



PRESS RELEASE

Stockholm, 27 November 2019

## Toadman Interactive announces outcome of directed share issue

**INSIDE INFORMATION: The Board of Directors of Toadman Interactive AB (publ) ("Toadman" or the "Company") has, as previously announced today, resolved to issue shares subject to the Extraordinary General Meeting's subsequent approval. The number of shares to be issued in the share issue amount 9,117,640 shares.**

### ISSUE OF SHARES

Toadman's Board of Directors has resolved to issue 9,117,640 shares, subject to the Extraordinary General Meeting's approval. The new share issue is carried out to finance part of the acquisition of Sold Out Sales & Marketing Limited ("**Sold Out**"). The consideration for 100 percent of the shares in Sold Out on a cash- and debt- free basis amounts to GBP 16.0 million paid at closing (the "**Upfront Consideration**"), plus an additional consideration of up to GBP 5.2 million if Sold Out reaches an EBIT of GBP 3.2 million for the twelve month period commencing on 1 January 2020 (the "**Earnout Consideration**"). GBP 4.0 million, equivalent of SEK 49.3 million, of the Upfront Consideration will be paid with 2,772,640 Toadman shares (the "**Consideration Shares**"), based on a Volume Weighted Average Price on Nasdaq First North Growth Market for the ten consecutive trading days preceding this announcement (including today's trading) equal to SEK 17.7881 per share in Toadman. GBP 12.0 million, equivalent of SEK 148.0 million, of the Upfront Consideration will be paid in cash (the "**Cash Consideration**").

Toadman's Board of Directors has also resolved to conduct a tap issue of SEK 100 million under Toadman's outstanding bond loan of SEK 500 million (the "**Tap Issue**"), and to issue 6,345,000 new shares in Toadman for a value of approximately SEK 113 million (the "**Directed Share Issue**"). The Cash Consideration will be paid through the capital raised from the Tap Issue and from the Directed Share Issue. The Directed Share Issue is made at a price per share corresponding to the price per share of the Consideration Shares.

In total, Consideration Shares with a value of GBP 4.0 million, equivalent of SEK 49.3 million, will be transferred to the sellers of Sold Out. The Consideration Shares will represent 8.9 percent of the total number of outstanding shares in Toadman post-Transaction. Following receipt of the Consideration Shares, the sellers of Sold Out, Garry Williams and James Cato, will hold 4.4 percent each of the outstanding shares in Toadman, respectively.

In order to facilitate the delivery of the Consideration Shares and shares to the investors in the Directed Share Issue, certain shareholders<sup>1</sup> will lend 9,117,640 shares to Carnegie Investment Bank AB (publ). The shares will be returned after the shares issued have been registered with the Swedish Companies Registration Office (Sw. *Bolagsverket*), which is expected to take place around 16 December 2019.

Due to technicalities, the issued shares will be subscribed for by Carnegie Investment Bank AB (publ) to the quota value for transfer to the shareholders who has lent shares to settle the delivery of Consideration Shares and in the Directed Share Issue.

In total, the share issue will result in a dilution of approximately 29.2 percent of the number of shares and votes in the Company post-Transaction, through an increase in the number of outstanding shares by

---

<sup>1</sup> Rasmus Davidsson, Robin Flodin and Alexander Albedj.



9,117,640 to 31,209,159. The share capital will increase by SEK 364,705.60 from SEK 883,660.76 to SEK 1,248,366.36.

A separate press release with the notice of an Extraordinary General Meeting to approve the issue of shares as further set out in the following will be published today, 27 November 2019. Shareholders representing approximately 69.3 percent of the capital and votes in Toadman have committed to vote in favor of the resolution to approve the share issue at the Extraordinary General Meeting.

#### FINANCIAL AND LEGAL ADVISORS

Carnegie Investment Bank AB (publ) is acting as financial advisor to Toadman in relation to the acquisition of Sold Out, and Sole Bookrunner in Tap Issue under the outstanding bond loan and the issuance of the Consideration Shares and the Directed Share Issue. Baker McKenzie (Stockholm and London) is acting as legal advisor to Toadman. Harbottle & Lewis LLP is legal advisor to Sold Out and its shareholders, with Cirio Advokatbyrå AB advising on matters of Swedish law. Gernandt & Danielsson Advokatbyrå KB is acting as legal counsel to Carnegie Investment Bank AB (publ).

#### RESPONSIBLE PARTIES

The information in this press release has been published through the agency of the below persons, at the time stated by Toadman Interactive AB (publ) news distributor Cision at publication of this press release. The below persons may also be contacted for further information.

#### FOR FURTHER INFORMATION, PLEASE CONTACT:

##### **Robin Flodin, CEO**

Phone: +46 70 477 06 34

[robin@thetoadman.com](mailto:robin@thetoadman.com)

##### **Alexander Albedj, Chairman**

Phone: +46 76 221 30 75

[alexander.albedj@thetoadman.com](mailto:alexander.albedj@thetoadman.com)

#### ABOUT TOADMAN

Toadman develops and markets PC, console and mobile games for the global games market. The Group employs 100+ game developers and creates their own original IP as well as consult for other game publishers around the world through their Game Development Division. In addition, the Group's Marketing Division has helped to release 1,500+ titles, many are world renowned brands such as Call of Duty, Destiny, Dark Souls and Rage. The Group has its headquarter in Stockholm, Sweden with 200 employees in 6 offices world-wide.

Nasdaq First North Growth Market Ticker Symbol: TOAD

Certified Adviser: Eminova Fondkommission AB, Phone: +46 8 684 211 00

#### ABOUT SOLD OUT

Sold Out is a London-based leading video game publisher and distributor specializing in digital and physical publishing for console and PC formats. The company in its current shape was founded in 2014 by Garry Williams and James Cato, together comprising decades of industry experience and acknowledged expertise from various game developers. Sold Out has 18 employees providing a full-service offering to game developers seeking to bring their game titles to the market with services ranging from publishing and sales to distribution and lifecycle management.



## IMPORTANT INFORMATION

**The release, announcement or distribution of this press release may, in certain jurisdictions, be subject to restrictions. The recipients of this press release in jurisdictions where this press release has been published or distributed shall inform themselves of and follow such restrictions. The recipient of this press release is responsible for using this press release, and the information contained herein, in accordance with applicable rules in each jurisdiction. This press release does not constitute an offer, or a solicitation of any offer, to buy or subscribe for any securities in Toadman in any jurisdiction, neither from Toadman nor from someone else.**

This press release does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. The securities referred to herein may not be sold in the United States absent registration or an exemption from registration under the US Securities Act of 1933, as amended (the "**Securities Act**"), and may not be offered or sold within the United States absent registration or an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. There is no intention to register any securities referred to herein in the United States or to make a public offering of the securities in the United States. The information in this press release may not be announced, published, copied, reproduced or distributed, directly or indirectly, in whole or in part, within or into Australia, Hong Kong, Japan, Canada, New Zealand, Singapore, South Africa, the United States or in any other jurisdiction where such announcement, publication or distribution of the information would not comply with applicable laws and regulations or where such actions are subject to legal restrictions or would require additional registration or other measures than what is required under Swedish law. Actions taken in violation of this instruction may constitute a crime against applicable securities laws and regulations.

In the United Kingdom, this document and any other materials in relation to the securities described herein is only being distributed to, and is only directed at, and any investment or investment activity to which this document relates is available only to, and will be engaged in only with, "qualified investors" who are (i) persons having professional experience in matters relating to investments who fall within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "**Order**"); or (ii) high net worth entities falling within Article 49(2)(a) to (d) of the Order (all such persons together being referred to as "relevant persons"). In the United Kingdom, any investment or investment activity to which this communication relates is available only to, and will be engaged in only with, relevant persons. Persons who are not relevant persons should not take any action on the basis of this press release and should not act or rely on it.

This announcement is not a prospectus for the purposes of Regulation (EU) 2017/1129 (the "**Prospectus Regulation**") and has not been approved by any regulatory authority in any jurisdiction. Toadman has not authorized any offer to the public of shares or other securities in any member state of the EEA and no prospectus has been or will be prepared in connection with the Directed Share Issue. In any EEA Member State, this communication is only addressed to and is only directed at qualified investors in that Member State within the meaning of the Prospectus Regulation.

### Forward-looking statements

This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's and the Group's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company and the Group operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialise or prove to be correct. Because these statements are



based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors and readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is not required by law or Nasdaq First North Growth Market rule book for issuers.

### Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares and bonds in Toadman have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, Distributors should note that: the price of the shares and bonds in Toadman may decline and investors could lose all or part of their investment; the shares in Toadman offer no guaranteed income and no capital protection; and an investment in the shares and bonds in Toadman is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the Directed Share Issue and bond issue.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares and bonds in Toadman.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares and bonds in Toadman and determining appropriate distribution channels.