

## FunRock AB (under name change to Fragbite Group AB) acquires a European games publisher

**FunRock AB (under name change to Fragbite Group AB) has today entered into an agreement to acquire all shares in a European games publisher (“the Target Company”), which is an established games publisher that publishes indie games mainly for mobile phones, tablets and consoles. Through partnerships with game developers that already have released successful indie game titles, the Target Company publishes and markets these existing game titles as premium games on mobile platforms and consoles. The Target Company currently employs 15 people.**

The Target Company will be acquired at an initial purchase price of EUR 5 million on a cash- and debt-free basis, where EUR 3 million will be paid in cash upon closing and the remaining EUR 2 million will be paid with newly issued shares that will be issued at a price of SEK 4 per share. The shares will be subject to a lock-up in 12 months from Fragbite Group's planned listing. In addition to the initial purchase price, the Seller of the Target Company may receive an additional earn-out of maximum of EUR 3.5 million:

For the split financial year 2020/21, an additional earn-out 1 of maximum EUR 1.5 million can be paid out, of which 50% is in cash and 50% in newly issued shares. The size of the additional purchase price is based on different revenue and profit targets.

For the split financial year 2021/22, an additional earn-out 2 of maximum EUR 1.0 million can be paid out, of which maximum 50% is paid in cash and at least 50% in newly issued shares. The size of the additional earn-out 2 is based on different revenue and profit targets.

For the split financial year 2022/23, an additional earn-out 2 of maximum EUR 1.0 million can be paid out, of which maximum 50% is paid in cash and at least 50% in newly issued shares. The size of the additional earn-out 2 is based on different revenue and profit targets.

For the split financial year 2020/21, which ends on June 30, 2021, the Target Company is expected to generate revenue of over EUR 4 million (which is net revenue after deduction of platform fees) with an EBITDA of over EUR 600 thousand. During the fiscal year, the company has shown strong sales growth under profitability.

*"I am very pleased to welcome the Target Company and its employees to the Fragbite Group. Together with the Target Company we strengthen the Group's financials further. Structurally, we also become a stronger group and welcome two fantastic and experienced entrepreneurs, with cutting-edge expertise and knowledge in Publishing & Indie games. Through the acquisition another business area is added to the group, in Publishing & Indie games, which gives us good opportunities to build a strong platform to continue to grow further from",* comments Stefan Tengvall, President and CEO of Fragbite Group AB.

The acquisition is expected to be completed beginning of June.

**For questions, please contact:**

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**About Us**

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Fragbite Group is a digital gaming entertainment group with subsidiaries active in the mobile games and e-sports industry. The group consists of companies with people who all share the same passion for gaming. The Group is headquartered in Stockholm, Sweden and has physical representation in Alexandria, Egypt. The group has two internal game development studios and employs approx. 30 employees in more than five countries. The subsidiaries Funrock AB and P studios AB develop, publish, distribute and market mobile games for the global gaming market. Fragbite AB is one of the Nordic region's leading E-sports media companies that organizes and broadcasts e-sports tournaments live.

*This information is information that Fragbite Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2021-05-11 12:36 CEST.*

**Attachments**

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[FunRock AB \(under name change to Fragbite Group AB\) acquires a European games publisher](#)