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Press release 21 November 2016

THQ Nordic's offering was significantly over-subscribed – trading in the class B share on Nasdaq First North commences tomorrow

THQ Nordic AB (publ) ("THQ Nordic", the "Company" or the "Group") hereby announces the outcome of the initial public offering of its class B shares with listing on Nasdaq First North (the "Offering").

The interest in subscribing for THQ Nordic's class B shares has been exceptionally strong from both Swedish and international institutions as well as the general public in Sweden. The Offering, with regards to the number of class B shares available, was subscribed approximately 19 times.¹

Lars Wingefors, founder and Group CEO, comments:

"Together with all employees at THQ Nordic, I am pleased, proud and grateful for the exceptionally strong interest that has been shown in becoming a shareholder in THQ Nordic. My interpretation is that there is great confidence in both the platform and business model we have built since 2011 and in the growth strategy we have for the coming years.

I am delighted that our ownership base has been broadened with a wide range of well renowned professional investors who share our long-term ambitions and who can support us in our growth strategy. The great interest we have received from thousands of investors among the public in Sweden is also very inspiring and I hope many will continue to follow us in the future and, of course, play our games.

We are now ready for the next chapter in the story of THQ Nordic. We aim to accelerate our business model and growth by leveraging on our established platform – and the great interest in and attention around our listing on Nasdaq First North will support us in these efforts."

Kicki Wallje Lund, Chairman of the Board, comments:

"I am impressed of what the management has achieved in only five years and thrilled about our next chapter as a listed THQ Nordic. The Board sees this IPO as a natural next step in order to broaden and strengthen our ownership base, and to increase our financial flexibility in the future as we are moving forward with our growth strategy. On behalf of the Board I welcome approximately 17,000 new shareholders to take part in, and contribute to, THQ Nordic's future development.

The Offering

- The Offering comprises in total 20,000,000 class B shares, corresponding to approximately 29% of the total number of shares in the Company upon completion of the Offering, of which 10,000,000 new class B shares and 10,000,000 existing class B shares.
- To cover a possible over-allotment in connection with the Offering, upon request from Pareto Securities, the Company has granted an option to Pareto Securities to purchase up to 2,000,000 additional new class B shares, corresponding to approximately 10% of the total number of class B shares offered in the Offering ("the Over-allotment Option").

¹ Shares available refers to the total number of class B shares in the Offering less the class B shares allocated to the Cornerstone Investors.

- If the Over-allotment Option is exercised in full, the Offering comprises in total 22,000,000 class B shares, corresponding to approximately 31% of the total number of shares in the Company upon completion of the Offering, of which thus 12,000,000 new class B shares and 10,000,000 existing class B shares.
- As previously communicated, the Offering Price is SEK 20. This corresponds to a total value of the Company's shares after the Offering of SEK 1.40 billion and SEK 1.44 billion if the Over-allotment Option is exercised in full (under the assumption that both class A shares and class B shares are valued at SEK 20 per share).
- The value of the Offering is SEK 400 million excluding the Over-allotment Option and SEK 440 million if the Over-allotment Option is exercised in full.
- The new issue of shares in connection with the Offering is expected to raise gross proceeds of SEK 200 million excluding the Over-allotment Option and SEK 240 million if the Over-allotment Option is exercised in full.
- The six investors Didner & Gerge Fonder, Swedbank Robur AB, Handelsbanken Fonder AB, RAM ONE AB, Novobis AB and Lancelot Asset Management ("Cornerstone Investors") have committed to, under certain conditions before the first trading day of the Company's class B shares, and to the same price as other investors, acquire 10,500,000 class B shares for a total amount of SEK 210 million, corresponding to 14.6% of the shares and 6.9% of the votes in THQ Nordic after the Offering if the Over-allotment Option is exercised in full. The Cornerstone Investors have been allotted class B shares in accordance with their respective subscription undertaking, i.e. in total 10,500,000 class B shares.
- Directly after the Offering, THQ Nordic's founder and Group CEO Lars Wingefors will remain the Company's largest shareholder and will control approximately 50% of the capital and 62% of the votes in the Company, assuming that the Over-allotment Option is exercised in full.
- The Offering, with regard to the number of class B shares available, was subscribed approximately 19 times.¹
- Through the Offering, THQ Nordic has received approximately 17,000 new shareholders. The new shareholders include both specialist and generalist institutional investors from Sweden and abroad, as well as investors among the general public in Sweden.
- Trading in THQ Nordic's class B share on Nasdaq First North commences tomorrow, 22 November 2016, with the ticker symbol "THQN B".
- Expected settlement day is on 23 November 2016.

Advisors

Pareto Securities is Global Coordinator and Sole Bookrunner and Baker & McKenzie is legal advisor in connection with the Offering.

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About THQ Nordic

THQ Nordic acquires, develops and publishes PC and console games for the global games market. The core business model consists of acquiring established but currently underperforming franchises and successively refining them.

The Company has a global presence, with its Group head office in Karlstad, Sweden and its operational head office in Vienna, Austria. As of 31 October 2016 the Company had four internal game development studios – two in Sweden, one in Germany and one in the US – and contracts with 19 external game studios in a number of different countries. As of the same date the Company employed more than 370 people, of which around 30 personnel within the publishing business, around 70 personnel within internal game development and more than 270 contracted external game developers.²

THQ Nordic's game portfolio consists of both owned franchises (IP) and publishing titles. The Company focuses on owning its own franchises and developing and publishing these, and as of 31 October 2016 had around 75 owned franchises in the portfolio. However, the Company also publishes game titles for various strategic partners and at the same time had around 60 publishing titles in its portfolio. In 2015 owned franchises generated 76% of sales and 82% of gross profit, while publishing titles accounted for 22% of sales and 18% of gross profit.

The Company owns franchises such as Darksiders, MX vs. ATV, Red Faction and Titan Quest.

THQ Nordic's pipeline is strong and well-invested, with 10 announced projects and 19 unannounced projects – including the Company's three largest development projects to date with an estimated development budget of SEK 65–125m each. In the first nine months of 2016 the Company invested SEK 87.3m in games development ("completed games" and "ongoing projects"), and as of 30 September 2016 the Company had capitalized development costs related to games development of SEK 153.8m.

The Company has global physical distribution capacity via retailers such as Walmart, Gamestop and Amazon, as well as extensive digital distribution capacity through established relationships and agreements with around 40 digital distribution channels such as Steam, Playstation Store and Xbox Live.

The Company's Certified Adviser is FNCA Sweden AB.

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² Personnel may refer to both employees and external contractors.

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