

Toadman Interactive completes the acquisition of Sold Out

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PRESS RELEASE

Stockholm, 12 December 2019

INSIDE INFORMATION: Toadman Interactive AB (publ) ("Toadman" or the "Company") has today completed the acquisition of 100 percent of the shares in Sold Out Sales & Marketing Limited ("Sold Out"), which was announced through a press release on 26 November 2019 (the "Transaction"), for a consideration of GBP 16.0 million, plus an additional consideration of up to GBP 5.2 million, on a cash- and debt-free basis (the "Consideration"). The Consideration is paid partly in shares in Toadman amounting to 2,772,640 shares, corresponding to a value of GBP 4.0 million, which corresponds to SEK 49.3 million (calculated as set out below) (the "Consideration Shares"), and partly through a cash payment amounting to GBP 12.0 million, which corresponds to SEK 148 million (the "Cash Consideration"). Following the Transaction, the sellers of Sold Out, Garry Williams and James Cato, will hold approximately 4.5 percent each of the total number of outstanding shares and votes in Toadman.

COMPLETION OF THE ACQUISITION OF SOLD OUT

The upfront consideration which has been paid for 100 percent of the shares in Sold Out amounts to GBP 16.0 million, equivalent of SEK 197.3 million, on a cash- and debt-free basis (the "Upfront Consideration"). The Upfront Consideration is comprised of the Cash Consideration and the Consideration Shares.

The value of the Consideration Shares amounts to GBP 4.0 million, corresponding to SEK 49.3 million and 2,772,640 shares in Toadman. The price per Toadman share is based on a volume

weighted average price on Nasdaq First North Growth Market for the ten consecutive trading days preceding 27 November 2019 equal to SEK 17.7881 per Toadman share.

The Cash Consideration of GBP 12.0 million, equivalent of SEK 148.0 million, has been paid in cash and is financed through proceeds from the previously announced tap issue of the Company's bond and share issue.

In addition to the Upfront Consideration, Toadman may pay an earn-out consideration to the sellers of Sold Out 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 earn-out consideration may be paid through a mix of additional shares and cash, the mix to be determined by Toadman, except that Toadman shall not settle more than GBP 2.0 million in shares unless the sellers of Sold Out agree otherwise.

The share issue which was approved by the extra general meeting earlier today results in a dilution of approximately 29.2 percent of the number of shares and votes in the Company after the Transaction, through an increase in the number of outstanding shares by 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. Of the 9,117,640 shares which are issued, 6,345,000 shares are delivered to investors who have acquired shares in the directed share issue which was announced by the board of directors on 27 November 2019 and 2,772,640 shares comprise the Consideration Shares.

Toadman's and Sold Out's financial reporting will be consolidated from 1 January 2020. For further information about the acquisition of Sold Out, please refer to the previous press releases published on 26 and 27 November 2019.

FINANCIAL AND LEGAL ADVISORS

Carnegie Investment Bank AB (publ) is acting as financial advisor to Toadman in relation to the Transaction. 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.

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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

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.

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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.