

EverySport Media Group acquires 50% of Klöver Padel and launches Every Padel

EverySport Media Group AB (publ.) (ESMG) has today entered into an agreement to acquire 50% of the shares in Klöver Padel AB (Klöver Padel). The purchase price amounts to SEK 24.25 million and consists partly of a cash part (SEK 3.0 million) and partly of newly issued shares in ESGM (the consideration shares) (SEK 21.25 million). Sellers are strategically important people who through the transaction will become shareholders in ESGM. 50% of Klöver Padel is owned by the real estate company Klöver, whose ownership remains unchanged. ESGM and Klöver are thus jointly launching a new strategy for continued expansion at the same time as a name change on Klöver Padel to Every Padel is planned. Klöver Padel currently operates five padel facilities in Sweden with over 30,000 customers and has agreements for expansion in 2021 to four more facilities in Sweden.

ESMG's portfolio of high-quality media products and digital services within SportsTech is now expanded through the investment in Klöver Padel. Through the acquisition, ESGM is positioned in one of the world's fastest growing sports and new opportunities are made possible for future expansion and product launches.

Comment from ESGM's Chairman of the Board, Paul Fischbein:

"I am very pleased to be able to present the acquisition and the strategic collaboration with Klöver. We strongly believe in the continued development of the padel sport and began the investment in padel some time ago with the launch of PadelDirekt, Padelgalan and the upcoming launch of our international media site Padel Alto. We are now taking the next step through this 50% acquisition and look forward to building the concept around Every Padel. Padel is growing in popularity and it feels inspiring to enable the public to invest in ESGM through this transaction, which is now to a large extent exposed to the continued development of padel."

Comment from ESGM's CEO, Hannes Andersson:

"Padel is here to stay and in many countries the journey has just begun. Together with Klöver, ESGM will now be one of the leading players and will position Every Padel as one of the leading brands in padel not only nationally, but also internationally. Within ESGM, we have developed a very profitable end customer business within media and much of that work can be directly applied to the padel business. I now look forward to working with one of Sweden's largest listed real estate companies to take the business to the next level."

Comment from Klöver's head of concept development, Jakob Mörndal:

"We look forward to continuing this journey with ESGM. Klöver Padel has grown very fast and with our partnership there are now two owners who complement each other well to be able to continue the expansion both in Sweden and internationally. The name change to Every Padel feels natural when the business now also seeks beyond Klöver's property portfolio. Padel as a sport is growing incredibly fast



and now all the conditions are in place to be able to see the same development for the company as for the sport.”

Transaction highlights:

- Klöver Padel is one of Sweden's largest companies in the rapidly growing sport of padel. The company conducts business through the rental of courts in its own facilities, sales of padel courts, events, and sales of padel-related equipment.
- The acquisition is part of ESMG's strategy to grow into product areas within SportsTech and further grow the portfolio's end-customer revenues. Klöver Padel already has 30,000 customers and in 2021 will pass 50,000 customers.
- Klöver Padel is in a strong growth phase and had total sales of SEK 30.9 million in 2020, with a profit of SEK 4.3 million. In 2021, the company's assessment is that the business will at least double in size.
- Name change on Klöver Padel is planned for Every Padel, subject to customary approvals.
- ESMG acquires 50% of Klöver Padel for a purchase price of SEK 24.25 million. The purchase price consists of a cash portion of SEK 3.0 million, which is financed by ESMG's cash, and 816,993 newly issued shares in ESMG. The subscription price for the newly issued shares amounts to SEK 26.01 per share, which corresponds to a discount of approximately 13.3% compared with the closing price of SEK 30.00 for ESMG at the Spotlight Stock Market on March 25 2021. The subscription price of SEK 26.01 corresponds to the volume-weighted average price on Spotlight during the period March 11 – March 24 2021.
- The consideration shares will be covered by a so-called lock-up agreement for a period of 12 and 18 months, respectively.
- The other 50% of Klöver Padel is owned by the real estate company Klöver.
- The sellers are Andreas Ehrnvall Consulting AB (Andreas Ehrnvall): 20%, Andersson Group AB (Hannes Andersson): 12%, JK Eriksson Consulting AB (Johan Eriksson): 10%, Aktiebolaget Björk & Blandat (Martin Björk): 5%, Camvi AB (Camilla Godberg): 3%.
- Seller Hannes Andersson, CEO of ESMG, has not been involved in negotiations and decisions on behalf of ESMG due to conflict of interest.
- A shareholder agreement with Klöver has been signed stating, among other things, that ESMG's CEO, Hannes Andersson, after taking office, will become Chairman of the Board of Klöver Padel and that ESMG will appoint another member to the Board. Klöver appoints two board members, consisting of Jakob Mörndal and Erik Polding.
- ESMG will consolidate its operations in its accounts starting at closing date.

About Klöver Padel

Klöver Padel AB is one of Sweden's largest padel companies and currently has five facilities in operation; Librobäck (Uppsala), Fyrislund (Uppsala), Klöver Padelcenter (Kista), Klöver Padel Åby Arena



(Gothenburg), and a temporary establishment at Scandinavian XPO (Arlanda). Towards the summer, the first facility open in Jönköping and towards the end of the year, three new facilities are planned: in Västerås, Norrköping and another facility in Jönköping. During the winter of 21/22, the first facility abroad will probably open. In addition to facility operations, there are also other sources of income in form of sales of padel courts, trade fairs and events around the padel sport and sales of equipment. Today, Klöver Padel consists of approximately 20 employees.

Rationale for the acquisition

ESMG's primary business area is SportsTech, in which the majority of the business is focused on sports media. Central to the growth strategy is the large amount of visitor and user data that comes through the Group's more than 40 sports sites. Through the acquisition of Klöver Padel and the name change to / launch of Every Padel, great opportunities are seen to capitalize further on the large amount of user data the company has. ESGM already has media products within padel (PadelDirekt and the recently launched Padel Alto) and a number of synergies between Klöver Padel's operations and the existing product portfolio in ESGM will arise. Within the framework of the Every Padel brand, new products and services are also being considered and investigated, as well as an international expansion into markets where ESGM is already active today (North America, the Nordic countries, Germany, etc.).

Conditions and time plan

Access will take place on April 1, 2021 and includes 50% of the shares in Klöver Padel. The purchase price for the shares in Klöver Padel consists of a cash portion of SEK 3.0 million and a share portion of 816,993 newly issued shares in ESGM. The subscription price for the newly issued shares amounts to SEK 26.01 per share, which corresponds to a discount of approximately 13.3% compared with the closing price of SEK 30.00 for ESGM on the Spotlight Stock Market on March 25, 2021. The Board of ESGM will decide to issue the consideration shares in accordance with the authorization from the Annual General Meeting on May 26, 2020. By issuing the consideration shares, the number of shares in ESGM increases by 816,993 shares, from, at present, 4,542,496 shares to a total of 5,359,489 shares. This corresponds to a dilution of approximately 15.24%.

Any questions answered by:

Hannes Andersson, CEO of EverySport Media Group AB, tel: +46 70 736 56 25 e-mail:

hannes.andersson@esmg.se

Paul Fischbein, Chairman of the Board of EverySport Media Group AB, e-mail: ordforande@esmg.se

Jakob Mörndal, Business Area Manager Concept Development Klöver AB, tel: +46 73-069 70 59, e-mail:

jakob.morndal@klovern.se

This information is such that EverySport Media Group AB (Publ.) is required to make public in accordance with the EU's market abuse regulation (MAR). The information was made publicly available by the Company's contact person on March 25th, 2021.



EverySport Media Group (publ.) (ESMG) is a Swedish publicly listed media group with roots in sports and gaming. Our strategy is based on two main components: Content and Media. Within Content, ESGM is a leading provider of performance data, betting tips and sports news. Some of our clients are gaming operators, sports associations and media organizations. Our media portfolio garners over 2 million interactive viewers across multiple platforms, sites, and networks within the industry.