

PRESS RELEASE

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FunRock AB (under name change to Fragbite Group AB) completes the acquisition of a European games publisher

As communicated on May 11, 2021, FunRock AB (under name change to Fragbite Group AB) ("the Company") has entered into an agreement to acquire all shares in the European games publisher Playdigious SAS ("Playdigious"). The Company has today completed the acquisition. The initial purchase price amounts to 5 MEUR on a cash and debt-free basis, with normal working capital adjustments, of which 3 MEUR has today been paid in cash on completion of the acquisition, and 2 MEUR of the initial purchase price will be paid in 5,062,502 newly issued shares ("the issued shares"). The issued shares has been issued at a share price of SEK 4. The issued shares is subject to a lock-up of 12 months.

Playdigious has notably been bringing indie games to mobile in recent years, including some award-winning IPs like Evoland, Dead Cells and recently Northgard. Launched in February 2021, Dead Cells mobile in China sold over 1 million units and is currently under strong growth.

"I am very pleased to welcome the Playdigious and its employees to Fragbite Group. In addition to strengthening the Group's earnings capacity, we're also strengthening our Group with two experienced entrepreneurs, who add both cutting-edge expertise and commitment. Through the acquisition, another business area is added to the group, *Publishing & Indie games*, which gives us good opportunities to be able to build a strong platform to grow further from", comments Stefan Tengvall, President and CEO of Fragbite Group AB.

"We are thrilled to become part of Fragbite Group so we could add competence and resources to utilize the potential even more and grow the business further. The group shares a common vision with us, including valuing the team experience and trust-based relationship with all our partners.", comments Xavier Liard, co-founder and CEO, Playdigious.

"We are convinced that this is a great opportunity for Playdigious to be part of Fragbite Group AB and this will bring additional value to the group and Playdigious future growth", comments Romain Tisserand, co-founder and CTO, Playdigious.

As also earlier communicated on May 11, 2021, the Seller of Playdigious may receive, in addition to the initial purchase price, additional earn-out payments of up to EUR 3.5 million as explained below:

- For the split financial year 2020/21, an additional earn-out 1 of maximum EUR 1.5 million may be paid out, of which 50% is in cash and 50% in newly issued shares. The amount of the additional purchase price 1 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 may be paid out, of which maximum 50% is paid in cash and at least 50% in newly issued shares. The amount 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 3 of maximum EUR 1.0 million may 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 3 is based on different revenue and profit targets.

For the split financial year 2020/21, which ends on June 30, 2021, Playdigious 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.

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About Us

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.

Attachments

[FunRock AB \(under name change to Fragbite Group AB\) completes the acquisition of a European games publisher](#)