



Metro Exodus

EBIT INCREASED 278% TO SEK 90.8 MILLION

We had another stable quarter with continued momentum. The strategy of diversification is paying off. Net sales increased by 1,403% to a record SEK 1,272.7 million in the quarter. EBITDA increased by 521% to SEK 214.8 million and EBIT increased by 278% to SEK 90.8 million compared to the same period last year. The gross margin percentage decreased due to a large share of net sales with lower margin within Partner Publishing. Cash flow from operating activities in the quarter was SEK -740.1 million, mainly due to the decision to replace forfeiting of receivables with bank debt within Koch Media. Both THQ Nordic and Koch Media contributed to the group's EBIT during the quarter.

Net sales in the THQ Nordic business area were up 47% to SEK 124.2 million. This was driven by the release of Titan Quest, Red Faction Guerilla Re-Mars-tered and This is the Police 2, in addition to continued performance of Wreckfest. Net sales of Deep Silver were SEK 251.8 million, driven by the release of Dakar 18 and a good performance of Pathfinder Kingmaker at the end of the quarter. The digital net sales of the back-catalogue in both business areas continued to have solid performances.

Our Partner Publishing business area had a strong quarter driven by significant releases from our business partners Codemasters, SquareEnix and Sega.

During the quarter, we acquired several strong IPs such as Alone in the Dark, Kingdoms of Amalur and Time-splitters. Additionally, we were happy to welcome our new family member, HandyGames, into the group.

Our PR, marketing and sales teams across the globe did an extensive work supporting and building the demand for our pipeline of upcoming releases. Looking towards the upcoming two quarters, we are all excited about our key releases of Darksiders 3 and Metro Exodus. By the end of the quarter, we had 55 games under development, of which 35 are still in the pipeline waiting to be announced.

We are patiently working on adding more great companies into the group, both developers and publishers. This is a daily proactive activity within the parent company, as well as within both operating groups. We are engaging with a large number of companies across the globe with respect to joining the group. I am confident about our strategy and capability to benefit from the ongoing shift in platforms and technologies.

– LARS WINGEFORS, FOUNDER & CEO

THIRD QUARTER 2018

- > Net sales increased by 1,403% to SEK 1,272.7 m [84.7].
- > Owned titles represented SEK 187.9 m [62.6], or 50%, of business area Games sales in the quarter.
- > EBITDA increased by 521% to SEK 214.8 m [34.6], corresponding to an EBITDA margin of 17%.
- > EBIT increased by 278% to SEK 90.8 m [24.0], corresponding to an EBIT margin of 7%.
- > Cash flow from operating activities amounted to SEK -740.1 m [29.2].
- > Earnings per share were SEK 0.74 [0.26].
- > 5 owned titles and 9 publishing titles were released in the third quarter.

INTERIM PERIOD JANUARY-SEPTEMBER 2018

- > Net sales increased by 988% to SEK 2,743.0 m [252.1].
- > Owned titles represented SEK 510.5 m [183.0], or 41%, of business area Games sales in the period.
- > EBITDA increased by 457% to SEK 647.6 m [116.2], corresponding to an EBITDA margin of 24%.
- > EBIT increased by 191% to SEK 250.5 m [86.2], corresponding to an EBIT margin of 9%.
- > Cash flow from operating activities amounted to SEK 124.2 m [80.5].
- > Earnings per share were SEK 2.17 [0.91].
- > As of 30 September 2018, cash and cash equivalents were SEK 1,345.6 m. Available liquidity including credit facilities was SEK 2,244.2 m.

KEY PERFORMANCE INDICATORS, GROUP	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
Net sales, SEK m	1,272.7	84.7	2,743.0	252.1	507.5
EBITDA, SEK m	214.8	34.6	647.6	116.2	272.6
EBIT, SEK m	90.8	24.0	250.5	86.2	188.2
Profit after tax, SEK m	65.0	19.0	179.5	65.8	139.2
Earnings per share, SEK	0.74	0.26	2.17	0.91	1.88
Cash flow from operating activities, SEK m	-740.1	29.2	124.2	80.5	179.1
Sales growth, %	1,403	9	988	45	68
EBITDA margin, %	17	41	24	46	54
EBIT margin, %	7	28	9	34	37

In this Report, all figures in brackets refer to the corresponding period of the previous year, unless otherwise stated.



FINANCIAL PERFORMANCE, THIRD QUARTER 2018

CONSOLIDATED NET SALES

Consolidated net sales for the third quarter were up by 1,403% to SEK 1,272.7 m [84.7]. The increase is primarily sourced from the acquisition of Koch Media.

CONSOLIDATED EXPENSES

Expenses were SEK SEK 1,348.2 m [77.1] in the third quarter. Cost of goods sold was SEK 895.2 m [29.7]. Cost of goods sold mainly consist of cost of replication and other cost of finished goods, license fees and royalties. Other external expenses were SEK 158.2 m [15.9], mainly consisting of cost of marketing and administrative overheads. Personnel expenses were SEK 170.8 m [21.8]. The increase of all cost items is to some extent sourced from organic growth but is primarily a consequence of the acquisition of Koch Media, which has had a substantial impact on the cost structure. Depreciation and amortization were SEK 124.0 m [10.6]. Other operating expenses amounted to SEK 0.0 m [1.0].

CONSOLIDATED EARNINGS

The group's EBITDA for the third quarter 2018 increased by 521% to SEK 214.8 m [34.6], most of which was sourced from Koch Media.

EBIT increased by 278% in the quarter to SEK 90.8 m [24.0]. Profit after financial items were SEK 87.5 m [23.4] for the third quarter. Profit after tax was SEK 65.0 m [19.0].

CASH FLOW AND FINANCIAL POSITION

Cash flow from operating activities before changes in working capital for the quarter was SEK 224.3 m [33.3]. The improvement is mainly sourced from the increase in operating profit. Cash flow from operating activities after change of working capital for the quarter was SEK -740.1 m [29.2]. Working capital grew significantly in quarter, mainly as a consequence of replacing forfeiting of receivables with bank debt within Koch Media.

Cash flow from investing activities was SEK -284.0 m [-93.6], the majority relating to game development and acquisition of film rights.

Cash flow from financing activities amounted to SEK 856.7 m [606.7], of which SEK 807.2 m refers to increased bank debt in Koch Media.

Cash and cash equivalents at the end of the period were SEK 1,345.6 m compared to SEK 626.5 m as of 31 December 2017. The Company also had unutilized credit facilities of SEK 898.6 m [140.2]. The group's total available cash and unutilized credit facilities were SEK 2,244.2 m at the end of the third quarter compared to SEK 766.8 m as of 31 December 2017.

The company had intangible assets of SEK 2,171.9 m [415.9] at the end of the period, distributed as follows:

- Finished, completed games SEK 174.6 m
- Ongoing game development projects SEK 1,575.1 m
- IPs, films, partner publishing, goodwill and other intangible assets SEK 422.2 m.

CAPITAL EXPENDITURE, DEPRECIATION AND AMORTIZATION

In the third quarter, the group's investments in intangible assets amounted to SEK 273.3 m [81.9], mainly related to capitalized expenditure for ongoing game development and film rights. Investments in property, plant and equipment amounted to SEK 3.4 m [2.3] and investments in acquisitions amounted to SEK 7.3 m [11.4] after deduction of acquired liquid funds.

Amortization of intangible assets in the third quarter was SEK 119.5 m [10.0]. Depreciation of property, plant and equipment amounted to SEK 4.6 m [0.6].



Biomutant

FINANCIAL PERFORMANCE, FIRST NINE MONTHS 2018

CONSOLIDATED NET SALES

Consolidated net sales were up by 988% to SEK 2,743.0 m [252.1] for the period January-September 2018.

CONSOLIDATED EARNINGS

The group's EBITDA increased by 457% to SEK 647.6 m [116.2]. EBIT was SEK 250.5 m [86.2]. Profit after financial items were SEK 234.2 m [84.9] for the period. Profit after tax was SEK 179.5 m [65.8].

CASH FLOW

Cash flow from operating activities before changes in working capital for the nine months was SEK 552.9 m [103.9]. The improved cash flow is mainly sourced from the increase in operating profit. Working capital grew significantly in the period, mainly as a consequence of replacing forfeiting of receivables with bank debt within Koch Media. Cash flow from operating activities for the period was SEK 124.2 m [80.5] mainly driven by the increase in operating profit, which was offset by the increase of working capital.

Cash flow from investing activities was SEK -1,180.1 m [-220.9]. Cash flow from financing activities amounted to SEK 1,771.8 m [640.0] whereof the rights issue contributed SEK 1,418.4 m and SEK 353.8 m constitutes the net of external financing and amortization.

CAPITAL EXPENDITURE, DEPRECIATION AND AMORTIZATION

The Group's investments in intangible assets amounted to SEK 696.3 m [207.7]. Investments in property, plant and equipment were SEK 119.2 m [3.9]. Amortization of intangible assets in the period was SEK 385.0 m [28.7]. The increase is mainly due to depreciation of launched games and depreciation of film and publishing rights. Depreciation of equipment was SEK 12.1 m [1.3].



Darksiders III

ABOUT THQ NORDIC

THQ Nordic acquires, 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*, *Dead Island*, *Darksiders*, *Metro* (exclusive license), *Titan Quest*, *MX vs ATV*, *Kingdoms of Amalur*, *Time Splitters*, *Delta Force*, *Destroy All Humans*, *Jagged Alliance*, *Alone in the Dark*, *SpellForce* amongst others. THQ Nordic has a global publishing reach within marketing, sales and distribution, both online and offline. The company has a global presence, with its group head office located in Karlstad, Sweden and with operational offices in Vienna, Austria and Munich, Germany. The group has eleven internal game development studios based in Germany, UK, USA and Sweden and engages about 1,900 people.

OPERATIONS OVERVIEW THIRD QUARTER

ACQUISITIONS

HandyGames

On July 9, THQ Nordic GmbH acquired 100% of the shares in the game developer and publisher HandyGames, headquartered in Giebelstadt, Germany. Founded in 2000, HandyGames has released more than 150 games on a multitude of platforms, utilizing a wide range of technologies. Current game development is focused on iOS, Android, Oculus Rift, Samsung Gear VR, HTC Vive, tablet computers, Android TV, Wearables as well as digital-only releases on next generation consoles. During the time of the acquisition the company had about 50 employees. HandyGames will continue operating as a developer and publisher for projects under the management of THQ Nordic GmbH in Vienna.

Timesplitters and Second Sight

On August 15, Koch Media GmbH announced the acquisition of the video game trilogy *Timesplitters*. *Timesplitters* was largely considered as one of the most influential console games of the early 2000's. In addition to *Timesplitters*, the IP and the rights to science fiction action-adventure game *Second Sight* were acquired.

Kingdoms of Amalur

On September 6, THQ Nordic AB acquired the intellectual property "Kingdoms of Amalur" from 38 Studios LLC, USA. The transaction also included "Amalur" amongst other assets, based on the abandoned MMORPG project "Copernicus".

Alone in the Dark and Act of War

On September 19, THQ Nordic AB acquired the survival horror classic series "Alone in the Dark" and RTS-series "Act of War" from Atari Europe SAS, France, including all of its assets, intellectual property and publishing rights.



Desperados III

Business area Games – THQ Nordic

THQ Nordic released the following new products in the third quarter:

Title	Publishinglabel	IP Owner	Platforms	Channels
Red Faction Guerrilla Re-Mars-tered	THQ Nordic	Own	PC, PS4, Xbox One	On- and Offline
Titan Quest	THQ Nordic	Own	Switch	On- and Offline
De Blob 2	THQ Nordic	Own	Switch	On- and Offline
Disneyland Adventures	THQ Nordic	External	PC	Offline
ReCore Definitive Edition	THQ Nordic	External	PC	Offline
Rush: A Disney-Pixar Adventure	THQ Nordic	External	PC	Offline
Super Lucky's Tale	THQ Nordic	External	PC	Offline
Zoo Tycoon: Ultimate Animal Collection	THQ Nordic	External	PC	Offline
Giana Sisters Twisted Dreams - Owlultimate Edition	HandyGames	Own	Switch	On- and Offline
This is the Police 2	THQ Nordic	Own	PC, PS4, Xbox One, Switch	On- and Offline

Despite the net sales growth of 47%, it was a quarter without any major releases. A lot of effort has been put into the upcoming releases in Q4 and 2019. The group has been at most major tradeshows across the globe such as PAX in Seattle, GameStop Conference, Indianapolis and Gamescom in Cologne.

During the quarter we released the asset care products **Red Faction Guerilla Re-Mars-tered** (PS4, Xbox One, PC), **Titan Quest** (Switch) and **De Blob 2** (Switch). Beside those, the only New Release in the quarter was represented by **This is the Police 2**, which was released for PC/MAC/Linux, PS4, Xbox One and Switch. In cooperation with Microsoft the following PC-titles were released: **ReCore**, **Super Lucky Tales**, **Rush – A DisneyPixar Adventure**, **Disneyland Adventures** and **Zoo Tycoon: Ultimate Animal Collection**.

The integration of HandyGames has gone well. In the end of the quarter the studio had the first release from their own development, **Giana Sisters: Twisted Dreams – Owlultimate Edition** on Switch.

Foxglove, the group's mobile development studio and publisher, has been focusing their development towards major scheduled Q4-updates for two products; **The Muscle Hustle** and **Snipers vs Thieves**. The management is closely monitoring both games on an ongoing basis. The development of **Pocket Cowboys: Wild West Standoff** has ceased since the game is not performing according to plan.



Townsmen

Business area Games – Deep Silver

Deep Silver released the following new products in the third quarter:

Title	Publishinglabel	IP Owner	Platforms	Channels
Metro: Redux (re-launch at retail)	Deep Silver	Exclusive licence	PS4, Xbox One	On- and Offline
The Bard’s Tale IV: Barrows Deep	Deep Silver	External	PC	Offline
Broken Sword 5: The Serpents Curse	Ravenscourt	External	Switch	Offline
Dakar 18	Deep Silver	External	PC, PS4, Xbox One	On- and Offline
Pathfinder: Kingmaker	Deep Silver	External	PC	On- and Offline

All mobile development at the owned studio Deep Silver Fishlabs has been ceased, however the mobile game portfolio is still available on iOS and Android as long as it is commercially viable. Most of the developers have been moved into PC & console development. The studio is working on a number of console and PC games, one of which is **Saints Row The Third** on Nintendo Switch.

The publishing title **Dakar 18**, developed by Big Moon Studios, was released on September 25th. It had mixed reviews from various media outlets and the future for the series is currently under evaluation.

The publishing title **Pathfinder Kingmaker**, developed by Owlicat Studios, was released on PC on September 25th. The feedback from fans and the sales performance as been solid. There is an exciting long term perspective and potential for the game on more platforms next year.

ONGOING DEVELOPMENT AND UPCOMING RELEASES

At the end of the third quarter the Business area Games in total had 55 game projects in development of which 20 had been announced. 11 new projects were started during the period and 7 were released.

In total the group had 1,348 engaged game developers by the end of the quarter (608 internal and 740 external).



Generation Zero

ANNOUNCED UPCOMING RELEASES AS OF NOVEMBER 14, 2018

Title	Publishinglabel	IP Owner	Platforms	Channels
Bards Tale IV	Deep Silver	External	PS4, Xbox One, Switch	Offline
Dead Island 2	Deep Silver	Own	PC, PS4, Xbox One	On- and Offline
Etrian Odyssey NeXus	Deep Silver	External	3DS	On- and Offline
Killing Floor 2 GOTY	Deep Silver	External	PS4, Xbox One	Offline
Metro Exodus	Deep Silver	Exclusive licence	PC, PS4, Xbox One	On- and Offline
Outward	Deep Silver	External	PC, PS4, Xbox One	On- and Offline
Pathfinder: Kingmaker	Deep Silver	External	PS4, Xbox One, Switch	On- and Offline
Shenmue III	Deep Silver	External	PC, PS4	On- and Offline
This War of Mine Complete Edition	Deep Silver	External	Switch	Offline
Wasteland 3	Deep Silver	External	PC, PS4, Xbox One	On- and Offline
Saints Row the Third	Deep Silver	Own	Switch	On- and Offline
Townsmen	HandyGames	Own	Switch	Online
Townsmen VR	HandyGames	Own	PC	Online
Aces of the Luftwaffe – Nebelgeschwader (DLC)	HandyGames	Own	PC, PS4, Xbox One, Switch	Online
Clouds and Sheep	HandyGames	Own	Switch	Online
Through the Darkest of Times	HandyGames	Own	PC	On- and Offline
Car Mechanic Simulator	Ravencourt	External	PC, PS4, Xbox One	Offline
Stein's; Gate Elite	Ravencourt	External	PS4, Switch	On- and Offline
Youtubers Life	Ravencourt	External	PS4, Xbox One, Switch	Offline
Aquanox Deep Descent	THQ Nordic	Own	PC, PS4, Xbox One	On- and Offline
Biomutant	THQ Nordic	Own	PC, PS4, Xbox One	On- and Offline
Darksiders 3	THQ Nordic	Own	PC, PS4, Xbox One	On- and Offline
Darksiders 3 – The Crucible (DLC)	THQ Nordic	Own	PC, PS4, Xbox One	Online
Darksiders 3 – Keepers of the Void (DLC)	THQ Nordic	Own	PC, PS4, Xbox One	Online
Desperados 3	THQ Nordic	Own	PC, PS4, Xbox One	On- and Offline
Fade to Silence	THQ Nordic	Own	PC, PS4, Xbox One	On- and Offline
Generation Zero	THQ Nordic	External	PC, PS4, Xbox One	Offline
Jagged Alliance: Rage!	THQ Nordic	Own	PC, PS4, Xbox One	On- and Offline
Monster Jam	THQ Nordic	Exclusive licence	PC, PS4, Xbox One	On- and Offline
Pillars of Eternity II - Deadfire	THQ Nordic	External	PS4, Xbox One, Switch	Offline
Scarf	THQ Nordic	External	PC	On- and Offline
The Guild 3	THQ Nordic	Own	PC	On- and Offline
Wreckfest	THQ Nordic	External	PS4, Xbox One	On- and Offline
Sphinx and the Cursed Mummy	THQ Nordic	Own	Switch	On- and Offline
The Book of Unwritten Tales 2	THQ Nordic	Own	Switch	On- and Offline
The Raven	THQ Nordic	Own	Switch	On- and Offline

Latest release dates for the products can be found on www.thqnordic.com or www.deepsilver.com

Business area Partner Publishing/Film

Notable releases in the third quarter were:

- **F1 2018** by Codemasters
- **Shadow of the Tomb Raider** by Square Enix
- **Dragon Quest XI** by Square Enix
- **Shenmue 1 & 2** by Sega

The third quarter has been full of new products – in total more than 400 new products were shipped within games, software, accessories and merchandise.

The third quarter was the most intensive for the year in terms of releases, however, looking forward both the fourth quarter 2018 and the first quarter 2019 also has notable upcoming releases from our business partners. Upcoming releases in the fourth quarter 2018 include **Football Manager 2019** by Sega, **Ride 3** by Milestone, **Just Cause 4** by Square Enix and **Persona 3: Dancing In Moonlight** and **Persona 5: Dancing In the Starlight** by Atlus/Sega.

The company's film business had a weaker quarter compared to the previous quarter.



Outward

OTHER INFORMATION

HUMAN RESOURCES

As of 30 September 2018, the Company had 1,021 employees (166). The average number of full-time employees for the quarter was 999 (133). The increased number of employees is mainly explained by the acquisition of Koch Media.

PARENT COMPANY

The Parent Company's net sales for the third quarter were SEK 69.3 m (35.6) and profit before tax was SEK 30.0 m (24.4). Profit after tax was SEK 23.4 m (19.0). The Parent Company's net sales for the interim period 1 January-30 September 2018 were SEK 206.4 m (109.1) and profit before tax was SEK 77.2 m (83.9). Profit after tax was SEK 60.2 m (65.5).

Cash and cash equivalents as of 30 September 2018 were SEK 1,148.1 m (655.0).

Investments in intangible assets in the third quarter were SEK 35.3 m (43.6). The Parent Company's equity at the end of the period was SEK 2,586.3 m (935.9).

Swedish authorities has granted the company's application to change the financial year-end to 31st of March 2019. This means the current financial year will have 5 quarters.

The change of name of the group and parent company is still under evaluation as communicated at the past AGM.

RELATED PARTY TRANSACTIONS

During the third quarter 2018:

- Quantic Labs S.R.L.¹⁾ has invoiced THQ Nordic GmbH for QA-services amounting to SEK 1.4 m (0.3).
- THQ Nordic GmbH has invoiced Game Outlet Europe AB¹⁾ for sold games amounting to SEK 0.9 m (2.2).
- Gaya Entertainment GmbH¹⁾ has invoiced Koch Media GmbH for sold merchandise amounting to SEK 0.2 m (-).
- THQ Nordic GmbH has invoiced Quantic Labs S.R.L.¹⁾ for goods and services amounting to SEK 0.7 m (-).
- THQ Nordic GmbH has invoiced Gaya Entertainment GmbH¹⁾ for goods and services amounting to SEK 3.6 m (-).
- Quantic Labs S.R.L.¹⁾ has invoiced Koch Media GmbH for services amounting to SEK 0.1 m (-).

THQ Nordic AB also has a rental agreement with Lars Wingefors AB. THQ Nordic AB paid SEK 0.0 m (0.1) in rent and an additional SEK - m (0.1) for other services by companies in the Lars Wingefors AB-group. All transactions with closely related parties have been conducted to market price.

¹⁾ Companies owned by Nordic Games Group AB, a group that is wholly owned by Lars Wingefors, Erik Stenberg, Mikael Broden, Pelle Lundborg, Klemens Kreuzer and Reinhard Pollice.

EVENTS AFTER THE END OF THE QUARTER

During the period 1st of October until 14th of November the following titles were released:

Title	Publishinglabel	IP Owner	Platforms	Channels
the Hunter Call of the Wild - 2019 Edition	THQ Nordic	External	PC, PS4, Xbox One	Offline
8 to Glory	THQ Nordic	External	PS4, Xbox One	Offline
Townsmen	HandyGames	Own	Switch	Online
Aces of Luftwaffe - Nebelgeschwader (DLC)	HandyGames	Own	Switch, PC, PS4, Xbox One	Online
Lets Sing 2019	Deep Silver	External	Switch, Wii, PS4	On- and Offline
Bridge Constructor Compilation	Deep Silver	External	PS4	Offline



Wreckfest

THE SHARE

OWNERS AS OF 30 SEPTEMBER 2018

Name	Class A shares	Class B shares	Share of capital, %	Share of votes, %	Change from june 30
					Class B shares
Lars Wingefors through company ¹⁾	6,501,467	29,523,732	40.9	55.9	-
Swedbank Robur Funds ²⁾	0	8,416,979	9.5	5.0	-
Erik Stenberg through company ³⁾	1,407,724	6,392,600	8.8	12.1	-
Handelsbanken Funds ⁴⁾	0	5,892,020	6.7	3.5	+500,820
Mikael Brodén through company ⁵⁾	483,378	2,195,063	3.0	4.2	-
Didner & Gerge Funds	0	2,310,000	2.6	1.4	+50,000
Olsson Family and Foundation	0	2,044,871	2.3	1.2	-
Life Insurance Skandia	0	1,459,032	1.7	0.9	-7,136
Avanza Pension	0	1,196,523	1.4	0.7	-64,248
Klemens Kreuzer through company ⁶⁾	201,784	916,321	1.3	1.7	-
Koch Media Holding GmbH ⁷⁾	0	987,965	1.1	0.6	-
Martin Larsson	0	923,994	1.0	0.5	-144,926
Pelle Lundborg with family through company ⁸⁾	289,966	516,760	0.9	2.0	-
Skandia Funds	0	802,863	0.9	0.5	-5,085
Reinhard Pollice through company ⁹⁾	115,681	655,524	0.9	1.1	-
Rolf Lundström	0	650,000	0.7	0.4	-40,000
Oddo BHF Asset Management	0	500,856	0.6	0.3	-2,222
Nordea Funds	0	409,435	0.5	0.2	+195,149
Sensor Funds	0	376,828	0.4	0.2	-
RAM Rational Asset Management	0	375,396	0.4	0.2	-
Norron Funds	0	355,152	0.4	0.2	-37,510
Fondita Funds	0	350,000	0.4	0.2	-50,000
Nordnet Pensionsförsäkring	0	318,856	0.4	0.2	-21,383
Knutsson Holdings AB	0	300,000	0.3	0.2	-
Michael Knutsson	0	300,000	0.3	0.2	-
Metzler	0	295,000	0.3	0.2	-13,000
Consensus Asset Management AB	0	294,084	0.3	0.2	-125,441
SEB Funds	0	286,460	0.3	0.2	+103,460
Chahine Capital	0	279,867	0.3	0.2	+105,140
Aktia	0	200,000	0.2	0.1	-
TOTAL TOP 30	9,000,000	69,526,181	88.8	94.5	
OTHER	0	9,627,305	11.2	5.5	
TOTAL	9,000,000	79,153,486	100.0	100.0	

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

2) Swedbank Robur consists of three funds; Småbolagsfond Sverige, Småbolagsfond Norden and Ny Teknik.

3) Xagonus AB, controlled to 100% by CFO Erik Stenberg.

4) Handelsbanken Funds consists of five funds; Sverige, Svenska Småbolag, Bosparfond Bostadsrätterna, Nordiska Småbolag and MicroCap.

5) CMB Holding AB, controlled to 100% by Mikael Brodén, co-founder of THQ Nordic.

6) Gerado AB, controlled to 100% by Klemens Kreuzer, MD THQ Nordic GmbH.

7) Koch Media Holding GmbH (previously the parent company of the Koch Media Group), owned partly by Klemens Kundratitz, CEO and Co-Founder of the Koch Media Group.

8) Lumarisimo AB, controlled by Pelle Lundborg with family, co-founder of THQ Nordic.

9) Gigalomaniac Holding AB, controlled to 100% by Reinhard Pollice, Director of Business Development and Production, THQ Nordic GmbH.

Source: Monitor by Modular Finance. Compiled and processed data from various sources, including Euroclear, Morningstar and the Swedish FSA.



Jagged Alliance: Rage!

INFORMATION ABOUT NASDAQ FIRST NORTH

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

FNCA Sweden AB is THQ Nordic's certified adviser.

RISKS AND UNCERTAINTY FACTORS

THQ Nordic is exposed to risks, particularly the dependence on key persons, dependence of 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.

ACCOUNTING AND VALUATION POLICIES

This Interim Report has been prepared in accordance with the Swedish Annual Accounts Act. The accounting and valuation policies applied are consistent with the Swedish Accounting Standards Board's Category 3 (BFN K3) regulation and are unchanged since the latest published Annual Accounts, and the Swedish Accounting Standards Board's BFAR 2012:1.

The Company's accounting policies are stated in its most recent Annual Accounts 2017.

Amounts are reported in Swedish kronor, rounded to the nearest thousand unless otherwise stated. Rounding to the nearest thousand may mean that amounts are not consistent when added. Amounts and figures stated in brackets are comparatives for the corresponding period of the previous year.

AUDITOR'S REVIEW

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

FORTHCOMING REPORTS

THQ Nordic intends to publish financial reports on the following dates:

Interim Report, January-December 2018 and the Fourth Quarter	13 February 2019
Full Extended Year Report 2018/2019 and the Fifth Quarter	22 May 2019
Interim Report, April-June 2019	14 August 2019
Annual General Meeting 2018/2019	17 September 2019
Interim Report, April-September 2019	14 November 2019
Interim Report, April-December 2019	19 February 2020
Full Year Report 2019/2020	20 May 2020

FOR MORE INFORMATION

There is more information about the Company at its website: www.thqnordic.com and www.thqnordic-investors.com.

For any questions on this report, please contact: Lars Wingefors, Founder & CEO, lwingefors@thqnordic.com.

SIGNATURES AND ASSURANCE

The Board of Directors and the Chief Executive Officer offer their assurance that this Interim Report 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 Parent Company.

Karlstad, Sweden, 14 November 2018

Kicki Wallje-Lund
Chairman of the board

Ulf Hjalmarsson

Jacob Jonmyren

Erik Stenberg

Lars Wingefors
Chief Executive Officer

This Interim Report is information that is mandatory for THQ Nordic to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 06:00 CET on 14 November 2018.

CONSOLIDATED INCOME STATEMENT

SEK 000's	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
Net sales	1,272,654	84,668	2,743,025	252,127	507,525
Work performed by the Company for its own use and capitalized	102,013	19,276	253,129	46,629	79,556
Other operating income	64,328	-2,849	127,515	-	2,700
Total operating income	1,438,995	101,095	3,123,669	298,756	589,781
Operating expenses					
Goods for resale	-895,248	-29,746	-1,681,081	-78,522	-147,678
Other external expenses	-158,172	-15,904	-352,772	-42,090	-75,159
Personnel expenses	-170,789	-21,843	-442,181	-60,639	-94,101
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	-124,025	-10,565	-397,113	-29,980	-84,416
Other operating expenses	-	969	-	-1,311	-225
Total operating expenses	-1,348,234	-77,089	-2,873,147	-212,542	-401,579
Operating profit	90,761	24,006	250,522	86,214	188,202
<i>Profit from financial items</i>					
Other interest income, etc	615	1	633	3	11
Other interest expenses, etc	-3,841	-587	-16,968	-1,314	-6,200
Total financial items	-3,226	-586	-16,335	-1,311	-6,189
Profit after financial items	87,535	23,420	234,187	84,903	182,013
Appropriations	-	-	-	-	-
Profit before tax	87,535	23,420	234,187	84,903	182,013
Tax	-22,524	-4,404	-54,658	-19,135	-42,844
Net profit for the period	65,011	19,016	179,529	65,768	139,169
<i>Attributable to:</i>					
Equity holders of the parent	65,011	19,016	179,529	65,768	139,169
Non-controlling interests	-	-	-	-	-
Earnings per share, SEK	0.74	0.26	2.17	0.91	1.88
Average number of outstanding shares, thousands	88,153	72,346	82,616	72,138	73,927

CONDENSED CONSOLIDATED BALANCE SHEET

SEK 000's	30 Sep 2018	30 Sep 2017	31 Dec 2017
Intangible assets	2,171,868	415,865	571,064
Property, plant equipment	142,064	7,625	8,102
Financial assets	199,650	3,744	2,781
Inventories	212,447	34,309	30,103
Current receivables	1,402,397	58,944	90,206
Cash and bank balance	1,345,618	666,877	626,523
Total assets	5,474,044	1,187,364	1,328,779
Share capital	735	660	660
Other capital reserves	2,356,953	811,180	811,120
Recognized profit including profit for the period	473,074	183,011	261,452
Provisions	331,208	11,460	40,737
Non-current liabilities	207,090	-	-
Current liabilities	2,104,984	181,053	214,810
Total liabilities and equity	5,474,044	1,187,364	1,328,779
Interest-bearing receivables amount to	1,345,618	666,877	626,523
Interest-bearing liabilities amount to	1,320,653	94,263	109,762

CONSOLIDATED STATEMENT OF EQUITY

SEK 000's	Share capital	Other paid-up capital	Other equity including net profit	Consolidated equity
Amount as of 1 January 2018	660	811,120	261,452	1,073,232
Translation difference			31,575	31,575
Rights issue ¹⁾	75	1,537,755		1,537,830
Other		8,078		8,078
Actuarial reserve			518	518
Net profit			179,529	179,529
Amount as of 30 September 2018	735	2,356,953	473,074	2,830,762

¹⁾ Rights issue constitutes of rights issue of new shares SEK 1,560,923 thousand, cost of rights issue SEK -29,519 thousand and tax effects of the cost SEK 6,426 thousand.

CONDENSED CONSOLIDATED CASH FLOW STATEMENT

SEK 000's	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
Cash flow from operating activities before changes in working capital	224,301	33,228	552,851	103,908	249,494
Change in working capital	-964,383	-3,997	-428,649	-23,402	-70,395
Cash flow from operating activities	-740,082	29,231	124,202	80,506	179,099
Cash flow from investing activities	-283,968	-93,569	-1,180,069	-220,938	-375,401
Cash flow from financing activities	856,704	606,682	1,771,814	639,998	654,743
Cash flow for the period	-167,346	542,344	715,947	499,566	458,441
Cash and cash equivalents at beginning of period	1,513,682	124,628	626,523	167,446	167,446
Translation difference in cash and cash equivalents	-718	-95	3,148	-135	636
Cash and cash equivalents at end of period	1,345,618	666,877	1,345,618	666,877	626,523

PARENT COMPANY INCOME STATEMENT

SEK 000's	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
Net sales	69,276	35,584	206,387	109,061	244,915
Other operating income	-917	-618	5,540	-	3,332
Total operating income	68,359	34,966	211,927	109,061	248,247
Operating expenses					
Other external expenses	-3,321	-1,354	-9,908	-4,764	-8,280
Personnel expenses	-1,146	-1,247	-3,594	-3,229	-4,165
Depreciation, amortization and impairment of property, plant and equipment and intangible assets	-36,388	-8,585	-122,091	-23,360	-69,074
Other operating expenses	-	-96	-	-96	-
Total operating expenses	-40,855	-11,282	-135,593	-31,449	-81,519
Operating profit	27,504	23,684	76,334	77,612	166,728
Result from participations in Group companies					-1,400
Result from financial assets	-2,701	-	6,604	-	4,199
Interest income, etc.	4,991	1,289	12,431	7,597	11,444
Interest expenses, etc.	253	-554	-18,203	-1,274	-6,073
Total financial income/expenses	2,543	735	832	6,323	8,170
Profit after financial items	30,047	24,419	77,166	83,935	174,898
Appropriations	-	-	-	-	-45,127
Profit before tax	30,047	24,419	77,166	83,935	129,771
Tax	-6,611	-5,372	-16,977	-18,478	-28,930
Net profit for the period	23,436	19,047	60,189	65,457	100,841

CONDENSED PARENT COMPANY BALANCE SHEET

SEK 000's	30 Sep 2018	30 Sep 2017	31 Dec 2017
Intangible assets	197,868	74,409	171,336
Property, plant and equipment	-	31	18
Financial assets	1,179,612	149,059	240,104
Current receivables	509,922	255,100	225,898
Cash and bank balance	1,148,077	654,994	571,850
Total assets	3,035,479	1,133,593	1,209,206
Equity	2,586,310	935,930	971,314
Untaxed reserves	91,749	51,960	91,748
Provisions	3,600	-	3,600
Long-term liabilities	205,288	-	-
Current liabilities	148,532	145,703	142,544
Total liabilities and equity	3,035,479	1,133,593	1,209,206

SELECTED KEY PERFORMANCE INDICATORS, GROUP

Financial metrics defined or specified pursuant to Swedish Accounting Standards Board standards (BFNAR)	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
Net sales, SEK 000's	1,272,654	84,668	2,743,025	252,127	507,525
Operating profit, SEK 000's	90,761	24,006	250,522	86,214	188,202
Profit before tax, SEK 000's	87,535	23,420	234,187	84,903	182,013
Profit after tax, SEK 000's	65,011	19,016	179,529	65,768	139,169
Number of shares at end of period, thousands	88,153	79,236	88,153	79,236	79,236
Average number of outstanding shares, thousands	88,153	72,346	82,616	72,138	73,927
Average number of full-time employees in the period	999	133	852	115	143
Number of employees at the end of the period	1,021	166	1,021	166	193

Alternative key performance indicators not defined or specified pursuant to BFNAR	Jul-Sep 2018	Jul-Sep 2017	Jan-Sep 2018	Jan-Sep 2017	Full year 2017
Net sales growth, %	1,403	9	988	45	68
EBITDA, SEK 000's	214,786	34,571	647,635	116,194	272,617
EBITDA margin, %	17	41	24	46	54
EBIT, SEK 000's	90,761	24,006	250,522	86,214	188,201
EBIT margin, %	7	28	9	34	37
Amortization of IP rights, SEK 000's	-2,839	-3,531	-9,954	-10,341	-14,114
Equity/assets ratio, %	52	84	52	84	81
Earnings per share, SEK	0.74	0.26	2.17	0.91	1.88
Dividend per share, SEK	-	-	-	-	-
<i>Derivation of the alternative KPIs and EBITDA</i>					
EBIT, SEK 000's	90,761	24,006	250,522	86,214	188,202
Depreciation and amortization, SEK 000's	124,025	10,565	397,113	29,980	84,416
EBITDA, SEK 000's	214,786	34,571	647,635	116,194	272,618

DEFINITIONS OF ALTERNATIVE KPIs

THQ Nordic's definitions of a number of alternative KPIs used in this Interim Report are stated below. Net sales growth is reported by the Company because it regards this KPI as contributing to investor understanding of the Company's historical progress. 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. The equity/assets ratio is stated because the Company regards this as a metric commonly used by certain investors, financial analysts and other stakeholders to measure the Company's financial position. Dividend per share is stated in the Interim Report to illustrate the dividend yield the Company's shareholders receive.

DEFINITIONS OF KPIs, GROUP

Earnings per share	Profit after tax divided by the average number of shares in the period
EBIT margin	EBIT as a percentage of net sales
EBITDA	Earnings before interest taxes, depreciation and amortization
EBITDA margin	EBITDA as a percentage of net sales
Equity/assets ratio	Equity as a percentage of total assets
Net sales growth	Net sales for the current period divided by net sales for the corresponding period of the previous year

QUARTERLY INFORMATION

	2016					2017					2018		
	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3	Q4	Full year	Q1	Q2	Q3
Consolidated Group													
Net sales, SEK m	43.1	52.7	77.9	128.2	301.9	81.9	85.6	84.7	255.4	507.5	632.9	837.5	1,272.7
EBITDA, SEK m	23.1	23.2	25.4	60.8	132.5	41.9	39.7	34.6	156.4	272.6	225.9	206.9	214.8
EBIT, SEK m	14.2	14.2	16.0	50.6	95.0	31.9	30.3	24.0	102.0	188.2	107.3	52.5	90.8
Profit after tax, SEK m	10.7	10.6	12.7	38.0	72.0	23.5	23.2	19.0	73.4	139.2	81.1	33.4	65.0
Earnings per share, SEK	0.18	0.18	0.21	0.59	1.16	0.33	0.32	0.26	0.93	1.88	1.02	0.42	0.74
Cash flow from operating activities, SEK m	25.3	2.1	20.5	51.3	99.2	29.7	21.6	29.2	98.6	179.1	699.8	164.5	-740.1
Number of shares (A&B), adjusted	60.0	60.0	60.0	64.4	61.1	72.0	72.0	72.3	79.2	73.9	79.2	80.3	88.2
Sales growth, %	15%	42%	95%	30%	42%	90%	62%	9%	99%	68%	673%	878%	1,403%
EBITDA, margin, %	54%	44%	33%	47%	44%	51%	46%	41%	61%	54%	36%	25%	17
EBIT, margin, %	33%	27%	21%	39%	31%	39%	35%	28%	40%	37%	17%	6%	7
Gross Margin (Net sales-COGS), SEK m	29.8	34.6	41.2	77.5	183.1	57.4	61.3	54.9	186.2	359.8	313.0	371.6	377.5
Gross Margin, %	69%	66%	53%	60%	61%	70%	72%	65%	73%	71%	50%	44%	30%
Net sales per business area													
Games - THQ Nordic, SEK m	43.1	52.7	77.9	128.2	301.9	81.9	85.6	84.7	255.4	507.5	134.5	145.5	124.2
Games - Deep Silver, SEK m	-	-	-	-	-	-	-	-	-	-	256.5	338.2	251.8
Partner Publishing/Film, SEK m	-	-	-	-	-	-	-	-	-	-	241.9	353.8	896.6
Net sales split – business area Games													
Owned titles, %	86%	73%	56%	73%	71%	67%	76%	74%	82%	77%	34%	39%	50%
Publishing titles, %	14%	27%	44%	27%	29%	33%	24%	26%	18%	23%	66%	61%	50%
Owned titles, SEK m	37.1	38.5	43.6	94.0	213.1	54.9	65.5	62.6	208.2	391.2	133.8	188.8	187.9
Publishing titles, SEK m	6.0	14.2	34.3	34.2	88.8	27.0	20.1	22.1	47.2	116.3	257.2	294.9	188.1
New releases current FY, %	0%	24%	51%	56%	41%	36%	20%	48%	86%	61%	63%	53%	47%
Backcatalogue, %	100%	76%	49%	44%	59%	64%	80%	52%	14%	39%	37%	47%	53%
New releases current FY, SEK m	0.0	12.6	39.7	71.8	124.2	29.5	17.1	41.5	218.8	306.9	246.1	258.4	175.2
Backcatalogue, SEK m	43.1	40.1	38.2	56.4	177.7	52.4	68.4	43.2	36.6	200.6	144.9	225.3	200.8
New releases sales by each quarter, %	0%	24%	37%	36%	-	36%	16%	39%	74%	-	63%	20%	31%
Backcatalogue, %	100%	76%	63%	64%	-	64%	84%	61%	26%	-	37%	80%	69%
New releases sales by each quarter, SEK m	0.0	12.6	28.8	46.2	-	29.5	13.7	33.7	190.2	-	246.1	97.8	117.3
Backcatalogue, SEK m	43.1	40.1	49.1	82.0	-	52.4	71.9	51.0	65.1	-	144.9	385.6	258.6
Physical sales, %	48%	39%	49%	58%	51%	49%	31%	44%	60%	50%	62%	50%	48%
Digital sales, %	52%	61%	51%	42%	49%	51%	69%	56%	40%	50%	38%	50%	52%
Physical sales, SEK m	20.7	20.6	38.2	74.4	153.8	40.1	26.6	36.1	149.9	253.2	243.0	241.9	178.9
Digital sales, SEK m	22.4	32.1	39.7	53.8	148.1	41.8	59.0	48.6	101.6	249.4	147.6	241.8	197.0
Depreciation													
IP Acquisitions, SEK m	-3.3	-3.3	-3.3	-3.0	-13.0	-3.4	-3.4	-3.5	-3.8	-14.1	-4.1	-3.0	-2.8
Game development, SEK m	-5.5	-5.6	-6.0	-7.1	-24.3	-6.3	-5.6	-6.5	-43.4	-61.8	-65.5	-112.1	-85.8
Partner publishing and Film, SEK m	-	-	-	-	-	-	-	-	-	-	-44.4	-30.9	-27.9
Goodwill, SEK m	-	-	-	-	-	-	-	-	-	-	-1.2	-1.2	-2.2
Other intangible assets, SEK m	-	-	-	-	-	-	-	-	-	-	-0.4	-2.7	-0.7
Investments													
External game development & advances, SEK m	16.3	22.3	24.9	34.9	98.4	54.2	44.2	58.9	54.2	211.5	115.3	114.0	131.8
Internal capitalized development, SEK m	5.7	7.9	10.2	12.4	36.2	13.0	14.4	19.2	33.0	79.6	57.6	93.5	102.0
IP Acquisitions, SEK m	2.8	-	-	19.8	22.6	-	-	3.8	-	3.8	-	0.2	21.6
Investments in films, SEK m	-	-	-	-	-	-	-	-	-	-	6.4	32.4	17.3
Other investments in intangible assets, SEK m	-	-	-	-	-	-	-	-	10.6	10.6	5.2	-1.6	0.6
Finalized and completed development, SEK m	-	14	-	12.6	14.0	0.8	1.9	39.8	133.9	176.4	122.9	47.4	50.1
Other KPIs													
Total Game Dev projects	N/A	N/A	29	27	-	32	30	29	36	-	54	51	55
Announced Game Dev projects	N/A	N/A	8	7	-	14	13	13	12	-	19	17	20
Unannounced Game Dev projects	N/A	N/A	21	20	-	18	17	16	24	-	35	34	35
Total internal game developers	N/A	N/A	69	68	-	78	82	163	178	-	536	565	608
Total external game developers	N/A	N/A	270	264	-	282	306	261	229	-	714	692	740
Total internal employees, non-development	N/A	N/A	38	40	-	44	44	45	55	-	470	486	554
Total number headcounts	N/A	N/A	377	372	-	404	432	469	462	-	1,720	1,743	1,902



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