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THQ Nordic acquires legendary game studio Piranha Bytes

THQ Nordic AB (publ) is today announcing the acquisition of the assets belonging to the group of companies doing business as Piranha Bytes (“Piranha”). Piranha is the developer behind the critically acclaimed game series Gothic®, Risen® and ELEX® and is a long-term developing partner to THQ Nordic. Through the acquisition THQ Nordic adds a strong portfolio of existing intellectual properties (IPs) and an exciting new game pipeline.

The acquisition includes the development studio and all IP rights. The parties have agreed upon not disclosing the purchase price. However, the purchase price equals c. three years of what management’s estimated royalty payments to Piranha for upcoming titles would have been, if the acquisition had not occurred.

“Piranha Bytes is one of the most iconic German game studios and the creators of RPG’s Gothic, Risen and, more recently, ELEX. The three strong IPs have proven successful and will be great additions to our portfolio. We look forward bringing Piranha team into the family which has received legendary status across the RPG community as their fanbase cherishes their current games and eagerly anticipates their new titles in the future”, says Lars Wingefors, Group-CEO THQ Nordic AB (publ).

Piranha, which was founded in 1997, is best known for its successful development of action role-playing PC/Console games with atmospheric open worlds. The current version of Piranha was formed in 2002 when the current owners acquired the studio. The studio is located in Essen, Germany, with approximately 31 full time employees.

Both THQ Nordic and Koch Media have a long-standing relationship with Piranha with both having acted as the studio’s publisher for all three major titles. The original relationship with Piranha was established in 2002. Piranha will remain an independent game development studio under the newly formed entity Piranha Bytes GmbH. As in the past, the team will focus and concentrate on the creation of outstanding and unique RPG gaming experiences, having full creative freedom in doing so, whereas THQ Nordic GmbH will act as Piranha Bytes’ publisher, responsible for distribution, marketing and further support. Piranha will continue to be led by CEO Michael Rüge and Head of Games Björn Pankratz. All active owners will remain in their current roles.

“We have a successful and long-standing relationship with THQ Nordic and are very excited to join the group. THQ Nordic has unparalleled experience and capabilities in games development and publishing, and we are convinced they are the perfect partner to support Piranha in taking the studio to the next level. We see a unique opportunity to continue to develop great, memorable and impactful RPG games, now being part of the THQ Nordic family”, says Michael Rüge, CEO Piranha Bytes.

Background and rationale

THQ Nordic has a clear growth strategy and a long and successful history of acquiring game franchises and development studios. The acquisition of Piranha builds upon THQ Nordic’s strong footprint in Germany with a renowned studio, along with commercially established titles, which is in line with the long-term growth strategy.

THQ Nordic will support the future growth of Piranha and strongly believes that the studio has an excellent opportunity to build further upon its existing titles as well as to create new IP based on Piranha’s unique proprietary game engine and decades of experience in their niche.

Financing of the transaction



The purchase price will be paid in cash at closing and financed through the existing cash position. The transaction is subject to the shareholders' resolution of selling entities.

Advisers

Ernst & Young AB is providing transaction support and the German based law firm Jaroni Pracht Riegl Schröter is acting as legal counsels to THQ Nordic in the transaction.

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About THQ Nordic

THQ Nordic develops and publishes PC and console games for the global games market. The company has an extensive catalogue of over 100 owned franchises, such as *Saints Row*, *Goat Simulator*, *Dead Island*, *Darksiders*, *Metro* (exclusive license), *Titan Quest*, *MX vs ATV*, *Kingdoms of Amalur*, *Time Splitters*, *Delta Force*, *Alone in the Dark*, *Wreckfest* amongst others.

THQ Nordic has a global presence, with its group head office located in Karlstad, Sweden and with three divisions; Deep Silver/Koch Media, THQ Nordic/Handy Games and Coffee Stain. The group has sixteen internal game development studios based in Germany, Finland, the United Kingdom, the United States and Sweden. The group has collectively more than 2,200 employees and contractors.

THQ Nordic's shares are publicly listed on Nasdaq First North Stockholm under the ticker THQN B with FNCA Sweden AB as its Certified Adviser. For more information, please visit: <http://www.thqnordic-investors.com>.

Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release.