Mobile Game Developer King Acquires Artificial Intelligence Company Peltarion

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STOCKHOLM--(BUSINESS WIRE)--Jun. 13, 2022-- King, a leading interactive entertainment company for the mobile gaming world, announced today the acquisition of artificial intelligence software company Peltarion.

Peltarion is a Swedish artificial intelligence (AI) software company and developer of a no-code, machine learning operations platform that empowers users to design, train and manage deep learning models in the Cloud at scale and at speed. King's acquisition of Peltarion will accelerate the current use of AI and machine learning technology in King's game platform, a key area of ongoing strategic direction for the company. With this investment, King aims to continue to build top-tier AI and machine learning capabilities and teams – enabling a new generation of innovative game design, development and live operations capabilities and becoming a hub for the world's top talent in game AI.

"We are proud to announce the acquisition of Peltarion. Machine learning technology is moving quickly, and by increasing our investments in this field, we expect to deliver even more creative content to our 250 million monthly players* (Q1 2022) across the globe. We believe the talented Peltarion team, together with the powerful technology they have built, will help us serve our players even more effectively with more engaging games and content. This is yet another step towards our mission of making the world playful," says Tjodolf Sommestad, President of King.

Founded in 2004 by Luka Crnkovic-Friis and Måns Essén, Peltarion is based in Stockholm and is one of Sweden's most established AI innovators. Crnkovic-Friis and Essén will assume leadership roles at King, focusing on advancing King's AI and machine learning capabilities and building on and contributing to Sweden's AI community and rich history of innovation in this area.

"This is a monumental chapter in Peltarion history. We are excited to be part of a big AI success story in the Nordics, especially with Stockholm at its base. We are impressed with King for being one of the most successful Swedish tech companies and mobile game developers of modern time. The scale and reach of King, with iconic franchises like *Candy Crush Saga*, is a great match for our technology. The opportunities with AI seem to be endless, and we cannot wait to unlock the potential of working together," said Luka Crnkovic-Friis, Peltarion CEO.

"It's rare to find a team with such a depth of expertise in machine learning and AI technology combined with a long history of successfully delivering this capability to many different organizations in diverse domains and markets. We are privileged to be in a position to welcome the Peltarion team into the King family. We have an ambitious vision for the future of mobile games. Together with Luka, Måns, the team and their powerful AI platform, we're accelerating our plan to use AI in how we create and operate our games to deliver this vision and to delight our players even more," said Steve Collins, King Chief Technology Officer.

About King

King is a leading interactive entertainment company for the mobile world. It had 250 million monthly active users as of first quarter in 2022 across web, social and mobile platforms, and has developed more than 200 exclusive games that are enjoyed all around the world through its king.com, Facebook, and mobile distribution platforms such as the Apple App Store, Google Play Store, Microsoft Windows App Store and Amazon Appstore. King was acquired by Activision Blizzard (NASDAQ: ATVI) in 2016. King has game studios in Stockholm, Malmö, London, Barcelona and Berlin, along with offices in San Francisco, New York, and Malta.

About Peltarion

Peltarion is a leading Swedish AI innovator with its head office in Stockholm. The first platform "Synapse" was released in 2004, and helped companies and organizations like NASA, Tesla, Dell and Harvard to benefit from AI. The vision for Peltarion is to make AI accessible and affordable to more people and create a platform where people can work with AI without needing the skills of a data scientist is a step towards this vision. Among the Peltarion customers today, you will find enterprises in sectors ranging from manufacturing to retail. And the opportunities to do more expand every day.

Financial terms of this transaction were not disclosed.

**Monthly Active User ("MAU"): We monitor MAUs as a key measure of the overall size of our user base. MAUs are the number of individuals who accessed a particular game in a given month. We calculate average MAUs in a period by adding the total number of MAUs in each of the months in a given period and dividing that total by the number of months in the period. An individual who accesses two of our games would be counted as two users. In addition, due to technical limitations, an individual who accesses the same game on two platforms or devices in the relevant period would be counted as two users.*

Cautionary Note Regarding Forward-looking Statements: Information in this press release that involves King's expectations, plans, intentions or strategies regarding the Peltarion acquisition are forward-looking statements that are not facts and involve a number of risks and uncertainties. Factors that could cause King's actual future results to differ materially from those expressed in the forward-looking statements set forth in this release include unanticipated product delays and other factors identified in the risk factors sections of Activision Blizzard's most recent annual report on Form 10-K and any subsequent quarterly reports on Form 10-Q. The forward-looking statements in this release are based upon information available to King and Activision Blizzard as of the date of this release, and neither King nor Activision Blizzard assumes any obligation to update any such forward-looking statements. Forward-looking statements believed to be true when made may ultimately prove to be incorrect. These statements are not guarantees of the future performance of King or Activision Blizzard and are subject to risks, uncertainties and other factors, some of which are beyond its control and may cause actual results to differ materially from current expectations.

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