PRESS RELEASE

14 December, 2016

Catena Media takes a leading position in the US market – acquires regulated affiliate assets (Corrected version)

Correction: refers to the text at the bottom of this press release regarding this announcement is made public pursuant to the EU Market Abuse Regulation.

Catena Media continues to establish its strong and fast growing position in the lead generation market within iGaming through an acquisition of websites and other affiliate related assets from three US founders. The total upfront purchase price amounts to USD 15 million, whereof 25 percent will be settled with 440,669 new Catena Media shares. Additional earn-out payments can amount to a maximum of USD 45 million, and are based on revenue performance during the next three years.

The acquired assets' current revenue run rate is around EUR 1 million per quarter, with an operating margin of around 75 percent. The generated revenues stem from licensed operators in the regulated Casino and Poker markets in the states of New Jersey and Nevada. Following the acquisition, it is estimated that close to 50 percent of Catena Media's revenue will be derived from regulated markets. The acquired assets, for example playnj.com and uspoker.com, will have a direct positive effect on Catena Media's search revenues as of the consolidation date on 15 January 2017.

In addition to the affiliate assets targeting New Jersey and Nevada, and included in the upfront purchase price, Catena Media is acquiring a range of assets which are expected to generate significant revenues if, and when, other US states re-regulate iGaming.

Following the acquisition, Catena Media adds three new verticals to its business. In addition to Poker, the company is also acquiring websites targeting eSports and Daily Fantasy Sports.

"We are very excited about this opportunity, which will not only see Catena Media becoming the largest regulated casino affiliate in the US, but also puts us in pole position to take advantage of further re-regulation in what has the potential to become the world's largest iGaming market. This is an important step in realizing our vision to become the world´s number one provider of high value iGaming leads", says Robert Andersson, CEO of Catena Media.

As of today the US market stands for about 20 percent of the total online Casino market. In the US, some states have reregulated to permit online games, such as Nevada (poker), Delaware (all game types) and New Jersey (all game types). Also, positive initiatives are underway to re-regulate in other states.

"We are impressed with Catena Media and are excited to join their strong and experienced team, which will enable us to take advantage of the many strategic and financial benefits expected from the regulation in the US. We look forward to continuing the journey we have started, and Catena Media is a great match for us", says Aaron McCann, co-founder and seller.

Details of transaction structure

The upfront purchase price amounts to USD 15 million, whereof 25 percent will be settled with 440,669 new Catena Media shares. Additional earn-out payments can amount to a maximum of USD 45 million, whereof half can be paid in shares, and are based on revenue performance during the next three years. In a reasonably expected scenario with a total earn-out purchase price of USD 20.5 million, the sellers must generate revenue growth of more than 150 percent during the period.

The transaction also includes certain terms regarding an additional range of assets, which are expected to generate revenues if, and when, other US states re-regulate iGaming. Revenues from these assets, which includes eSports and Daily Fantasy Sport assets, are not subject to the earn-out calculation above. The sellers have a right to 50 percent of the net profit generated from such assets going forward. The sellers have a put option after 3, 5 or 10 years while Catena Media has a call option after 7 or 10 years, for Catena Media to acquire the sellers right to net profit share regarding these assets. The purchase price will be between 2.5 and 3 times the net profit generated from these assets in the 12 months prior to exercising the option.

For further information, please contact:

Robert Andersson, CEO, phone: +356 770 329 28, e-mail: robert@catenamedia.com
www.catenamedia.

This information is information that Catena Media p.l.c is obliged 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 on December 14, 2016 at 07.30 CET

About Catena Media

Catena Media is a fast-growing online performance marketing and lead generation company within iGaming with portals like AskGamblers and RightCasino. The Group has established a leading market position through strong organic growth and acquisitions in its core markets. Catena Media was listed on Nasdaq Stockholm First North Premier in February 2016. By the end of the third quarter 2016, the company's revenues reached approximately EUR 34.0 million on a twelve-month basis. The Group was founded in 2012 and has today about 200 employees. The Group Head Office is situated in Malta. The company's certified advisor is Avanza.