



Paradox Interactive AB (publ) cancels unannounced projects to focus the game development pipeline, writes down -135 MSEK

Paradox Interactive AB (publ) has today decided to discontinue the development of several unannounced games. In connection with the cancellation, the company has written down the value of the projects which will impact the Q3 2021 profit before tax with -135 MSEK. The cancellation is a consequence of the company's strategy to focus resources and expertise on its proven game niches and projects that better meet the company's requirements on returns and risk.

In the past year, Paradox Interactive has continued to focus its game development and business activities on the company's core areas. Including these cancellations Paradox Interactive has since the third quarter of 2020 cancelled the development of unannounced projects that amounts to 265 MSEK in write-offs.

"Paradox Interactive was born and raised in strategy- and management games. It is where we have our heart and our mind and we are passionate about making games that our players can enjoy over a long period of time. Therefore we have sharpened our pipeline further to ensure that the projects with the highest potential have the resources necessary for the best possible development. We now have a promising game pipeline and I look forward to sharing these games with our players over the next few years." says CEO Fredrik Wester.

Paradox Interactive now has fifteen new games in development, some are new titles and some are sequels on existing franchises. Four of these games have been announced; the much demanded grand strategy game *Victoria 3*, *Crusader Kings 3* for consoles, the classic *Shadowrun Trilogy* for console and *Vampire: the Masquerade - Bloodlines 2*. Additionally, a number of DLCs are in development, such as *Royal Court* for *Crusader King 3*.

This disclosure contains information that Paradox Interactive AB is obliged to make public pursuant to the EU Market Abuse Regulation (EU nr 596/2014). The information was submitted for publication, through the agency of the contact person, on 30-09-2021 18:45 CET.

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About Paradox Interactive

The Paradox group today consists of both publishing and internal development of

games and brands. The game portfolio includes more than 100 titles and Paradox owns the most important brands, including Stellaris, Europa Universalis, Hearts of Iron, Crusader Kings, Cities: Skylines, Prison Architect, Magicka, Age of Wonders and the World of Darkness catalogue of brands. From the start 2004, the company has published its games all over the world, initially through physical distribution but since 2006 primarily in digital channels. Paradox games are developed primarily for PC and console platforms, but the company also releases games on mobile. The largest markets today include the US, UK, China, Germany, France, Russia and Scandinavia. Today, over five million gamers play a Paradox game each month and the number of registered Paradox users exceeds 20 million.

Paradox Interactive AB (publ)'s shares are listed on Nasdaq Stockholm First North Premier under ticker PDX. Certified Advisor: FNCA Sweden AB, info@fnca.se, +46-8-528 00 399. For more information, please visit www.paradoxinteractive.com.