



COMPANY RELEASE

15 April 2020 08:45 (EEST)

Nordisk Film Games invests SEK 45 million into Nitro Games and becomes the largest shareholder

Nitro Games' Board of Directors has resolved, subject to approval on the Annual General Meeting, on a SEK 45 million funding from Nordisk Film Games

The board of directors of Nitro Games Oyj (publ) ("Nitro Games" or the "Company") has resolved, subject to approval by shareholders at the Annual General Meeting (the "AGM"), on a funding package consisting of a directed new issue of 3,333,333 shares at a subscription price of SEK 7.5 per share, which is expected to raise proceeds of SEK 25.0 million to the Company before issue costs, and a convertible loan agreement, which is expected to raise proceeds of SEK 20.0 million to the Company before issue costs. The proceeds will primarily be used for the further development of the Company's game portfolio of shooter games.

The subscriber in the directed share issue is Egmont Holding Oy ("Nordisk Film Games"). Nordisk Film Games has agreed to a lock-up period of 24 months according to customary terms and will receive two board seats in connection with this transaction.

The Company intends to publish a notice convening the AGM on Friday, 17 April 2020, which is expected to be held on 8 May 2020. Shareholders representing 43.49% of all shares and votes have agreed to vote in favor of this funding package at the AGM.

The subscription price in the share issue corresponds to approximately 21.56 percent premium, compared to the volume weighted average trading price of the last 30 trading days.

The share issue increases the total number of shares from 4,992,897 to 8,326,230. For existing shareholders, the share issue will result in a dilution of approximately 40.03 percent.

The convertible loan has a 24 month maturity and 0 percent annual interest rate. Nordisk Film Games has the option to use the convertible loan to subscribe for shares against the unpaid principal of the loan, until the entire loan has been repaid. The subscription price is SEK 9.0 per share. If Nordisk Film Games would subscribe the full amount, the total number of shares would increase from 8,326,230 to 10,548,452, and result in a dilution of approximately 21.07 percent.

The reason for the deviation from the shareholders' pre-emptive rights for the share issue and the convertible loan is to strengthen the shareholder base with a qualified and long-term investor with industry expertise and also in a cost-effective and timely manner raise capital to improve the Company's financial position and to enable the further development and growth of the Company's business. The board is of the opinion that the share issue and the convertible loan will be of benefit to the Company and, therefore, to all its shareholders.

Smartius Oy has acted as legal adviser to the Company in the transaction.

"We are proud to welcome Nordisk Film Games to join Nitro Games as a leading shareholder. They support our vision of Nitro Games becoming a household name in the category of shooter games on mobile. This funding package strengthens our abilities in successfully executing our strategy and building shareholder value. I am looking forward to a successful long-term partnership." says Jussi Tähtinen, CEO & Co-Founder of Nitro Games Oyj.

"We have followed the company for a long time and are now happy to join Nitro Games as an active long-term shareholder. We are excited about the teams' capabilities, their strategy and the great opportunities within the shooter games category on mobile. Nitro Games fits perfectly into our portfolio of game studios and we look forward to supporting them in building new great games and evolving their studio," says Mikkel Weider, Managing Director at Nordisk Film Games.

For more information:

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This company announcement contains information that Nitro Games Oyj is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication by aforementioned contact person on 15 April 2020 at 08:45 (EEST).

Nitro Games in brief:

Nitro Games is a free-to-play mobile game developer and publisher making games for the mid-core user segment. The Company focuses on producing competitive multiplayer games with high production value and high revenue potential for smartphones and tablets. With Nitro Games' powerful NG Platform and NG MVP-process, the Company is able to do market validation during the development to ensure high product quality. Nitro Games has developed games such as Heroes of Warland, Medals of War, Raids of Glory, East India Company, Commander: Conquest of the Americas, Pirates of Black Cove. Nitro Games' shares are listed on Nasdaq First North Growth Market in Stockholm with the ticker NITRO. The Certified Adviser is Augment Partners AB, info@augment.se, +46 8-505 65 172. www.nitrogames.com

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Nordisk Film Games in brief:

Nordisk Film Games make equity investments in computer game companies and has within recent years built a strong portfolio of six game studios. The Nordisk Film Games team includes experienced game creators, innovators, business developers and investors. Nordisk Film Games is part of leading Nordic entertainment company Nordisk Film, that also produces award-winning film and TV series, operates a cinema chain in Denmark, Norway and Sweden, is behind PlayStation in the Nordics and brings digital gift card solutions to the market. Nordisk Film is owned by the media group Egmont. Being a foundation, all profit is reinvested in our media companies and donated to help improve the lives of children and young people. Visit www.nordiskfilmgames.com for more information on Nordisk Film Games.