of “Coffee Stain & Friends” from “Middle-earth & Friends” during the calendar year 2025. We continue to dedicate time to arrive at the best allocation of companies and assets to maximize operational efficiency and unlock value. We have a strong commitment from all of our management teams to drive strategic execution and continuous operational improvements, and we continue to address our fixed operating costs and improve our profitability. We expect these efforts to accelerate ahead of the next spin-off, and have some effect during the financial year.

The success of *Kingdom Come: Deliverance II* is a reminder of our core - to bring great products to the market. High-quality teams need to have the resources and the time to execute their visions. When you have right teams, this trust benefits everyone, including gamers, employees and shareholders. I am convinced that we will remain among the industry leaders in our core business verticals in the future.

With the Asmodee spin-off now complete, we have entered into an exciting new chapter for the businesses and people that make up Embracer Group. To conclude, I would like to send my thanks to all our team members, shareholders, customers, and business partners for their contributions to the continued success and growth in this new phase.

February 13, 2025, Karlstad, Värmland, Sweden

Lars Wingefors
Co-founder & CEO

FINANCIAL COMMENTS

NET SALES

Net sales, SEK m	Oct-Dec 2024	Oct-Dec 2023	Change	Apr-Dec 2024	Apr-Dec 2023	Apr 2023-Mar 2024
PC/Console Games	2,603	3,379	-23%	7,381	11,284	14,410
Mobile Games	1,669	1,642	2%	4,415	4,550	5,916
Entertainment & Services	3,093	2,604	19%	5,188	5,818	7,082
Total	7,364	7,625	-3%	16,984	21,651	27,409

Total net sales in the quarter amounted to SEK 7,364 million, corresponding to a decrease of -3%. The negative net sales growth in the quarter was primarily related to the PC/Console Games segment where the divested companies Saber Interactive ("Saber") and Gearbox Entertainment ("Gearbox") are included in comparison figures. This was combined with a lower contribution from new releases within PC/Console Games, which in the quarter amounted to SEK 235 million (SEK 470 million).

Organic growth and the pro forma growth amounted to 7% in the quarter, in which the Entertainment & Services segment was the main growth driver, supported by several successful releases during the quarter. The Mobile Games segment also had an improved trend and positive contribution, driven by new releases in the quarter and supported by higher User Acquisition Cost (UAC).

Net sales growth	Oct-Dec 2024			Apr-Dec 2024		
	Net sales growth	Organic growth	Pro forma growth	Net sales growth	Organic growth	Pro forma growth
PC/Console Games	-23%	-1%	-1%	-35%	-23%	-23%
Mobile Games	2%	3%	3%	-3%	-5%	-4%
Entertainment & Services	19%	19%	19%	-11%	-11%	-11%
Total	-3%	7%	7%	-22%	-15%	-15%



EBIT AND ADJUSTED EBIT

EBIT amounted to SEK 638 million (-305) in the quarter, yielding an EBIT margin of 9% (-4%). The improvement compared to previous year mainly relates to negative impact from the divested companies Saber and Gearbox included in the comparison figures.

IAC expenses amounted to SEK -96 million (-712) in the quarter. These costs are mainly related to continued restructuring activities within the PC/Console segment.

Adjusted EBIT decreased by -11% and amounted to SEK 1,175 million (1,318) in the quarter, yielding a 16% margin (17%). The decrease in Adjusted EBIT in the quarter is mainly explained by lower margins compared to the corresponding quarter in the previous year in the Mobile segment, which faced a tough comparison from last year's record-high profitability.

EBIT, SEK m	Oct-Dec 2024	Oct-Dec 2023	Change	Apr-Dec 2024	Apr-Dec 2023	Apr 2023-Mar 2024
PC/Console Games	262	-751	135%	-1,457	-1,884	-7,887
Mobile Games	242	320	-24%	837	773	1,029
Entertainment & Services	194	201	-3%	13	299	-413
Corporate	-59	-75	21%	-179	-245	-7,129
Total	638	-305	309%	-787	-1,056	-14,400

Adjusted EBIT, SEK m	Oct-Dec 2024	Oct-Dec 2023	Change	Apr-Dec 2024	Apr-Dec 2023	Apr 2023-Mar 2024
PC/Console Games	551	469	17%	863	1,927	2,441
Mobile Games	400	611	-35%	1,292	1,407	1,921
Entertainment & Services	284	305	-7%	292	805	853
Corporate	-60	-68	12%	-180	-201	-231
Total	1,175	1,318	-11%	2,267	3,938	4,984



The Eternal Life of Goldman
THQ Nordic | Weappy Studio



OPERATING SEGMENT PC/CONSOLE GAMES

The PC/Console Games operating segment includes the following five operative groups: THQ Nordic, PLAION, Amplifier Game Invest, Coffee Stain and Crystal Dynamics – Eidos. PC and console games have been a core business for Embracer Group ever since its inception. The segment develops and publishes games for PC and console. It includes AAA, AA+, Indie, MMO, Free-to-play, Asset Care, VR, Work-for-Hire and other games development.

SHARE OF GROUP SALES

35% (44%)

INTELLECTUAL PROPERTY (IP)

241 (263)

INTERNAL HEADCOUNT

5,170 (9,755)

INTERNAL STUDIOS

64 (96)

Key performance indicators, PC/Console Games	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Net Sales, SEK m	2,603	3,379	7,381	11,284	14,410
of which Digital products, SEK m	1,707	2,104	4,651	7,575	9,609
of which Physical products, SEK m	309	432	707	1,185	1,490
of which Other products ¹⁾ , SEK m	588	843	2,023	2,524	3,311
Net Sales growth	-23%	-5%	-35%	13%	7%
EBIT, SEK m	262	-751	-1,457	-1,884	-7,887
EBIT margin	10%	-22%	-20%	-17%	-55%
Adjusted EBIT, SEK m	551	469	863	1,927	2,441
Adjusted EBIT, margin	21%	14%	12%	17%	17%
Type of income					
New releases sales, SEK m	235	470	647	3,494	4,185
Back catalog sales ²⁾ , SEK m	1,780	2,066	4,711	5,266	6,914
Other ¹⁾ , SEK m	588	843	2,023	2,524	3,311

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

²⁾ See Definitions, quarterly information.

SEGMENT HIGHLIGHTS

Net sales in the quarter for PC/Console Games amounted to SEK 2,603 million, a decrease of -23% compared to the same period last year, or -1% organically and pro forma. The main reason for the negative net sales growth is related to the divestment of the Saber and Gearbox

EBIT amounted to SEK 262 million (-751) yielding a 10% (-22%) EBIT margin. Items affecting comparability amounted to SEK -97 million (-598). Adjusted EBIT amounted to SEK 551 million (469), yielding 21% (14%) Adjusted EBIT margin. The Adjusted EBIT increased by 17% YoY in Q3, driven by several profitable external development projects and a few newly signed deals with subscription platforms with upfront revenue recognition, as well as a strong high season back catalog performance. Additionally, the divested companies Saber and Gearbox also had a negative impact in the comparison quarter.

Revenue from new releases amounted to SEK 235 million in the quarter, a decrease of -50% YoY, which is an effect of no notable releases during the quarter. Among the new releases in the quarter, *Let's Sing 2025*, *Metro Awakening (VR)*, *Legacy of Kain: Soul Reaver 1-2 Remastered* and *Goat Simulator Remastered* were the main revenue drivers. *Metro Awakening* had a positive reception from critics, winning the Steam VR Game of the Year award, but underperformed management financial expectations. *Legacy of Kain: Soul Reaver 1-2 Remastered* saw a strong reception from users and slightly outperformed management expectations.

THQNORDIC

amplifier

PLAION

*Coffee
Stain*

CRYSTAL
DYNAMICS
*eidos
montreal*



Revenue from back catalog titles (including platform deals) amounted to SEK 1,780 million (2,066) in the quarter, a decrease of -14% YoY, impacted by the divestment of Gearbox and Saber. In the corresponding quarter last year, divested assets contributed SEK 289 million. The top 10 back catalog revenue drivers included *Dead Island 2*, *Disney Epic Mickey: Rebrushed*, *Goat Simulator 3*, *Satisfactory*, *Hot Wheels 2: Unleashed*, *Metro: Exodus*, *Star Trek Online*, *MX vs ATV Legends*, *Remnant II* and *Valheim*. As anticipated, *Disney Epic Mickey: Rebrushed* saw a solid back catalog performance in Q3, supported by promotional activity. The game is expected to be a long-term seller and to become profitable. Coffee Stain had a strong back catalog quarter, supported by several subscription deals related to the *Goat Simulator* franchise across platforms. There was also a contribution from subscription deals for *Dead Island 2* in the quarter.

Other revenue amounted to SEK 588 million (843) in the quarter, a decrease of -30% YoY, driven by the divestment of Gearbox and Saber. In the corresponding quarter last year, divested assets contributed SEK 344 million. Crystal Dynamics - Eidos had a strong contribution, supported by several ongoing and recently signed external development projects.

In Q4, new releases include, *Hyper Light Breaker*, *Star Wars: Jedi Power Battles*, *Kingdom Come: Deliverance II*, *Tomb Raider IV-VI Remastered*, *Killing Floor 3* and *Wreckfest 2* (early access on PC). *Hyper Light Breaker*, developed by external studio Hearth Machine and published by Arc Games, was released in early access on Steam (PC) on 14 January 2025. The game saw a mixed initial reception from players.

Kingdom Come: Deliverance II, a story-driven action RPG (role playing game) and the key game release of FY 2024/25, developed by internal studio Warhorse Studios and published by Deep Silver, was successfully released on 4 February. The game has received a highly positive player and critic reception, as well as a strong initial performance. The game has by today sold over 1 million copies in the first 24 hours, and is fast approaching 2 million, with an especially strong performance on Steam with over 250,000 peak concurrent players. Warhorse Studios has a strong roadmap with updates and DLCs (Downloadable Content) over the next 12 months, ensuring that the community enjoys an ongoing and enriching gaming experience.

Killing Floor 3 finally got a release date and is now planned for a launch across platforms late in Q4, on 25 March 2025. The co-op action and horror FPS (first person shooter) game is developed and published internally by Tripwire Interactive.

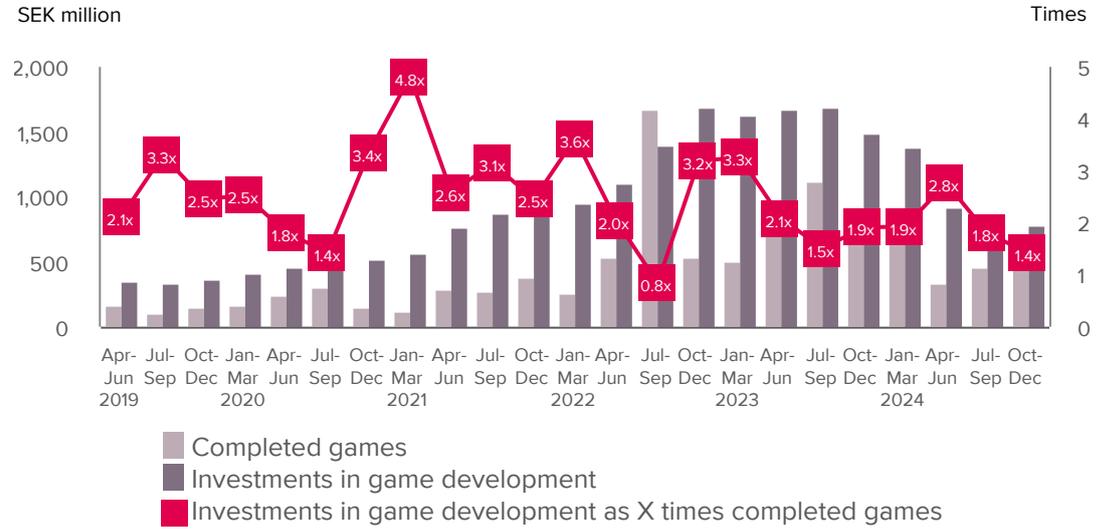


Tomb Raider IV-VI Remastered
Aspyr | Crystal Dynamics



GAME DEVELOPMENT INVESTMENTS AND COMPLETED GAMES

The finalized value of the completed and released games during the quarter amounted to SEK 556 million (780), driven by the release of *Metro Awakening*, *Dead Island 2 DLC*, *Let's Sing 2025*, *Goat Simulator Remastered*, *Legacy of Kain: Soul Reaver 1-2 Remastered*. In total, SEK 788 million (1,492) were invested in the quarter. The ratio of investments to completed games decreased from 1.9x to 1.4x YoY, with a continued higher pace of ongoing investment into future game releases compared to completed investment in released games. When new games are released, capitalized development costs are amortized, based on a degressive depreciation model over two years.



Screamer
Milestone



ANNOUNCED PC/CONSOLE RELEASES AS OF FEBRUARY 13, 2025

Title	Publishing Label	IP Owner	Main Developer	Platforms
<i>Project Expeditions</i>	Amplifier	Own	Internal	PC
<i>Fellowship</i>	Arc Games	Own	External	PC
<i>Tomb Raider IV-VI Remastered</i>	Aspyr	Own	Internal	PC, PS5, XB XIS, Switch, PS4, XB1
<i>Assault Suit Leynos Saturn Tribute</i>	Clear River Games	External	External	PS5, Switch, PS4
<i>Omega 6 The Triangle Stars</i>	Clear River Games	External	External	PC, Switch
<i>Rushing Beat X: Return of Brawl Brothers</i>	Clear River Games	External	External	TBC
<i>Truxton Extreme</i>	Clear River Games	Own	Internal	PS5
<i>Under Defeat</i>	Clear River Games	External	External	PS5, XB XIS, Switch, PS4, XB1
<i>As We Descend</i>	Coffee Stain Publishing	Own	Internal	PC
<i>Satisfactory (Console)</i>	Coffee Stain Publishing	Own	Internal	TBC
<i>Tides of Tomorrow</i>	Deep Silver / PLAION	Own	Internal	PC
<i>Nitro Gen Omega</i>	DESTINYbit	Own	Internal	PC
<i>Bubsy in: The Purrfect Collection</i>	External	External	Internal	PC, PS5, XB XIS
<i>Squirrelled Away</i>	External	Own	External	PC
<i>Tomb Raider (final title TBC)</i>	External	Own	Internal	TBC
<i>DarkSwarm</i>	Ghost Ship Publishing	External	External	PC
<i>Deep Rock Galactic: Rogue Core</i>	Ghost Ship Publishing	Own	Internal	PC
<i>Dinolords</i>	Ghost Ship Publishing	External	External	PC
<i>Guntouchables</i>	Ghost Ship Publishing	External	External	PC
<i>Locomoto</i>	Green Tile Digital	Internal	Internal	PC
<i>A Rat's Quest</i>	HandyGames	External	External	PC, PS4, XB1, Switch
<i>Lethal Honor - Order of the Apocalypse</i>	HandyGames	External	External	PC, PS5, XB XIS, Switch, PS4, XB1
<i>Neighbors: Suburban Warfare</i>	Invisible Walls	Own	Internal	PC
<i>Double Shake</i>	Limited Run Games	External	External	PS5, Switch
<i>Fear Effect 1</i>	Limited Run Games	External	Internal	PC, PS5, Switch, PS4
<i>Fear Effect 2</i>	Limited Run Games	External	Internal	PC, PS5, Switch, PS4
<i>Fighting Force Collection</i>	Limited Run Games	External	Internal	PC, PS5, Switch, PS4
<i>Gex Trilogy</i>	Limited Run Games	External	Internal	PC, PS5, XB XIS, Switch, PS4, XB1
<i>Ninja Five-O</i>	Limited Run Games	External	Internal	PC, PS5, Switch, PS4
<i>Rendering Ranger: R²</i>	Limited Run Games	External	Internal	PC, PS5, XB XIS, Switch
<i>Tomba 2</i>	Limited Run Games	External	Internal	PC, PS5, Switch, PS4
<i>Monster Energy Supercross The Official Videogame 25</i>	Milestone	External	Internal	PC, PS5, XB XIS
<i>Screamer</i>	Milestone	External	Internal	PC, PS5, XB XIS
<i>Shadowveil: Legend of The Five Rings</i>	Palindrome Interactive	Own	Internal	PC
<i>MARVEL 1943: Rise of Hydra</i>	PLAION	External	External	TBC
<i>The Siege and the Sandfox</i>	PLAION	External	External	PC, PS5, XB XIS, Switch, PS4, XB1
<i>Echoes of The End</i>	Prime Matter by PLAION	External	External	PC, PS5, XB XIS
<i>Final Form (final title TBC)</i>	Prime Matter by PLAION	Shared	External	PC, PS5, XB XIS
<i>Gothic 1 Remake</i>	THQ Nordic	Own	Internal	PC, PS5, XB XIS
<i>REANIMAL</i>	THQ Nordic	Own	Internal	PC, PS5, XB XIS
<i>Söldner: Secret Wars Remastered</i>	THQ Nordic	Own	External	PC
<i>Teenage Mutant Ninja Turtles - The Last Ronin</i>	THQ Nordic	External	Internal	PC, PS5, XB XIS
<i>The Eternal Life of Goldman</i>	THQ Nordic	External	External	PC, PS5, XB XIS, Switch



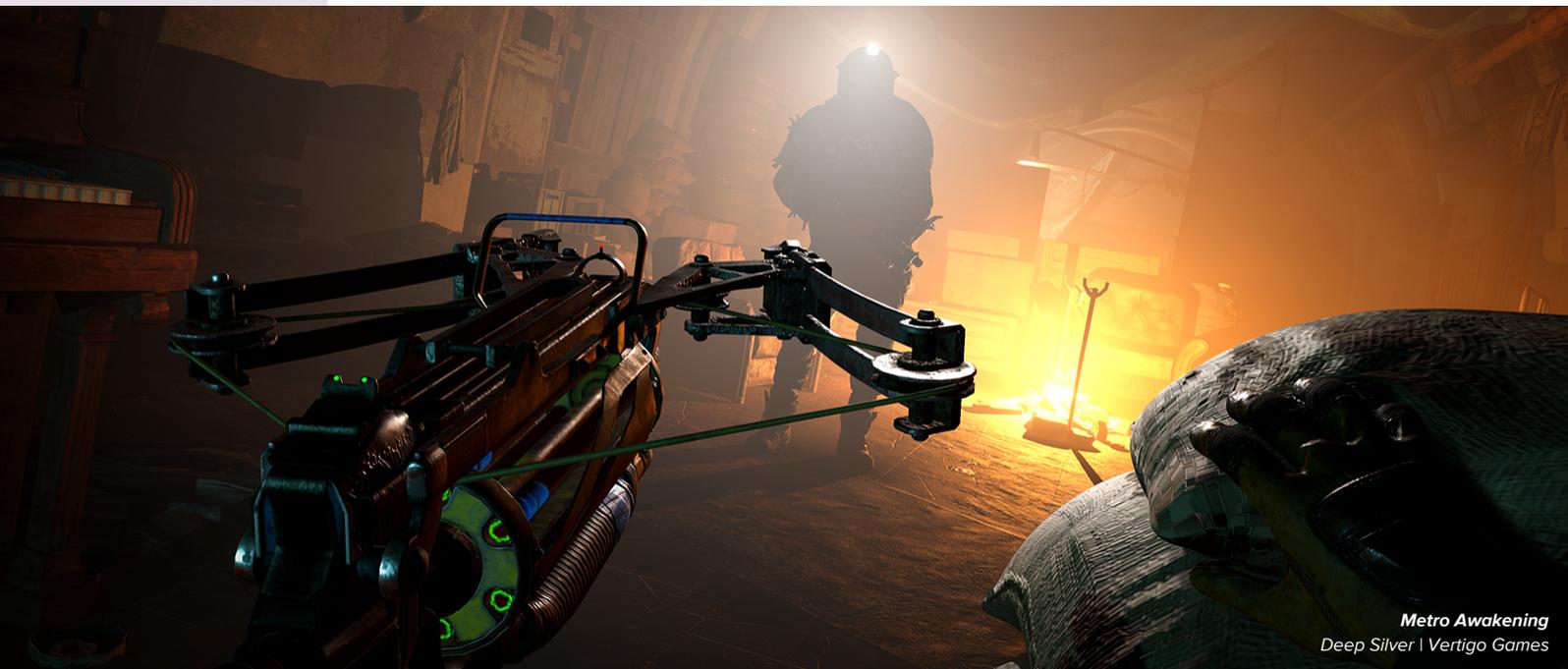
<i>Titan Quest II</i>	THQ Nordic	Own	Internal	PC, PS5, XB XIS
<i>Wreckfest 2</i>	THQ Nordic	Own	Internal	PC, PS5, XB XIS
<i>Wreckreation</i>	THQ Nordic	External	External	PC, PS5, XB XIS
<i>Killing Floor 3</i>	Tripwire	Own	Internal	PC, PS5, XB XIS

** PC/Console titles from the operating segments Mobile Games and Entertainment & Services are also included in the release list.*

For latest release dates please refer to above mentioned publishers.

The release list does not include games where we only have physical distribution rights.

The release list does not include DLCs or Work-For-Hire projects.



*Metro Awakening
Deep Silver | Vertigo Games*



OPERATING SEGMENT MOBILE GAMES

The Mobile Games operating segment encompassed the two operative groups: DECA Games and Easybrain*. The Mobile Games segment includes free-to-play, ad centric, in-app-purchase centric and pay-to-play mobile games.

Key performance indicators, Mobile Games	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023-Mar 2024
Net Sales, SEK m	1,669	1,642	4,415	4,550	5,916
Net Sales growth	2%	4%	-3%	1%	2%
EBIT, SEK m	242	320	837	773	1,029
EBIT margin	14%	19%	19%	17%	17%
Adjusted EBIT, SEK m	400	611	1,292	1,407	1,921
Adjusted EBIT, margin	24%	37%	29%	31%	32%
User Acquisition Cost (UAC), SEK m	840	646	1,933	1,988	2,466
User Acquisition Cost (UAC), % of Net Sales	50%	39%	44%	44%	42%
Total installs, million	254	258	736	778	1,026
Total Daily Active Users (DAU), million	26	30	27	31	31
Total Monthly Active Users (MAU), million	210	236	211	267	258

SEGMENT HIGHLIGHTS

Net sales in the quarter for Mobile Games amounted to SEK 1,669 million, an increase of 2% compared to the same period last year, or 3% organically and 3% pro forma. DECA Games saw a return to solid high single-digit organic growth, while divested mobile assets had a slightly negative growth. Underlying market trends were largely stable compared to the previous quarter, with normal seasonal trends.

EBIT amounted to SEK 242 million (320), yielding a 14% (19%) EBIT margin. Adjusted EBIT amounted to SEK 400 million (611), yielding a 24% (37%) Adjusted EBIT margin. User acquisition costs amounted to SEK 840 million (646), or 50% (39%) of net sales. The lower profitability YoY is driven mainly by higher UAC as well as sales mix, with a very tough comparison from last year's record-high profitability.

In the quarter, DECA Games had strong holiday back catalog sales for several live products, including *Walking Dead: No Man's Land* and *Party in my Dorm*. CrazyLabs had two new releases driving higher sales and UAC. The company took over the publishing rights for *Bus Frenzy - Traffic Jam*, which has scaled to become another successful hybrid casual game alongside *Alien Invasion*. In December, CrazyLabs also globally launched the internally developed casual game *Glow Fashion Idol*, which performed above management expectations.

Divested mobile assets are expected to have a minor contribution to sales and Adjusted EBIT in Q4 FY 2024/25.

The top-5 revenue generating titles in the quarter included one title from DECA Games: *Bus Frenzy - Traffic Jam*.

DECA Easybrain

*Easybrain divestment closed after the quarter

SHARE OF GROUP SALES

23% (22%)

INTELLECTUAL PROPERTY (IP)

51 (51)

INTERNAL HEADCOUNT

1,092 (1,058)

INTERNAL STUDIOS

10 (11)



OPERATING SEGMENT ENTERTAINMENT & SERVICES

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

SHARE OF GROUP SALES

42% (34%)

INTELLECTUAL PROPERTY (IP)

193 (193)

INTERNAL HEADCOUNT

845 (756)

INTERNAL STUDIOS

3 (2)

Key performance indicators, Entertainment & Services	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Net Sales, SEK m	3,093	2,604	5,188	5,818	7,082
of which Digital products, SEK m	564	168	864	463	643
of which Physical products, SEK m	2,416	2,214	4,083	4,420	5,469
of which Other products, SEK m	114	222	242	934	970
Net Sales growth	19%	12%	-11%	54%	34%
EBIT, SEK m	194	201	13	299	-413
EBIT margin	6%	8%	0%	5%	-6%
Adjusted EBIT, SEK m	284	305	292	805	853
Adjusted EBIT, margin	9%	12%	6%	14%	12%

SEGMENT HIGHLIGHTS

Net sales in the quarter for Entertainment & Services amounted to SEK 3,093 million, an increase of 19% compared to the same period last year, or 19% organically and pro forma. The positive organic growth is explained primarily by PLAION Partner Publishing, with several successful releases from partners, including the boxing game *Undisputed* as one of the key top line drivers.

EBIT amounted to SEK 194 million (201), yielding a 6% (8%) EBIT margin. Adjusted EBIT amounted to SEK 284 million (305), yielding a 9% (12%) Adjusted EBIT margin. The Adjusted EBIT margin was impacted by product mix effects. The lower Adjusted EBIT compared to the previous year is mainly explained by a softer-than-expected performance for the theatrical release of the original anime *The Lord of the Rings: The War of the Rohirrim* by a partner, and a lower contribution from Middle-earth Enterprises. In the comparison quarter, Adjusted EBIT benefited from notable licensing revenue from *The Lord of the Rings* IP, driven by the Magic the Gathering trading card game *The Lord of the Rings: Tales of Middle-earth™*.

Dark Horse Entertainment's sales of manga continue to be strong with *Berserk* as the top-performing series. Looking ahead, *Berserk 42*, the first new volume of the bestselling series since the author's death in 2021, will be released. Another highlight in the manga segment was the launch of the first three volumes of *Trigun Maximum Deluxe* in the quarter.

The highlights in the quarter for Limited Run Games included the highly successful releases of *Castlevania Dominus*, *Sonic X Shadow Generations Collector's Edition* and the seven part *Yakuza Collector's Edition* series, but with sales well-diversified between a larger number of products. The release slate for the coming year is promising, with several titles releasing ahead developed in Carbon Engine, which is a game engine developed by Limited Run Games to take older games to new platforms. The quarter also saw the launch of Limited Run Games' retro products in GameStop's physical stores and online as part of a recent partnership.



OTHER FINANCIAL INFORMATION

NET PROFIT/LOSS FOR THE PERIOD

Net profit/loss for the quarter amounted to SEK 960 million (-1,798), improved by SEK 2,758 million compared to the same period previous year. The improvement is mainly related to higher EBIT (see page 6) and positive effects in net financial items. For the period April to December net profit amounted to SEK -1,357 million (-1,405), an increase of SEK 48 million.

Net financial items amounted to SEK 590 million (-1,657) in the quarter. Net interest income/expenses and other financial income/expenses amounted to SEK -107 million (-343). Changes in fair value of contingent considerations and related interest expenses including deferred considerations amounted to SEK 83 million (-180). Exchange rate gain/losses amounted to SEK 615 million (-1,134), mainly related to the revaluation of intercompany financial receivables.

Income tax amounted to SEK -268 million (164) in the quarter. Current income tax amounted to SEK -236 million (-211) and deferred tax amounted to SEK -4 million (376). Provision for Pillar II top-up tax amounted to SEK -28 million (—).

CONDENSED CASH FLOW

SEK m	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Operating activities					
Cash flow from operating activities before changes in working capital	1,391	1,629	2,367	4,697	5,816
Cash flow from changes in working capital	321	91	-546	-81	-122
Cash flow from operating activities	1,712	1,719	1,821	4,615	5,694
Cash flow from investing activities	-1,220	-3,666	2,269	-7,981	-9,645
Cash flow from financing activities	-250	253	-3,170	2,378	2,741
Total cash flow, Continuing operations	242	-1,694	920	-988	-1,210
Total cash flow, Discontinued operations	663	28	613	72	-24
Total cash flow, total Group	905	-1,666	1,533	-916	-1,234
Cash and cash equivalents at the beginning of period	4,052	5,520	3,507	4,662	4,662
Exchange-rate differences in cash and cash equivalents	92	-169	9	-63	80
Cash and cash equivalents in Discontinued operations	-1,791	-1,229	-1,791	-1,229	-1,181
Cash and cash equivalents at the end of period	3,258	2,456	3,258	2,456	2,327

Cash flow from operating activities before working capital amounted to SEK 1,391 million (1,629) in the quarter.

Cash flow from changes in working capital amounted to SEK 321 million (91).

Cash flow from investing activities amounted to SEK -1,220 million (-3,666) for the quarter. Cash flow from acquisition/divestment of subsidiaries amounted to SEK -401 million (-1 943). The effects are mainly payments of deferred considerations. Investments in intangible assets amounted to SEK -890 million (-1,625), where SEK -826 million (-1,710) is invested in the portfolio of ongoing game development.

Free cash flow after changes in working capital amounted to SEK 907 million (260) (see page 46). Compared to previous year, the primary effect is attributed to reduced Investments in intangible assets SEK -890 million (-1 625).

Cash flow from financing activities amounted to SEK -250 million (253) in the quarter where proceeds from borrowings amounted to SEK 343 million (700) and reduced utilization of credit facilities amounted to SEK -511 million (-953).



NET DEBT AND AVAILABLE FUNDS

Net debt/Net cash, SEK m ¹⁾	Dec 31, 2024	Dec 31, 2023	Mar 31, 2024
Cash	3,258	3,683	3,507
Current investments	—	0	0
Current liabilities to credit institutions	-589	-2,874	-8,994
Current account credit facilities	—	-18	-35
Non-current liabilities to credit institutions	-5,883	-16,918	-10,885
Net Debt (-) / Net Cash (+)	-3,215	-16,127	-16,407

¹⁾ Reclassification of the assets and liabilities under IFRS 5, as per Note 6, has been returned to the balances when the net debt and available funds was calculated. The change in net debt and available funds for the previous year is, therefore, not affected by this reclassification as it does not have a cash effect before completion of the transactions.

As per December 31, 2024, the reported net debt amounted to SEK -3.2 billion, consisting of around SEK 3.3 billion in cash, SEK -0.6 billion related to current liabilities to credit institutions, as well as SEK -5.9 billion in non-current liabilities.

As per December 31, 2024, the group had non-interest-bearing deferred considerations and obligations related to historical business combinations with an expected cash settlement of SEK 2.3 billion with an estimated maturity structure (see page 16).

After the quarter, on January 23, 2025, Embracer announced the closing of the Easybrain divestment. Post the transaction Embracer Group AB contributed EUR 400 million to Asmodee Group AB, as previously announced. Embracer Group AB also prepaid a bilateral loan of SEK 500 million in full and the outstanding gross debt under the revolving credit facility. The revolving credit facility was decreased from EUR 600 million to EUR 400 million simultaneously.

On a pro forma basis, net cash amounted to approximately SEK 5.0 billion. Compared to reported net debt, pro forma net debt includes SEK 12.8 billion related to the estimated net debt effect from the divestment of Easybrain and SEK -4.6 billion related to the equity investment in Asmodee, both events taking place after December 31, 2024.

Available cash by February 7 were approximately SEK 7.2 billion. Total available liquidity by February 7 were approximately SEK 12.7 billion.

The Board of Directors of Embracer Group AB has set goals for the capital structure in the financial leverage policy for the company. The leverage target is to have net debt to Adjusted EBIT of 1.0x on a 12-month forward looking basis. The Group may exceed this ratio for the right inorganic growth opportunity, but with the ambition to return to below 1.0x in the medium term.

Embracer Group AB has a leverage covenant in its credit agreements with substantial headroom to it per December 31, 2024.

Available funds, SEK m	Dec 31, 2024	Dec 31, 2023	Mar 31, 2024
Cash	3,258	3,683	3,507
Current investments	—	0	0
Unutilized credit facilities	4,521	1,481	1,749
Available funds	7,779	5,164	5,256



OBLIGATIONS RELATED TO HISTORICAL ACQUISITIONS

In connection to certain business combinations, agreements have been entered regarding contingent considerations that are not classified as part of the transferred purchase consideration since there is a requirement for continued employment for the seller or other reasons for the contingent consideration to be accounted for as a separate transaction. More information is presented in [Note 5](#).

Obligations related to historical acquisitions to be settled in cash

The table below gives an overview of obligations related to historical acquisitions in SEK million to be settled in cash as of December 31, 2024. The present value of contingent considerations has been calculated based on expected outcome for financial and operational targets for each individual agreement. The financial liability will vary over time depending on, among other things, the degree of fulfillment of conditions for payment, the development of certain exchange rates in relation to the Swedish krona and interest rates.

Since the last quarter the obligation has decreased with SEK 1,479 million driven by ordinary payments and that obligations related to to Asmodee has been reclassified to discontinued operations.

Financial year when settlement might occur	Contingent consideration classified as part of purchase price ¹⁾ , SEK m	Obligations in relation to future personnel costs related to acquisitions, SEK m	Total obligations related to historical acquisitions, SEK m
2024/2025	37	1	38
2025/2026	254	201	455
2026/2027	322	541	863
2027/2028	320	45	365
2028/2029	252	119	371
2029/2030	114	26	140
2030/2031	34	—	34
	1,333	933	2,266

¹⁾ Includes cash portion of put/call options on non-controlling interests and deferred consideration

Contingent considerations classified as part of the purchase consideration and that are to be settled in cash are accounted for as debt in the group's balance sheet, divided into current and non-current debt. Obligations related to future personnel costs related to acquisitions which will be settled in cash are accounted for in the group's balance sheet, to the extent that it has been earned by the employee and is classified as debt. On December 31, 2024, the debt amounted to SEK 855 million, divided into current and non-current debt.

Obligations related to historical acquisitions to be settled in shares

The table below provides an overview of obligations related to historical acquisitions on December 31, 2024, which will be settled in shares, with information on the number of shares before the reverse share split in January 2025. Contingent considerations classified as part of the purchase consideration is accounted for as either equity or debt in the group's balance sheet. Obligations related to future personnel costs related to acquisitions which will be settled in shares are accounted for in the group's balance sheet, to the extent that they have been earned by the employee and are classified as equity in the group's balance sheet. Additional information is available in [Note 5](#)

Number of shares, million	Contingent consideration classified as part of purchase price	Obligations in relation to future personnel costs related to acquisitions	Total obligations related to historical acquisitions
Already issued - clawback shares ¹⁾	22	7	29
To be issued	26	2	28
Total number of shares	48	9	57

¹⁾ See definitions on page 47



The number of shares to be issued as additional purchase price can vary but never exceed 28 million according to the agreements. If all shares are issued, the dilution in capital will amount to 1.50% and 2.03% of the voting rights as of December 31, 2024, and the total number of shares after full dilution will be 1,379 million. Expectations of shares to be issued as per December 31, 2024 based on target achievement is within the interval 5 to 8 million. If shares within this interval are issued, the dilution in capital will amount to 0.33-0.56% and 0.25-0.41% of the voting rights as of December 31, 2024.

During the quarter the number of already issued shares under clawback restrictions decreased with 4 million shares due to several target achievements.

Specific items related to historical acquisitions

The forecast is based on the average exchange rates for the period April 2024 to December 2024. The forecast includes closed acquisitions as per December 31, 2024, which contain finalized purchase price allocations.

SEK m	24/25							Total
	Q4 ¹⁾	25/26	26/27	27/28	28/29	29/30	30/31	
Amortization of surplus values of acquired intangible assets	284	1,032	774	574	515	406	318	3,903
Personnel costs related to acquisitions	281	286	89	61	33	28	—	778
Specific items related to historical acquisitions	565	1,318	863	635	548	434	318	4,681

¹⁾ At November 14, 2024 an agreement was entered into to divest Easybrain and January 7, 2025 a dividend distribution of shares in Asmodee Group AB was decided at the extra general meeting. For more information, see [Note 2](#), Significant estimates and assumptions.



Bus Frenzy - Traffic Jam
CrazyLabs

PARENT COMPANY

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

The parent company's net sales for the quarter were SEK 21 million (18), and profit before tax was SEK 902 million (-483).

Income tax includes "top-up" tax according to Pillar II - Income Inclusion Rule (IIR), amounting to SEK -28 million. Profit after tax was SEK 766 million (-328).

The parent company's net sales for April-December, 2024 were SEK 64 million (67), and loss before tax was SEK -410 million (-445).

Income tax includes "top-up" tax according to Pillar II - Income Inclusion Rule (IIR), amounting to SEK -86 million. Loss after tax was SEK -424 million (-314).

Cash and current investments as of December 31, 2024 were SEK 1,281 million (255). Available funds amounted to SEK 4,839 million as of December 31, 2024. The parent company's equity at the end of the period was SEK 54,644 million (61,313).



Embracer Group AB
Karlstad, Sweden

SIGNIFICANT EVENTS DURING THE QUARTER

- > On 14 November Embracer announced it entered into an agreement to divest the operative group Easybrain to Miniclip, for a consideration of USD 1.2 billion (approximately SEK 12.9 billion) on a cash and debt free basis. The transaction was completed on 23 January 2025.
- > On 19 November Embracer announced, and as part of the announced divestment of Easybrain, that Embracer intended to contribute EUR 400 million to Asmodee through an equity investment upon the closing of the divestment of Easybrain. The proceeds was injected on 24 January 2025, Embracer also announced Asmodee's financial targets, which are aimed at driving profitable growth and maximizing shareholder value, Asmodee's dividend policy and net financial debt position as of 30 September 2024, including Asmodee's intention to refinance its EUR 900 million bank bridge through a debt capital markets transaction. This refinancing was concluded in December 2025.
- > On 19 November Asmodee successfully held its Capital Market Day in Stockholm. The event's webcast on demand and presentations are available at the Embracer website.
- > On 26 November Embracer announced a proposed and then later at 29 of November a successful pricing of EUR 940 million of senior secured notes by Asmodee.
- > On 13 December Embracer published information brochure regarding the proposed distribution of Embracer's shares in Asmodee Group AB

SIGNIFICANT EVENTS AFTER THE QUARTER

- > On January 7 Embracer held an extra general meeting where the following decisions were taken:
 - > Embracer issued five B shares (equalization shares) with a subscription price of SEK 1 per share to make the total share number divisible by six for the reverse share split.
 - > Articles of association to set the minimum number of shares at 220,000,000 and the maximum at 880,000,000.
 - > Reverse share split, consolidating six shares into one. Total shares decreased from 1,350,718,237 to 225,119,707 (9,000,000 A shares, 216,119,707 B shares).
 - > The board was authorized to set the record date for the reverse share split.
 - > The distribution of all shares in Asmodee held by Embracer, where one Embracer share entitled the holder to one Asmodee share of the same class.
 - > The board was authorized to set the record date for the Asmodee share distribution.
- > On January 9 Embracer announced the record date, 16 January 2025, for the reverse share split in Embracer .
- > On January 23, Embracer announced the closing of the Easybrain divestment.
- > On January 27 Embracer announced the trading of Asmodee B shares on Nasdaq Stockholm to commence on February 7 2025.
- > On January 29 Embracer announced a trading update for Q3, as it has experienced a stronger-than-expected performance during this period, based on preliminary figures.
- > On January 29 and with reference to the trading update done by Embracer the same day, and ahead of the listing of Asmodee's class B shares on Nasdaq Stockholm, Asmodee provided a trading update for the three-month period ended 31 December 2024 (Q3) based on preliminary financial figures. Furthermore, Asmodee provides management expectations for the twelve-month period ending 31 March 2025
- > On February 3, Asmodee published the prospectus which has been prepared in connection with the distribution and the admission to trading of Asmodee's class B shares on Nasdaq Stockholm.
- > On February 7, The class B shares in Asmodee Group AB (publ) begun trading on Nasdaq Stockholm under ticker symbol ASMDEE.



SUSTAINABILITY AND GOVERNANCE

SUSTAINABILITY

Under the CSRD, the company will report on environmental, social and governance (ESG) factors and describe its impacts, risks and opportunities related to climate, human rights and corporate governance. The reports will follow the European Sustainability Reporting Standard (ESRS) for stringency and comparability.

As sustainability plays a central role in the company, preparations for these regulations began already in 2023, well ahead of the deadlines. For FY 2024/25, we will prepare an ESRS-inspired sustainability report to:

- > Prepare reporting entities for enhanced requirements.
- > Identify gaps and close them before full compliance FY 2025/26.

Progress is being made in developing our internal expertise and addressing gaps. Ensuring that the new requirements are effectively met, with a focus on relevance, accuracy, and transparency.

Sustainability remains a core principle in all of the company's workflows and internal values, and extends beyond external requirements. The collaboration with the industry associations Video Games Europe and Swedish Games Industry continues through participation in information meetings and various workflows around the challenges and opportunities of the industry, especially in the areas of diversity, environment and integrity. These valuable discussions and opportunities for influence contribute to the development of the industry, nationally and internationally.

In addition, the company is committed to maintaining a continuous dialogue and making data-driven decisions regarding the sustainability work. Regular evaluation and adaptation to key business priorities will be crucial for success.

GOVERNANCE

During the quarter, the Group re-launched our annual e-learnings within Data Privacy and Anti-Corruption and Anti-Bribery. We also initiated our annually recurring Code of Conduct e-learning for the Group.



ANALYSTS FOLLOWING EMBRACER GROUP

For an updated list of analysts covering Embracer Group, please refer to our website embracer.com.

THE SHARE

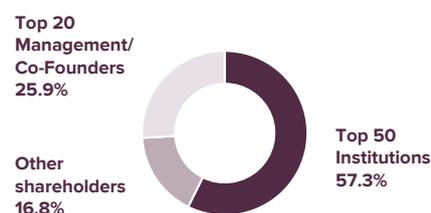
TOP 20 OWNERS AS OF DECEMBER 31, 2024					Change from Sep 30, 2024
Name	Class A shares	Class B shares	Share of capital, %	Share of votes, %	Class A and B shares
1 Lars Winge AB	52,260,204	210,238,330	19.43%	39.90%	
2 Savvy Gaming Group		99,884,024	7.39%	5.44%	
3 S3D Media Inc		83,570,714	6.19%	4.55%	
4 DNB Asset Management AS		63,024,100	4.67%	3.43%	-25,159,076
5 Alecta Tjänstepension		47,100,000	3.49%	2.56%	
6 Canada Pension Plan Investment Board (CPP)		44,399,427	3.29%	2.42%	-1,267
7 PAI Partners		39,044,571	2.89%	2.13%	
8 Handelsbanken Fonder		35,122,998	2.60%	1.91%	1,075,432
9 Vanguard		34,120,697	2.53%	1.86%	219,026
10 SEB Investment Management		32,025,262	2.37%	1.74%	1,349,130
11 Carnegie Fonder (Didner & Gerge Fonder)		31,400,000	2.32%	1.71%	60,000
12 Swedbank Robur Fonder		22,272,302	1.65%	1.21%	10,965,422
13 Norges Bank Investment Management		22,162,072	1.64%	1.21%	
14 DNB Asset Management SA		18,674,104	1.38%	1.02%	-723,434
15 Skandia Fonder		17,920,670	1.33%	0.98%	-1,873,704
16 Folksam		17,328,775	1.28%	0.94%	698,438
17 Första AP-fonden		16,500,000	1.22%	0.90%	4,750,000
18 Andra AP-fonden		12,362,414	0.92%	0.67%	935,719
19 BlackRock		12,255,091	0.91%	0.67%	-419,312
20 Oleg Grushevich		11,766,897	0.87%	0.64%	
TOP 20	52,260,204	871,172,448	68.37%	75.88%	
OTHERS	1,739,796	425,545,789	31.63%	24.12%	
TOTAL	54,000,000	1,296,718,237	100.00%	100.00%	

Source: Monitor by Modular Finance.
The number of shares are before the reverse share split in January 2025.
Shareholder lists are available on embracer.com and are updated in real time.

INTERNATIONAL OWNERSHIP TOP 50 INSTITUTIONAL AS OF DECEMBER 31, 2024 BY CAPITAL



INSTITUTIONAL OWNERSHIP VS MANAGEMENT AS OF DECEMBER 31, 2024 BY CAPITAL



TOP 20 MANAGEMENT & CO-FOUNDER OWNERS AS OF DECEMBER 31, 2024

Owner ¹⁾	Co-Founder	Class A shares	Class B shares	Share of capital, %	Share of votes, %
1 Lars Wingefors AB	Embracer Group	52,260,204	210,238,330	19.43%	39.90%
2 Founders/Management	Easybrain		43,770,306	3.24%	2.38%
3 Ken Go	Deca Games		10,164,962	0.75%	0.55%
4 Founders/Management	4A		4,892,140	0.36%	0.27%
5 Management	CrazyLabs		4,402,714	0.33%	0.24%
6 Founders	Ghostship Games		3,998,206	0.30%	0.22%
7 Founders/Management	Aspyr		3,549,742	0.26%	0.19%
8 Richard Stitselaar and Kimara Rouwit	Vertigo Games		2,318,852	0.17%	0.13%
9 Luisa Bixio	Milestone		2,424,341	0.18%	0.13%
10 Klemens Kundratitz	Plaion		2,255,856	0.17%	0.12%
11 Anton Westbergh	Coffee Stain		2,582,666	0.19%	0.14%
12 Alan Wilson	Tripwire		1,482,887	0.11%	0.08%
13 Dennis Gustafsson	Tuxedo Labs		1,408,031	0.10%	0.08%
14 William Munk II	Tripwire		1,107,594	0.08%	0.06%
15 David Hensley	Tripwire		1,107,594	0.08%	0.06%
16 Klemens Kreuzer	THQ Nordic		875,000	0.06%	0.05%
17 John Coleman	Vertigo Games		439,512	0.03%	0.02%
18 Stefan Ljungqvist	Experiment 101		360,360	0.03%	0.02%
19 Lee Guinchard	Embracer Freemode		205,580	0.02%	0.01%
20 Martin de Ronde	Vertigo Games		205,150	0.02%	0.01%
TOP 20		52,260,204	297,789,823	25.92%	44.67%
ALL OTHER SHAREHOLDERS		1,739,796	998,928,414	74.08%	55.33%
TOTAL		54,000,000	1,296,718,237	100.00%	100.00%

¹⁾ Holdings by management above are in general owned through various wholly owned companies. Holdings include clawback shares that are issued but subject to restrictions and in some cases these shares are not part of the transferred consideration in the PPA but is classified as remuneration for future services

The number of shares are before the reverse share split in January 2025.



RISKS AND UNCERTAINTY FACTORS

Embracer Group is exposed to risks, particularly the dependence on key persons for the success of game development, the sales performance of launched games, dependence on a few distributors and the success and performance of acquisitions. The complete risk analysis is found in the company's most recent Annual Report. Additional significant risks and assumptions are described in [Note 2](#) in this report.

AUDITOR'S REVIEW

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

FORTHCOMING REPORTS

Full Year report 2024/25	May 22, 2025
Annual Report 2024/25	Week 25, 2025
Interim Report Q1, April-June 2025	August 14, 2025
Annual General Meeting 2025	September 18, 2025
Interim Report Q2, July-September 2025	November 13, 2025
Interim Report Q3, October-December 2025	February 12, 2026

FOR MORE INFORMATION

Find more information about the Company at its website: embracer.com

For any questions on this report, please contact:

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Beatrice Flink Forsgren, *Head of Brand & Communication*

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Wreckfest 2
THQ Nordic | Bugbear Entertainment

SIGNATURES AND ASSURANCE

The Board of Directors and Chief Executive Officer offer their assurance that this interim report for the third quarter gives a true and fair view of the Group's and parent company's operations, financial position and results of operations and describes the significant risks and uncertainties facing the Group and the parent company.

Karlstad, Sweden, February 13, 2025

Kicki Wallje-Lund
Chair of the Board

Yasmina Brihi
Board member

Bernt Ingman
Board member

Jacob Jonmyren
Board member

Cecilia Qvist
Board member

Brian Ward
Board member

Lars Wingefors
CEO and Board member

This report is information that Embracer Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation 596/2014 and the Securities Markets Act (2007:528). The information was submitted for publication, through the agency of the contact persons set out above, at 2025-02-13 07:00 CET. The persons above may also be contacted for further information.

This report contains forward-looking statements that reflect the Board of Directors' and management's current views with respect to certain future events and potential financial performance. Forward-looking statements are subject to risks and uncertainties. Results could differ materially from forward-looking statements as a result of, among other factors, (i) changes in economic, market and competitive conditions, (ii) success of business initiatives, (iii) changes in the regulatory environment and other government actions, (iv) fluctuations in exchange rates and (v) business risk management.

This report is based solely on the circumstances at the date of publication and except to the extent required under applicable law or applicable marketplace regulations, Embracer Group AB is under no obligation to update the information, opinions or forward-looking statements in this report.



Titan Quest II
THQ Nordic | Grimlore Games

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Amounts in SEK m	Note	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Net sales	3,4	7,364	7,625	16,984	21,651	27,409
Other operating income		98	141	321	353	563
Total operating income		7,462	7,766	17,305	22,004	27,971
Work performed by the Company for its own use and capitalized		669	1,263	2,083	4,064	5,165
Goods for resale		-2,942	-2,535	-5,235	-5,980	-7,479
Other external expenses	7	-1,577	-1,849	-4,175	-5,871	-7,389
Personnel expenses	8	-1,754	-2,877	-6,486	-8,845	-12,096
Depreciation, amortization and impairment		-1,140	-2,035	-3,572	-6,279	-13,771
Other operating expenses	9	-80	-43	-712	-161	-6,815
Share of profit of an associate after tax		0	6	5	12	12
Operating profit/loss (EBIT)		638	-305	-787	-1,056	-14,400
Net financial items	10	590	-1,657	-239	-335	710
Profit/loss before tax		1,228	-1,962	-1,025	-1,391	-13,690
Income tax		-268	164	-332	-14	351
Profit for the year continuing operations		960	-1,798	-1,357	-1,405	-13,340
Profit from Discontinued operation, net after tax ¹⁾	6	38	57	-218	1,353	-4,838
Net profit/loss for the period		997	-1,741	-1,575	-52	-18,178
<i>Net profit/loss for the period attributable to:</i>						
Equity holders of the parent		995	-1,740	-1,578	-52	-18,177
Non-controlling interests		2	-1	3	0	-1
Earnings per share						
Basic earnings per share including Discontinued operation (SEK)		0.80	-1.44	-1.28	-0.04	-15.28
Diluted earnings per share including Discontinued operation (SEK)		0.80	-1.44	-1.28	-0.04	-15.28
Basic earnings per share excluding Discontinued operation (SEK)		0.77	-1.48	-1.10	-1.08	-11.21
Diluted earnings per share excluding Discontinued operation (SEK)		0.77	-1.48	-1.10	-1.08	-11.21

¹⁾ Excluding non-controlling interests of discontinued operations

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK m	Note	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Net profit/loss for the period		997	-1,741	-1,575	-52	-18,178
Other comprehensive income						
<i>Items that may be reclassified to profit or loss (net of tax):</i>						
Exchange differences on translation of foreign operations		1,691	-3,334	-674	-1,367	886
Cash flow hedges		1	4	-1	2	1
<i>Items that will not be reclassified to profit or loss (net of tax):</i>						
Remeasurement of defined benefit plans for employees		0	0	0	0	-5
Total other comprehensive income for the period, net of tax		1,692	-3,330	-675	-1,365	882
Total comprehensive income for the period, net of tax		2,689	-5,071	-2,251	-1,417	-17,296
<i>Total comprehensive income attributable to:</i>						
Equity holders of the parent		2,653	-5,070	-2,260	-1,417	-17,295
Non-controlling interests		36	-1	9	0	-1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK m	Note	Dec 31, 2024	Dec 31, 2023	Mar 31, 2024
ASSETS				
Non-current assets				
Goodwill		17,013	47,499	31,210
Intangible assets		16,433	43,706	37,036
Property, plant and equipment		591	1,110	881
Right-of-use assets		711	1,537	1,349
Investments in associates		262	252	254
Non-current financial assets		493	636	501
Deferred tax assets		1,628	1,944	1,776
Total non-current assets		37,131	96,684	73,008
Current assets				
Inventories		1,049	3,715	3,218
Trade receivables		3,128	6,412	4,960
Contract assets		208	795	13
Other receivables		1,372	1,633	3,788
Prepaid expenses		383	621	457
Current investments		—	0	0
Cash and cash equivalents		3,041	3,683	3,341
Total current assets		9,181	16,858	15,777
Assets held for distribution/sale	6	43,549	—	6,911
TOTAL ASSETS		89,861	113,541	95,696

CONT.>>

>>CONTINUED

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK m	Note	Dec 31, 2024	Dec 31, 2023	Mar 31, 2024
EQUITY AND LIABILITIES				
Equity				
Share capital		2	2	2
Other contributed capital		61,836	59,891	60,932
Reserves		5,133	3,580	5,826
Retained earnings, including net profit/loss		-16,256	3,783	-14,341
Total equity attributable to equity holders of the parent		50,715	67,256	52,419
Non-controlling interests		903	64	64
Total equity		51,618	67,320	52,482
Non-current liabilities				
Liabilities to credit institutions		5,883	16,918	10,795
Other non-current liabilities		175	165	171
Lease liabilities		489	1,159	1,024
Other provisions		39	56	52
Contingent considerations	5	1,505	3,303	1,980
Non-current put/call options on non-controlling interests	5	—	1,818	1,496
Deferred considerations	5	—	33	10
Non-current employee benefits		3	12	13
Non-current liabilities to employees related to historical acquisitions	5	755	866	910
Deferred tax liabilities		1,450	7,342	5,885
Total non-current liabilities		10,300	31,672	22,336
Current liabilities				
Liabilities to credit institutions		589	2,874	8,946
Current account credit facilities		0	18	35
Advances from customers		122	44	143
Trade payables		1,964	3,188	2,197
Lease liabilities		267	441	381
Contract liabilities		1,019	1,903	1,511
Contingent considerations	5	303	280	219
Current put/call options on non-controlling interests	5	—	332	285
Deferred considerations	5	—	440	474
Tax liabilities		377	762	499
Current liabilities to employees related to historical acquisitions	5	101	221	144
Other current liabilities		471	633	906
Accrued expenses		2,136	3,412	2,967
Total current liabilities		7,348	14,549	18,708
Liabilities directly associated with assets classified as held for distribution/sale	6	20,596	—	2,170
TOTAL EQUITY AND LIABILITIES		89,861	113,541	95,696

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

Amounts in SEK m	Equity attributable to equity holders of the parent						
	Share capital	Other contributed capital	Reserves ¹⁾	Retained earnings including profit for the period	Total equity attributable to equity holders of the parent	Non-controlling interests	Total equity
Opening balance 2023-04-01	2	55,886	4,945	3,835	64,668	53	64,721
Net profit/loss ²⁾	—	—	—	-52	-52	0	-52
Other comprehensive income	—	—	-1,365	—	-1,365	0	-1,365
Total comprehensive income for the period	—	—	-1,365	-52	-1,417	0	-1,417
<i>Transactions with the owners</i>							
New share issue	0	2,018	—	—	2,019	—	2,019
Excess value	—	-12	—	—	-12	—	-12
Issuance costs	—	-43	—	—	-43	—	-43
Tax effect issuance costs	—	9	—	—	9	—	9
Share-based remuneration according to IFRS 2	—	2,033	—	—	2,033	—	2,033
Transactions with non-controlling interests	—	—	—	—	—	11	11
Total	0	4,005	—	—	4,005	11	4,017
Closing balance 2023-12-31	2	59,891	3,580	3,783	67,256	64	67,320
Opening balance 2024-04-01	2	60,932	5,826	-14,341	52,419	64	52,482
Net profit/loss ²⁾	—	—	—	-1,578	-1,578	-9	-1,587
Other comprehensive income	—	—	-694	—	-694	18	-675
Total comprehensive income for the period	—	—	-694	-1,578	-2,272	9	-2,262
<i>Transactions with the owners</i>							
New share issue	0	268	—	—	268	—	268
Share-based remuneration according to IFRS 2	—	637	—	—	637	—	637
Dividend to non-controlling interests	—	—	—	—	—	-495	-495
Transactions with non-controlling interests	—	—	—	-337	-337	1,324	988
Total	0	905	—	-337	568	829	1,397
Closing balance 2024-12-31	2	61,836	5,133	-16,256	50,715	903	51,618

¹⁾ Includes currency translation difference and cash flow hedge reserve as well as revaluation of defined benefit plans to employees.

²⁾ Includes Net profit/loss for non-controlling interests in discontinued operations, see [note 6](#).

CONSOLIDATED CASH FLOW STATEMENT

Amounts in SEK m ²⁾	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Operating activities					
Profit/loss before tax	1,228	-1,962	-1,025	-1,391	-13,690
Adjustments for non-cash items, etc.	372	3,749	4,003	6,598	20,115
Income tax paid	-209	-158	-611	-510	-609
Cash flow from operating activities before changes in working capital	1,391	1,629	2,367	4,697	5,816
Cash flow from changes in working capital					
Change in inventories	114	341	-126	-61	52
Change in operating receivables	-997	-346	-783	-481	-194
Change in operating liabilities	1,204	96	363	461	20
Cash flow from operating activities	1,712	1,719	1,821	4,615	5,694
Investing activities					
Acquisition of property, plant and equipment	-29	-35	-110	-198	-227
Proceeds from sales of property, plant and equipment	3	2	3	6	6
Acquisition of intangible assets	-890	-1,625	-2,784	-5,350	-6,844
Proceeds from sales of intangible assets	-1	—	—	—	33
Acquisition of subsidiaries, net of cash acquired ¹⁾	-379	-1,943	-684	-2,091	-2,223
Divestment of subsidiaries, net of cash divested	-22	—	5,866	—	—
Change in current investments	—	-2	—	—	—
Acquisition of financial assets	97	-70	-29	-365	-412
Proceeds from sales of financial assets	1	7	7	17	22
Cash flow from investing activities	-1,220	-3,666	2,269	-7,981	-9,645
Financing activities					
New share issue	—	—	—	2,000	2,000
Issuance costs	—	—	—	-42	-42
Proceeds from borrowings	343	700	6,884	1,416	2,047
Paid dividend to owners with non-controlling interests	—	—	—	—	—
Received dividend	—	—	9,885	—	—
Received payment from loans to discontinued operations	—	613	-3	961	1,623
Repayment of loans	-511	-953	-19,680	-1,622	-2,450
Payment of lease liabilities	-82	-107	-256	-335	-437
Cash flow from financing activities	-250	253	-3,170	2,378	2,741
Total cash flow, Continuing operations	242	-1,694	920	-988	-1,210
Total cash flow, Discontinued operations	663	28	613	72	-24
Total cash flow, total Group	905	-1,666	1,533	-916	-1,234
Cash and cash equivalents at the beginning of period	4,052	5,520	3,507	4,662	4,662
Exchange-rate differences in cash and cash equivalents	92	-169	9	-63	80
Cash and cash equivalents in Discontinued operations	-1,791	-1,229	-1,791	-1,229	-1,181
Cash and cash equivalents at the end of period	3,258	2,456	3,258	2,456	2,327

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

²⁾ Reclassification of the assets and liabilities under IFRS 5, as per Note 6, has been returned to the balances when the cash flow was calculated. The change in net working capital for the quarter and the year is, therefore, not affected by this reclassification as it does not have a cash effect before completion of the transactions. The total cash flow for discontinued operations is presented as a separate row in the cash flow statement. The difference in cash and cash equivalents at 31 Dec 2024 in the consolidated cash flow statement and the consolidated balance sheet corresponds to the cash and cash equivalents in Easybrain amounting to approximately SEK 200 millions. Further details in note 6.

NOTES

NOTE 1 SIGNIFICANT ACCOUNTING PRINCIPLES

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

The Group's interim financial statements have been prepared in accordance with IAS 34 Interim Financial Reporting and applicable parts of the Swedish Annual Accounts Act (1995:1554). For the parent company, the interim report has been prepared in compliance with the Swedish Annual Accounts Act and Recommendation RFR 2 Accounting for Legal Entities.

For the Group, the same accounting policies and methods of computation have been applied as in the Annual Report for FY 2023/24. A complete description of the Group's applied accounting policies can be found in Note 1 as well as separate sections in the respective notes in the Annual Report for FY 2023/24. For the parent company's applied accounting policies, see Note P1.

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

The IASB has published amendments to standards that take effect on, or after January 1, 2023. The standards have not had any significant impact on the financial reports.

Disclosures in accordance with IAS 34.16A appear in addition to the financial statements and its related notes in the interim information on page [30-39](#) that from an integral part of this financial report.

All amounts are presented in million Swedish kronor ("SEK m"), unless otherwise indicated. Rounding differences may occur.

NOTE 2 SIGNIFICANT ESTIMATES AND ASSUMPTIONS

When preparing the financial statements, management and the Board of Directors must make certain assessments and assumptions that impact the carrying amount of asset and liability items and revenue and expense items, as well as other provided information.

Actual outcome may differ from the estimates if the estimates or circumstances change. The key estimates and assumptions made when preparing the interim report correspond to the ones described in Note 2 as well as separate sections in the respective notes in the Annual Report for FY 2023/24, with additions described below.

Non-current assets held for sale and discontinued operations

To be classified as non-current assets (or disposal groups) held for sale or distribution, the disposal group must be available for immediate sale or distribution in its present condition subject only to terms that are usual and customary for sales or distribution of such assets (or disposal groups) and a transaction must be highly probable. To qualify as discontinued operations, a component of the Group must, in addition to having been classified as a disposal group held for sale or distribution, also represent a separate major line of business or be a part of a single coordinated plan to dispose of a separate major line of business.

On April 22, 2024, Embracer announced its intention to separate the Group into three standalone publicly listed entities: Asmodee Group ("Asmodee"), "Coffee Stain & Friends" and "Middle-earth Enterprises & Friends". Management and the Board of Directors concludes that on 31 of December, 2024, the assets related to "Asmodee" will be reclassified to non-current assets held for distribution and is also considered to be a discontinued operation. For more information, see [note 6](#).

During Q3 FY 2024/25 an agreement was entered into to divest the operative group Easybrain. The transaction has been assessed to meet the criteria of a disposal group held for sale but is not considered to meet the criteria for discontinued operations. For more information, see [note 6](#).

NOTE 3 OPERATING SEGMENTS

For accounting and monitoring, the Group has divided its operations into three operating segments based on how the chief operating decision maker reviews the operations for allocation of resources and assessment of performance. Embracer's CEO is identified as the Group's chief operating decision maker (CODM). The division of operating segments is based on differences in the goods and services that Embracer offers.

PC/Console Games - This part of the business conducts development and publishing of premium games for PC and console.

Mobile Games - This part of the business conducts development and publishing of mobile games.

Entertainment & Services - This part of the business is engaged in development, publishing and distribution of comic books,

conducts wholesale of publishing titles of games for console and PC as well as films, conducts publishing and external distribution of films and TV-series and produce and distribute merchandise.

The CODM primarily uses the performance measure Adjusted EBIT to assess the operating segments' performance. The CODM does not follow up on the assets and liabilities of the segments for allocation of resources or assessment of performance.

With Asmodee Group being classified as discontinued operations, the Tabletop Games segment is no longer presented in this note.

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

Oct-Dec 2024	PC/Console Games	Mobile Games	Entertainment & Services	Total segments	Eliminations	Group functions	Group total
Revenue from external customers	2,603	1,669	3,093	7,364	-	-	7,364
Revenue from transactions with other operating segment	3	12	8	23	-23	-	-
Total revenue	2,606	1,681	3,101	7,387	-23	-	7,364
Adjusted EBIT	551	400	284	1,235	-	-60	1,175
Amortization of surplus values of acquired intangible assets	-130	-95	-89	-314	-	-	-314
Personnel costs related to acquisitions	-62	-63	-1	-126	-	-	-126
Items affecting comparability	-97	0	-	-97	-	1	-96
EBIT	262	242	194	697	-	-59	638
Net financial items							590
Profit/loss before tax							1,228

Oct-Dec 2023	PC/Console Games	Mobile Games	Entertainment & Services	Total segments	Eliminations	Group functions	Group total
Revenue from external customers	3,379	1,642	2,604	7,625	-	-	7,625
Revenue from transactions with other operating segment	8	-	9	17	-17	-	-
Total revenue	3,387	1,642	2,613	7,642	-17	-	7,625
Adjusted EBIT	469	611	305	1,386	-	-68	1,318
Amortization of surplus values of acquired intangible assets	-350	-114	-92	-556	-	-	-556
Transaction costs	0	-	0	0	-	-	0
Personnel costs related to acquisitions	-273	-77	-3	-352	-	-	-352
Remeasurement of contingent consideration	0	-	-	0	-	-3	-3
Items affecting comparability	-598	-100	-11	-708	-	-4	-712
EBIT	-751	320	201	-230	-	-75	-305
Net financial items							-1,657
Profit/loss before tax							-1,962

CONT. >>

>> NOTE 3 CONTINUED

Apr-Dec 2024	PC/Console Games	Mobile Games	Entertainment & Services	Total segments	Eliminations	Group functions	Group total
Revenue from external customers	7,381	4,415	5,188	16,984	–	–	16,984
Revenue from transactions with other operating segment	14	24	25	63	-63	–	–
Total revenue	7,395	4,439	5,213	17,047	-63	–	16,984
Adjusted EBIT	863	1,292	292	2,447	–	-180	2,267
Amortization of surplus values of acquired intangible assets	-442	-309	-267	-1,018	–	–	-1,018
Personnel costs related to acquisitions	-1,109	-147	-11	-1,267	–	–	-1,267
Remeasurement of contingent consideration	4	–	–	4	–	–	4
Items affecting comparability	-775	–	–	-775	–	1	-774
EBIT	-1,457	837	13	-608	–	-179	-787
Net financial items							-239
Profit/loss before tax							-1,025

Apr-Dec 2023	PC/Console Games	Mobile Games	Entertainment & Services	Total segments	Eliminations	Group functions	Group total
Revenue from external customers	11,284	4,550	5,818	21,651	–	–	21,651
Revenue from transactions with other operating segment	20	–	20	40	-40	–	–
Total revenue	11,304	4,550	5,838	21,691	-40	–	21,651
Adjusted EBIT	1,927	1,407	805	4,139	–	-201	3,938
Amortization of surplus values of acquired intangible assets	-1,072	-336	-274	-1,681	–	–	-1,681
Transaction costs	-1	–	-6	-6	–	–	-6
Personnel costs related to acquisitions	-890	-193	-11	-1,094	–	–	-1,094
Remeasurement of participation in associated companies	3	–	–	3	–	–	3
Remeasurement of contingent consideration	-14	–	–	-14	–	-3	-17
Items affecting comparability	-1,837	-105	-216	-2,158	–	-41	-2,199
EBIT	-1,884	773	299	-811	–	-245	-1,056
Net financial items							-335
Profit/loss before tax							-1,391

Apr 2023- Mar 2024	PC/Console Games	Mobile Games	Entertainment & Services	Total segments	Eliminations	Group functions	Group total
Revenue from external customers	14,410	5,916	7,082	27,409	–	–	27,409
Revenue from transactions with other operating segment	29	–	27	56	-56	–	–
Total revenue	14,439	5,916	7,109	27,465	-56	–	27,409
Adjusted EBIT	2,441	1,921	853	5,215	–	-231	4,984
Amortization of surplus values of acquired intangible assets	-1,399	-441	-363	-2,203	–	–	-2,203
Transaction costs	-2	–	-6	-8	–	–	-8
Personnel costs related to acquisitions	-1,604	-286	-14	-1,904	–	–	-1,904
Remeasurement of participation in associated companies	3	–	–	3	–	–	3
Remeasurement of contingent consideration	-15	–	–	-15	–	-3	-18
Items affecting comparability	-7,312	-165	-883	-8,360	–	-6,895	-15,255
EBIT	-7,887	1,029	-413	-7,272	–	-7,129	-14,400
Net financial items							710
Profit/loss before tax							-13,690

NOTE 4 REVENUE FROM CONTRACTS WITH CUSTOMERS

Oct-Dec 2024	PC/Console Games	Mobile Games	Entertainment & Services	Group total
Type of products				
Digital products	1,707	1,667	564	3,937
Physical products	309	–	2,416	2,725
Other ¹⁾	588	2	114	703
Revenue from contracts with customers	2,603	1,669	3,093	7,364
Oct-Dec 2023				
Type of products				
Digital products	2,104	1,637	168	3,909
Physical products	432	–	2,214	2,645
Other ¹⁾	843	5	222	1,070
Revenue from contracts with customers	3,379	1,642	2,604	7,625
Apr-Dec 2024				
Type of products				
Digital products	4,651	4,404	864	9,918
Physical products	707	–	4,083	4,790
Other ¹⁾	2,023	12	242	2,276
Revenue from contracts with customers	7,381	4,415	5,188	16,984
Apr-Dec 2023				
Type of products				
Digital products	7,575	4,504	463	12,542
Physical products	1,185	–	4,420	5,605
Other ¹⁾	2,524	46	934	3,505
Revenue from contracts with customers	11,284	4,550	5,818	21,651
Apr 2023- Mar 2024				
Type of products				
Digital products	9,609	5,865	643	16,117
Physical products	1,490	–	5,469	6,960
Other ¹⁾	3,311	51	970	4,332
Revenue from contracts with customers	14,410	5,916	7,082	27,409

¹⁾ See Operating segment, page 7-13

In addition to the breakdown by revenue from contracts with customers for PC/Console Games, Mobile Games and Entertainment & Services, Embracer also monitor PC/Console in categories below:

PC/Console Games	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
IP-rights					
Owned titles	1,700	2,130	4,437	7,419	9,514
Publishing titles	903	1,248	2,944	3,865	4,896
Total	2,603	3,379	7,381	11,284	14,410
New releases					
New releases	235	470	647	3,494	4,185
Back catalog	1,780	2,066	4,711	5,266	6,914
Other	588	843	2,023	2,524	3,311
Total	2,603	3,379	7,381	11,284	14,410

NOTE 5 FINANCIAL INSTRUMENT

Reclassification of the assets & liabilities under IFRS 5, as per [Note 6](#) has been returned to the balances in Note 5. The balances are, therefore, not affected by this reclassification as it does not have an effect before completion of the transactions.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The table below presents financial instruments measured at fair value based on the classification in the fair value hierarchy. The different levels are defined as follows:

Level 1 - Quoted (unadjusted) market prices for identical assets or liabilities in active markets.

Level 2 - Inputs other than quoted prices in level 1 that are observable for the asset or liability, either directly (i.e. price quotations) or indirectly (i.e. derived from price quotations).

Level 3 - Input data for the asset or liability which is not based on observable market data (i.e. unobservable input data).

Financial assets measured at fair value

Financial assets measured at fair value as of December 31, 2024	Level 1	Level 2	Level 3	Total
Ownership interests in other entities	—	—	—	0
Current investments	45	—	—	45

Financial assets measured at fair value as of December 31, 2023	Level 1	Level 2	Level 3	Total
Ownership interests in other entities	—	6	—	6
Current investments	38	—	—	38

Financial assets measured at fair value as of March 31, 2024	Level 1	Level 2	Level 3	Total
Ownership interests in other entities	—	6	—	6
Current investments	42	—	—	42

Financial liabilities measured at fair value

Financial liabilities measured at fair value as of December 31, 2024	Level 1	Level 2	Level 3	Total
Contingent consideration	—	—	1,808	1,808
Liabilities to employees related to historical acquisitions	—	—	#N/A	#N/A

Financial liabilities measured at fair value as of December 31, 2023	Level 1	Level 2	Level 3	Total
Contingent consideration	—	—	3,583	3,583
Put/call options on non-controlling interests	—	—	2,150	2,150
Liabilities to employees related to historical acquisitions	—	—	#N/A	#N/A

Financial liabilities measured at fair value as of March 31, 2024	Level 1	Level 2	Level 3	Total
Contingent consideration	—	—	2,246	2,246
Put/call options on non-controlling interests	—	—	1,782	1,782
Liabilities to employees related to historical acquisitions	—	—	#N/A	#N/A

Current receivables and current liabilities

For current receivables and liabilities, such as trade receivables and trade payables and for liabilities to credit institutions (long- and short-term) and with variable interest rate, the carrying amount is considered to be a good approximation of the fair value.

Contingent consideration

The fair value of contingent considerations has been calculated based on expected outcome of financial and operational targets for each individual agreement. The estimated expected settlement will vary over time depending on, among other things, the degree of fulfillment of the conditions for the contingent considerations, the development of certain exchange rates against the Swedish krona and the interest rate environment. Contingent considerations to be settled with shares are also dependent on the development of Embracer's share price.

Contingent considerations classified as financial liabilities are measured at fair value by discounting expected cash flows at a risk-adjusted discount rate of 1.8%-10.2%. Measurement is therefore in accordance with Level 3 in the fair value hierarchy. Significant unobservable input data consists of forecasted turnover and a risk-adjusted discount rate as well operational targets.

Contingent considerations	Apr-Dec 2024	Apr-Dec 2023	Apr 2023-Mar 2024
Opening balance	3,935	8,471	8,471
Payment - shares to be issued	-79	-30	-30
Payment - clawback shares	-459	-1,527	-2,278
Payment - cash	-225	-171	-258
FX effects	34	-176	167
Reclassifications	—	-32	-32
Disposals/divestments	-252	—	-251
Change in fair value recognized in consolidated statement of profit or loss	-94	-1,148	-1,853
Closing balance	2,860	5,386	3,935

Given the contingent considerations recognized at the end of the reporting period, a higher discount factor of 1.5 percentage points will have an impact on the fair value of SEK -120 million and a lower discount factor of 1.5 percentage points will have an impact with SEK 96 million.

CONT. >>

>> NOTE 5 CONTINUED

The Group's contingent considerations will be settled in cash or with issued shares. As at December 31, 2024, the contingent considerations are expected to be settled according to the table below.

Expected settlement	Contingent consideration classified as financial liability		Total contingent consideration classified as financial liability	Contingent consideration classified as equity		Total contingent consideration
	Cash settlement	Newly issued shares			Newly issued shares	
Total	1,333	475	1,808		1,052	2,860

As of December 31, 2024	Classified as financial liability	Of which already issued	Classified as equity	Of which already issued
Maximum number of shares related to contingent consideration	34,209,092	8,835,125	13,538,097	13,023,762

Put/call option on non-controlling interests

Put/call options on non-controlling interest refers to put/call option on non-controlling interests in business combination where the selling shareholders keep some ownership and there is a contractual obligation where Embracer will purchase the remaining interest if the holder of the option determines to exercise. The valuation and settlement is similar as for contingent consideration (level 3 fair value measurement).

The fair value of put/call options on non-controlling interests have been calculated based on expected outcome of financial and operational targets for each individual agreement. The estimated expected settlement will vary over time depending on, among other things, the degree of fulfillment of the conditions for the put/ call option on non-controlling interests, the development of certain exchange rates against the Swedish krona and the interest rate environment.

Put/call option on non-controlling interests	Apr-Dec 2024	Apr-Dec 2023	Apr 2023-Mar 2024
Opening balance	1,782	2,905	2,905
FX-effects	35	-37	-274
Reclassifications	-1,882	—	—
Change in fair value recognized in consolidated statement of profit or loss	65	-718	-850
Closing balance	0	2,150	1,782

Liabilities to employees related to historical acquisitions

Liabilities to employees related to historical acquisitions refers to part of the purchase price in historical acquisitions which according to IFRS is classified as personnel debt. Fair value for liabilities to employees related to historical acquisitions has been calculated based on expected outcome of financial and operational targets for each individual agreement. The estimated expected settlement will vary over time depending on, among other things, the degree of fulfillment of the conditions.

Liabilities to employees related to historical acquisitions	Apr-Dec 2024	Apr-Dec 2023	Apr 2023-Mar 2024
Opening balance	1,434	1,090	1,090
Accrual of personnel cost in consolidated statement of profit or loss	309	425	923
Payment - cash after the acquisition day	-1,264	-561	-582
Change in fair value recognized in consolidated statement of profit or loss	31	138	32
Reclassifications	-386	—	—
Disposals/divestments	713	—	—
FX-effects	19	-5	-29
Closing balance	855	1,087	1,434

As of December 31, 2024, the Group's liabilities to employees related to historical acquisitions will be settled in cash.

Other consideration that is not classified as financial instruments at fair value

Deferred Consideration

Deferred consideration refers to future payments from business combinations and asset deals where the payment is not contingent upon future financial or operational targets.

Deferred considerations	Apr-Dec 2024	Apr-Dec 2023	Apr 2023-Mar 2024
Opening balance	487	2,019	2,019
Acquisitions	—	193	193
Payment - cash	-479	-1,915	-1,956
FX-effects	-9	88	147
Reclassifications	-8	32	32
Disposals/divestments	—	—	-10
Discount effect recognized in consolidated statement of profit or loss	9	56	62
Closing balance	0	474	487

NOTE 6 DIVESTMENT OF GROUP COMPANIES AND ASSETS (DISPOSAL GROUPS) HELD FOR SALE OR DISTRIBUTION

Divestment of group companies

During Q4 FY 2023/24 an agreement was entered into to divest Gearbox Entertainment. The transaction was closed June 11, 2024. Further on, divestment of the subsidiaries Madhead, Shiver Entertainment and Rare Earth Games closed during Q1,

divestment of Digic closed during Q2 and divestment of Zapper closed during Q3.

	Apr-Dec 2024	Apr-Dec 2024	Apr-Dec 2024
	Gearbox Entertainment	Other	Total
Divestment of entities			
Total consideration	4,046	773	4,819
Carrying amount of net assets sold	4,788	915	5,703
Gain (loss) on sale before income tax and reclassification of foreign currency translation reserve	-742	-142	-884
Reclassification of foreign currency translation reserve	168	7	175
Income tax expense on gain	—	—	—
Gain (loss) on sale after income tax	-574	-135	-709
Net cash consideration received	4,046	252	4,298
Less: Cash and cash equivalents in divested companies	-101	-58	-159
Impact on the Groups' cash and cash equivalents	3,945	194	4,139

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

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

	Apr-Dec 2024	Apr-Dec 2024	Apr-Dec 2024
	Gearbox Entertainment	Other	Total
Assets and liabilities included in the sale			
Goodwill	885	563	1,448
Intangible assets	3,973	330	4,303
Property, plant and equipment	133	19	152
Right-of-use assets	140	41	181
Other non-current financial assets	135	27	162
Trade receivables	92	174	266
Contract assets	484	42	526
Other current assets	303	20	323
Cash and cash equivalents	101	58	159
Total assets	6,246	1,274	7,520
Lease liabilities	-139	-37	-176
Trade payables	-51	-43	-94
Contract Liabilities	-160	-17	-177
Other liabilities	-1,108	-262	-1,370
Total liabilities	-1,458	-359	-1,817
Net assets	4,788	915	5,703

CONT. >>

NOTE 6 CONTINUED

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

Assets held for sale or distribution

During Q3 FY 2024/25, Embracer has reclassified Asmodee and Easybrain as non-current assets (or disposal group) held for distribution and sale under IFRS 5.

To be classified as non-current assets (or disposal groups) held for sale or distribution, the disposal group must be available for immediate sale or distribution in its present condition subject only to terms that are usual and customary for sales or distribution of such assets (or disposal groups) and a transaction must be highly probable.

Immediately before the initial classification as disposal group held for sale, the carrying amounts of all the assets and liabilities in the disposal group have been measured in accordance with applicable IFRS standards.

Following the classification as disposal groups held for sale, depreciation and amortizations ceases on non-current assets included in the disposal groups. The disposal groups are, at the time of classification, measured at the lower of their carrying amount and fair value less costs to sell. This has not resulted in any additional impairment losses for the disposal groups, as the

fair value less cost to sell exceeds the carrying value for the disposal groups, respectively.

From the time of classification as disposal groups held for sale or distribution, the assets and liabilities, respectively, included in the disposal groups are presented as separate line items in the consolidated statement of financial position.

Discontinued operations

To qualify as discontinued operations, a component of the Group must, in addition to having been classified as a disposal group held for sale, also represent a separate major line of business or be a part of a single coordinated plan to dispose of a separate major line of business.

Given that the Group's operations in Asmodee are being discontinued and it is deemed highly probable that the discontinuation will be completed, Asmodee is classified as a disposal group held for distribution and as a discontinued operation. The business of Asmodee represented the entirety of the Group's operating segment Tabletop. Easybrain has been assessed to meet the criteria of a disposal group held for sale but is assessed not to meet the criteria of classification as a discontinued operation.

Assets and liabilities included in disposal groups held for distribution/sale as of December 31, 2024	Apr-Dec 2024	Apr-Dec 2023	Apr 2023-Mar 2024
Goodwill	14,255	—	1,217
Intangible assets	19,553	—	4,105
Property, plant and equipment	272	—	149
Right-of-use assets	667	—	183
Other non-current assets	45	—	123
Inventories	2,288	—	23
Other current assets	4,461	—	946
Cash and cash equivalents	2,008	—	166
Total assets included in disposal group held for distribution/sale	43,549	—	6,911
Non-current interest-bearing liabilities	-12,805	—	-277
Non-current non-interest-bearing liabilities	-4,045	—	-791
Current interest-bearing liabilities	-76	—	-445
Current non-interest-bearing liabilities	-3,669	—	-656
Total liabilities included in disposal group held for distribution/sale	-20,596	—	-2,170
Net assets	22,953	—	4,742

	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Income statement for Discontinued operations					
Net sales	4,930	4,425	11,795	11,679	14,797
Other operating income	0	2	0	11	12
Total operating income	4,930	4,427	11,795	11,690	14,809
Work performed by the Company for its own use and capitalized	22	40	113	133	185
Goods for resale	-2,865	-2,599	-6,973	-7,119	-9,295
Other external expenses	-872	-457	-1,659	-1,246	-1,609
Personnel expenses	-562	-534	-1,594	-1,649	-2,142
Depreciation, amortization and impairment	-277	-294	-864	-881	-7,966
Other operating expenses	-3	-5	-11	-8	-87
Share of profit of an associate	6	0	25	-6	-14
Operating profit (EBIT)	379	578	833	915	-6,119
Net financial items	-262	-400	-701	610	1,074
Profit before tax	118	178	132	1,525	-5,045
Income tax	-78	-122	-363	-172	207
Net profit for the period	40	57	-230	1,353	-4,838
<i>Net profit/loss for the period attributable to:</i>					
Equity holders of the parent	38	57	-218	1,353	-4,838
Non-controlling interests	2	0	-12	0	0

	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Cash flow statement for Discontinued operations					
Cash flow from operating activities	770	760	929	1,471	2,194
Cash flow from investing activities	-51	-67	-206	-230	-309
Cash flow from financing activities	-56	-665	-110	-1,169	-1,909
Cash flow for the period	663	28	613	72	-24

NOTE 7 RELATED PARTY TRANSACTIONS

Related party transaction	Related party	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023-Mar 2024
Consulting service	Logvreten AB ¹⁾ (supplier)	0	0	-1	0	0
Transportation services/Rent	Mad Dog Games LLC, Mek Production ³⁾ (supplier)	-	-2	-	-3	-
Transportation services/Rent	Sola Service i Karlstad AB ²⁾ (supplier)	-6	-6	-13	-15	-19
Transportation services	Empterwik Special Services Ltd ²⁾ (supplier)	-6	-6	-16	-19	-25
Sale of goods/services	Bröderna Wingefors AB ²⁾ (supplier)	-	-	0	-	-
Consulting service	LW Comics ²⁾ (supplier)	0	0	0	0	0
Consulting service	LVP Advisory Ltd ⁴⁾ (supplier)	-	0	0	0	0
Total		-11	-13	-30	-37	-44

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

²⁾ The company is part of Lars Wingefors AB

³⁾ Matthew Karch has controlling influence over the company

⁴⁾ Closely related party to David Gardner has controlling influence over the company

NOTE 8 PERSONNEL EXPENSES

SEK m	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023-Mar 2024
Personnel expenses	-1,657	-2,492	-5,231	-7,729	-10,176
Personnel costs related to acquisitions - Excluding FX gain/loss	-97	-385	-1,254	-1,116	-1,919
Total	-1,754	-2,877	-6,486	-8,845	-12,096

NOTE 9 OTHER OPERATING EXPENSES

SEK m	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023-Mar 2024
Other operating expenses	19	-7	7	-24	-28
Transaction costs related to acquisitions	-	0	-	-6	-8
Divestment of subsidiaries	-87	-47	-707	-131	-6,778
FX gain/loss related to Personnel costs related to acquisitions ¹⁾	-13	10	-13	-	0
Total	-80	-43	-712	-161	-6,815

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

NOTE 10 NET FINANCIAL ITEMS

SEK m	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023-Mar 2024
Interest income and other financial income	26	17	75	51	69
Interest expense and other financial expense	-133	-360	-555	-915	-1,259
Sum	-107	-343	-480	-864	-1,190
Change in fair value contingent consideration and put/call options on non-controlling interests	83	-164	87	1,169	1,599
Interest deferred consideration	0	-15	-9	-56	-62
Realized and unrealized exchange rate gains/losses	615	-1,134	164	-584	362
Total financial net	590	-1,657	-239	-335	710

PARENT COMPANY'S INCOME STATEMENT

Amounts in SEK m	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Net sales	21	18	64	67	85
Other operating income	0	1	1	1	30
Total operating income	21	19	64	68	115
Operating expenses					
Other external expenses	-35	-35	-105	-121	-185
Personnel expenses	-35	-50	-100	-107	-132
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	-1	-1	-3	-3	-4
Other operating expenses	0	0	-293	-30	-7,246
Operating profit/loss	-51	-68	-436	-193	-7,451
Net financial items	663	-596	-52	-302	451
Profit/loss after financial items	611	-664	-488	-495	-7,000
Appropriations	290	181	78	49	186
Profit/loss before tax	902	-483	-410	-445	-6,815
Income tax	-136	155	-14	131	-14
Net profit/loss for the period	766	-328	-424	-314	-6,829

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

PARENT COMPANY BALANCE SHEET

Amounts in SEK m	Dec 31, 2024	Dec 31, 2023	Mar 31, 2024
ASSETS			
Non-current assets			
Intangible assets	3	3	3
Tangible assets	5	8	7
Shares in Group companies	38,877	43,144	48,400
Receivables from Group companies	18,257	32,625	20,747
Other long term receivables	59	79	51
Deferred tax assets	93	140	—
Total financial assets	57,286	75,989	69,198
Total non-current assets	57,294	75,999	69,208
Current assets			
Receivables from Group companies	3,588	3,368	3,869
Other receivables	320	—	326
Prepaid expenses and accrued income	53	63	60
	3,962	3,431	4,255
Cash and cash equivalents	1,281	255	486
Total current assets	5,243	3,686	4,742
TOTAL ASSETS	62,537	79,685	73,950
EQUITY AND LIABILITIES			
Restricted equity	2	2	2
Unrestricted equity	54,642	61,311	54,798
Total equity	54,644	61,313	54,800
Untaxed reserves	171	162	274
Provisions	97	158	118
Long-term liabilities			
Liabilities to credit institutions	3,979	15,035	8,999
Liabilities to Group companies	1,220	—	—
Other long-term liabilities	86	—	—
Total long-term liabilities	5,285	15,035	8,999
Current liabilities			
Liabilities to credit institutions	—	1,875	8,000
Trade payables	35	37	51
Liabilities to Group companies	2,152	950	1,432
Other current liabilities	78	9	33
Accrued expenses and prepaid income	75	146	243
Total current liabilities	2,340	3,017	9,759
TOTAL EQUITY AND LIABILITIES	62,537	79,685	73,950

NOTE P1 THE PARENT COMPANY'S ACCOUNTING PRINCIPLES

The interim report for the parent company has been prepared in accordance with Chapter 9 of the Annual Accounts Act, Interim reports, and RFR 2 Accounting for legal entities. The same accounting principles, basis for calculations and assessments have been applied as applied in the Annual Report for FY

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

NOTE P2 OTHER OPERATING EXPENSES

SEK m	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Other operating expenses	0	0	-263	-30	-58
Loss sale of subsidiaries	-	-	-30	-	-7,188
Total	0	0	-293	-30	-7,246

DEFINITIONS OF ALTERNATIVE PERFORMANCE MEASURES (APMs)

In accordance with the guidelines from ESMA (European Securities and Markets Authority), regarding the disclosure of alternative performance measures, the definition and reconciliation of Embracer's alternative performance measures are presented below. The guidelines entail increased disclosures regarding the financial measures that are not defined by IFRS. The performance measures presented below are reported in this report. They are used for internal control and follow-up. Since not all companies calculate financial measures in the same way, these are not always comparable to measures used by other companies.

One important part of Embracer's strategy is to pursue inorganic growth opportunities through acquisitions. Thereby expanding the ecosystem to include more entrepreneurs within the gaming and entertainment markets. An acquisitive strategy is associated with certain complexity in terms of accounting for business combinations. The board and management of Embracer believes that it is important to separate the operational performance of the business from the acquisition part. Certain APM's are used to accomplish and give internal and external stakeholders the best picture of the underlying operational performance of the business, by the measurement of performance excluding specific items related to historical acquisitions and items affecting comparability. The individual APMs, definitions, purpose are described more in detail below.

Name	Definition	Reason for Use
Adjusted Earnings per share	Net profit for the period excluding specific items related to historical acquisitions and items affecting comparability net of tax, change in fair value contingent consideration and put/call options on non-controlling interests net of tax and Interest expense contingent consideration net of tax divided by the average number of shares in the period. Net taxes are calculated using the effective tax rate.	Shows earnings per share after adjustments to specific items attributable to historical acquisitions, and items affecting comparability.
Adjusted Earnings per share after full dilution	Net profit for the period excluding specific items related to historical acquisitions and items affecting comparability net of tax, change in fair value contingent consideration net of tax and interest expense contingent consideration and put/call options on non-controlling interests net of tax divided by the average number of shares after full dilution in the period. Net taxes are calculated using the effective tax rate.	Shows earnings per share after adjustments to specific items attributable to historical acquisitions and items affecting comparability with regard for full dilution.
Adjusted EBIT	EBIT excluding specific items related to historical acquisitions and items affecting comparability.	Adjusted EBIT in order to provide a true and fair picture of the underlying operational performance, by excluding specific items related to historical acquisitions and items affecting comparability.
Adjusted EBIT margin	Adjusted EBIT as a percentage of net sales.	
Adjusted EBITDA	EBITDA excluding specific items related to historical acquisitions and items affecting comparability.	Adjusted EBITDA in order to provide a true and fair picture of the underlying operational performance, by excluding specific items related to historical acquisitions and items affecting comparability.
Adjusted EBITDA margin	Adjusted EBITDA as a percentage of net sales.	
Average number of shares	Weighted average number of shares that are outstanding during the period. Number of shares have been recalculated with respect to split of shares.	
Average number of shares after full dilution	Weighted average number of ordinary shares and potential ordinary shares. Number of shares have been recalculated with respect to split of shares.	
EBIT margin	EBIT as a percentage of net sales.	

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Name	Definition	Reason for Use
EBITDA	Earnings before interest, taxes, depreciation and amortization.	EBITDA and EBITDA margin are reported because these are metrics commonly used by investors, financial analysts and other stakeholders to measure the Company's financial results.
EBITDA margin	EBITDA as a percentage of net sales.	EBITDA and EBITDA margin are reported because these are metrics commonly used by certain investors, financial analysts and other stakeholders to measure the Company's financial results.
EBITDAC	Adjusted EBITDA less Gross investments in intangible and tangible assets.	High level view on operational cash flow generation.
Free cash flow after working capital	Cash flow for the period, excluding cash flow from financing activities, acquisitions of subsidiaries including transaction costs, cash impact from personnel costs related to acquisitions and cash effect from items affecting comparability.	Provide a true and fair picture of the underlying operational performance, by excluding cash flow from specific items related to historical acquisitions and from items affecting comparability.
Gross margin	Net sales less goods for resale divided by net sales.	Measuring the profitability from the net sales of products and services.
Items affecting comparability	Transactions that are not related to recurring business operations, but affecting the financial outcome in a material way, and where the probability of reoccurrence over the coming year is limited.	Items affecting comparability includes events and transactions with significant effects, which are relevant for understanding the financial performance when comparing income for the current period with previous periods.
Net Debt (-) / Net Cash (+)	The company's cash and short-term investments decreased with the company's short- and long-term interest-bearing liabilities excluding leasing liabilities according to IFRS16, pension provisions, contingent consideration and put/call on non-controlling interest.	The metric is commonly used by investors, financial analysts and other stakeholders to measure the debt compared to its liquid assets. This metric is also used in calculating the Company's financial leverage.
Net investment in acquired companies	Acquisition of subsidiaries, net of cash acquired plus cash impact from specific items related to historical acquisitions, plus acquisition of IPs through asset deal structures.	A measure of cash flow allocated to inorganic growth opportunities in the reporting period.
Net sales growth	Net sales growth for the current period compared to the same period previous year.	Net sales growth is reported by the Company because it regards this KPI as contributing to investor understanding of the Company's historical progress.
Organic growth	Growth between periods where net sales from companies acquired/divested in the last five quarters have been excluded. The comparison period is adjusted for differences in exchange rates.	Growth measure for companies that has been part of Embracer Group for more than one year excluding effects of differences in exchange rates.
Pro forma growth	Growth between periods where net sales from companies acquired/divested in the last five quarters have been added/adjusted historically. The comparison period is adjusted for differences in exchange rates.	Growth measure for all companies that are a part of Embracer Group as per reporting date regardless of when the company became a part of Embracer Group excluding effects of differences in exchange rates.
Specific items related to historical acquisitions	Specific income/expenses related to historical acquisitions consist of personnel cost related to acquisitions (In connection with certain business combinations, contingent consideration agreements that are not classified as part of the consideration transferred, as there is a requirement for continued employment to receive the amount. Accordingly, the amount is classified as consideration for future services), amortization of surplus values of acquired intangible assets (e.g. IP-rights, publishing rights, brand name), transaction costs (Costs for legal- financial- tax- and commercial due diligence for completed transactions.), remeasurement of participation in associated companies and remeasurement of contingent consideration.	Input used to calculate Adjusted EBITDA and Adjusted EBIT.

ALTERNATIVE PERFORMANCE MEASURES

ADJUSTED EBIT AND ADJUSTED EBITDA - DERIVATION

Amounts in SEK m	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
EBIT	638	-305	-787	-1,056	-14,400
Depreciation, amortization and impairment	1,140	2,035	3,572	6,279	13,771
EBITDA	1,778	1,730	2,785	5,223	-629
Personnel costs related to acquisitions	126	352	1,267	1,094	1,904
Remeasurement of participation in associated companies	—	—	0	-3	-3
Remeasurement of contingent consideration	—	3	-4	17	18
Transaction costs	—	0	—	6	8
Items affecting comparability ¹⁾	96	262	754	588	7,633
Adjusted EBITDA	2,001	2,346	4,802	6,925	8,931
Depreciation, amortization and impairment	-1,140	-2,035	-3,572	-6,279	-13,771
Items affecting comparability ¹⁾	—	451	20	1,611	7,622
Amortization of surplus values of acquired intangible assets	314	556	1,018	1,681	2,203
Adjusted EBIT	1,175	1,318	2,267	3,938	4,984

ADJUSTED EARNINGS PER SHARE - DERIVATION

Amounts in SEK m	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Net profit for the period attributable to equity holders of the parent	957	-1,797	-1,360	-1,405	-13,339
Adjustments					
Personnel costs related to acquisitions	126	352	1,267	1,094	1,904
Remeasurement of participation in associated companies	—	—	—	-3	-3
Remeasurement of contingent consideration	—	3	-4	17	18
Transaction costs	—	0	—	6	8
Amortization of surplus values of acquired intangible assets	314	556	1,018	1,681	2,203
Change in fair value contingent consideration and put/call options on non-controlling interests	-110	149	-173	-1,202	-1,664
Interest expense contingent consideration	27	31	95	89	127
Items affecting comparability ¹⁾	96	712	774	2,199	15,255
Adjustments before tax	454	1,802	2,976	3,882	17,847
Tax effects on adjustments	-72	-251	-242	-764	-1,289
Adjustments after tax	382	1,552	2,734	3,118	16,559
Total continuing operations	1,339	-245	1,375	1,713	3,220
Average number of shares, million	1,351	1,339	1,352	1,336	1,318
Adjusted Earnings per share, SEK	0.99	-0.18	1.02	1.28	2.44
Average number of shares after full dilution, million	1,379	1,446	1,380	1,443	1,424
Adjusted Earnings per share after full dilution, SEK	0.97	-0.18	1.00	1.19	2.26

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

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ORGANIC GROWTH - DERIVATION

Amounts in SEK m	Oct-Dec 2024	Oct-Dec 2023	Change
Net sales	7,364	7,625	-3%
Net sales from acquired/divested companies ¹⁾	—	-743	
Difference in exchange rate	—	-27	
Organic growth output	7,364	6,855	7%

PRO FORMA GROWTH - DERIVATION

Amounts in SEK m	Oct-Dec 2024	Oct-Dec 2023	Change
Net sales	7,364	7,625	-3%
Net sales from acquired/divested companies ²⁾	—	-743	
Difference in exchange rate	—	-27	
Pro forma growth output	7,364	6,855	7%

¹⁾ Net sales from companies acquired in the last five quarters have been excluded.

²⁾ Net sales from acquired/divested companies in the last five quarters have been added/removed.

FREE CASH FLOW AFTER WORKING CAPITAL

Amounts in SEK m	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Cash flow for the period	242	-1,694	920	-988	-1,210
Cash flow from financing activities	250	-253	3,170	-2,378	-2,741
Net cash flow from acquired/divested companies	401	1,943	-5,182	2,091	2,223
Transaction costs	—	—	—	7	8
Payment personnel cost related to acquisitions	30	29	1,213	350	354
Cash flow effect IAC costs ³⁾	-15	235	275	371	548
Free cash flow after working capital	907	260	395	-547	-819

³⁾ These costs are mainly related implemented restructuring actions in PC/Console Games.

ITEMS AFFECTING COMPARABILITY, IAC

Amounts in SEK m	Oct-Dec 2024	Oct-Dec 2023	Apr-Dec 2024	Apr-Dec 2023	Apr 2023- Mar 2024
Other external expenses	-1	-27	-1	-87	-234
Personnel expenses	-9	-185	-49	-368	-624
Profit or loss sale of subsidiaries	-87	-47	-707	-131	-6,778
Other operating income/expenses	—	-2	3	-2	3
Total IAC cost affecting EBITDA	-96	-262	-754	-588	-7,633
Write-down intangible assets	—	-341	-20	-1,490	-2,898
Write-down tangible assets	—	-12	—	-24	-39
Impairment of goodwill	—	—	—	—	-4,345
Impairment of other intangible assets	—	-98	—	-98	-340
Total IAC cost affecting EBIT	-96	-712	-774	-2,199	-15,255

DEFINITIONS, QUARTERLY INFORMATION

Clawback shares	Shares of the company issued to sellers at completion of acquisitions of companies or assets. Clawback shares are part of the earnout consideration to sellers of companies or assets. Clawback shares are held by sellers, either in escrow accounts or on regular accounts, with an agreed right for the company to receive the shares back, at no consideration, if specific earnout targets are not met. Clawback shares are kept by the sellers if earnout targets are met.
Completed games	Total book value of finished game development projects (released games) upon submission of completion. Upon completion the released games are reclassified from On-going Game Development Projects to Finished Games and amortization starts.
DAU	Average daily active users in the period.
Digital product	Product sold/transferred through digital/electronic channels.
Digital sales	Sales and transfer of products, physical and digital, through digital/electronic channels.
External game developers	Game developers engaged in game development projects by studios that are not owned by the group (external studios).
External Studios	Studios not owned by the group engaged in game development project financed by the Group.
Game development projects	On-going game development projects financed by the group and number of on-going game development projects financed by third party with notable expected royalty income.
Internal employees, non-development	Employees not directly engaged in game development (both employees and contractors).
Internal game developers	Game developers (both employees and contractors) engaged in game development projects by studios that are owned by the group (internal studios).
Internal headcount	Internal game developers + internal employees, non-development
Internal Studios	Studios owned by the group.
MAU	Average monthly active users in the period.
Net sales split – PC/Console segment	
Owned titles	Net sales of game titles that are owned IPs or titles that are controlled by the group.
Publishing titles	Net sales of game titles of IPs the group does not own or control.
New releases	Net sales of game titles that are released in the current quarter.
Back catalog	Net sales of game titles that are not released in the current quarter.
Max cash consideration	The maximum potential consideration to be paid in cash including upfront consideration and earnout consideration. The earnout consideration is based on the maximum potential consideration and is calculated based on the terms and FX-rates stated in each individual agreement.
Max share consideration	The maximum potential consideration to be paid in Embracer B shares including upfront consideration and earnout consideration. The earnout consideration is based on the maximum potential consideration and is calculated based on the terms, FX-rates and Embracer VWAP20 Share Price stated in each individual agreement.
Max total consideration	The sum of the max cash and share consideration. Note that the total max consideration might deviate from the total consideration used in the Purchase Price Analysis following movements in FX-rates and Embracer Share price between the signing and closing date as well as if the expected achievement of the individual earnout targets deviate from the maximum scenario. The Max total consideration includes contingent consideration in cash and shares that is classified as remuneration for future services and not part of the transferred consideration in the PPA according to IFRS 2 and IAS 19. Also note that for a limited amount of acquisitions, for which there is a material difference between the expected consideration and the maximum potential consideration, the expected cash and shares consideration have been used as measure.
Number of IP:s	Number of IPs owned by the group.
Physical product	Product sold/transferred through physical channels.
Physical sales	Sales and transfer of products, physical and digital, through physical channels.
Total installs	Total accumulated installs in the period.
UAC (User Acquisition Cost)	Marketing costs in the operating segment Mobile Games.

INFORMATION BY FINANCIAL YEAR AND QUARTER

	2020/21	2021/22 ²⁾	2022/23 ²⁾	2023/24 ²⁾	2023/24 ³⁾	2024/25 ³⁾		
	Full year	Full year	Full year	Full year	Full year Cont. op	Apr-Jun	Jul-Sep	Oct-Dec
Net sales, SEK m	9,000	17,067	37,665	42,206	27,409	4,894	4,726	7,364
Sales growth, Group, YoY %	71%	90%	121%	12%	-27%	-33%	-30%	-3%
EBIT, SEK m	2,058	-1,126	194	-20,519	-14,400	-1,452	27	638
EBIT, margin, %	23%	-7%	1%	-49%	-53%	-30%	1%	9%
Adjusted EBIT, SEK m	2,858	4,465	6,366	7,063	4,984	580	512	1,175
Adjusted EBIT, margin, %	32%	26%	17%	17%	18%	12%	11%	16%
Adjusted EBITDA, SEK m	4,016	5,942	9,866	11,377	8,931	1,530	1,271	2,001
Adjusted EBITDA, margin, %	45%	35%	26%	27%	33%	31%	27%	27%
Basic shares weighted average, million ¹⁾	719	905	1,069	1,190	1,190	1,213	1,239	1,243
Diluted shares weighted average ¹⁾	719	921	1,081	1,191	1,191	1,214	1,239	1,243
Average number of shares, million ¹⁾	796	1,031	1,252	1,318	1,318	1,342	1,350	1,351
Average number of shares after full dilution, million ¹⁾	798	1,086	1,360	1,424	1,424	1,375	1,383	1,379
Basic earnings per share, SEK	-3.49	1.08	4.17	-15.28	-11.21	-1.54	-0.36	0.77
Diluted earnings per share, SEK	-3.49	1.06	4.12	-15.28	-11.21	-1.54	-0.36	0.77
Adjusted Earnings per share, SEK ¹⁾	3.15	3.69	4.41	3.94	2.44	0.07	-0.04	0.99
Adjusted Earnings per share after full dilution, SEK	3.14	3.50	4.06	3.65	2.26	0.07	-0.04	0.97
Cash flow from operating activities, SEK m	3,825	4,070	5,383	7,888	5,694	-362	470	1,712
Organic growth, YoY, %	— %	— %	— %	1 %	-2%	-33%	-21%	7%
Gross Margin, %	60%	72%	63%	63%	73%	80%	73%	60%
Specific items related to historical acquisitions								
Amortization of surplus values of acquired intangible assets	-510	-1,316	-2,973	-3,018	-2,203	-362	-341	-314
Transaction costs, SEK m	-150	-367	-290	-8	-8	—	—	—
Personnel costs related to acquisitions	-181	-4,277	-2,631	-2,025	-1,904	-1,072	-69	-126
Remeasurement of participation in associated companies, SEK m	41	416	—	3	3	—	—	—
Remeasurement of contingent consideration, SEK m	—	-46	—	-18	-18	4	—	—
Total	-801	-5,591	-5,894	-5,065	-4,129	-1,430	-409	-441
Investments								
External game development and advances, SEK m	697	1,233	1,291	1,131	1,154	211	140	126
Internal capitalized development, SEK m	1,291	2,293	4,788	5,351	5,165	727	686	669
Sub-total - Investment in Game development, all segments	1,988	3,526	6,079	6,482	6,319	939	826	795
Other intangible assets/IP-rights, SEK m	151	190	416	574	537	61	73	96
Tangible assets, SEK m	71	344	500	316	225	55	27	29
Total	2,210	4,060	6,995	7,372	7,082	1,055	926	920
Completed games								
Completed games, PC/Console, SEK m	837	1,218	3,248	3,421	3,421	336	455	556
Other KPIs								
Game development projects, PC/Console								
Announced Game Dev projects	53	64	56	43	43	34	46	46
Unannounced Game Dev projects	107	159	165	98	98	93	82	72
Total	160	223	221	141	141	127	128	118
Headcount								
Total internal game developers	4,036	7,240	9,971	6,312	5,996	5,291	5,098	5,050
Total external game developers	1,079	1,346	1,455	1,387	1,387	1,028	813	707
Total internal employees, non-development	1,210	4,174	5,175	4,370	2,309	2,121	2,098	2,116
Total	6,325	12,760	16,601	12,069	9,692	8,440	8,009	7,873
Number of studios								
Total number External Studios	66	63	56	41	41	34	26	24
Total number Internal Studios	60	118	138	109	86	80	80	77
Total	126	181	194	150	127	114	106	101
IP-rights	225	815	896	913	497	486	485	485

¹⁾ Number of shares for FY 2020/21 have been adjusted and recalculated with respect to the 2:1 split carried out on September 30, 2021.

²⁾ Including discontinued operations

³⁾ Excluding discontinued operations

Embracer Group is a global group of creative and entrepreneurial businesses in PC, console and mobile games, as well as other related media. The Group has an extensive catalog of over 450 owned or controlled franchises. With its head office based in Karlstad, Sweden, Embracer Group has a global presence through its operative groups: THQ Nordic, PLAION, Coffee Stain, Amplifier Game Invest, DECA Games, Dark Horse, Freemode and Crystal Dynamics – Eidos. The Group includes 75 internal game development studios and engages over 7,500 talents across nearly 30 countries.