

GoldBlue AB (publ) Press release

8 May 2019

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GoldBlue decides on a rights issue of approximately SEK 16.9 million and publishes new financial information

The Board of Directors of GoldBlue AB (publ) ("GoldBlue" or the "Company") has resolved, subject to the approval of the Extraordinary General Meeting, to carry out a new share issue with preferential rights for existing shareholders of no more than 105,380,555 shares, which upon a fully subscribed issue will raise total proceeds of approximately SEK 16.9 million before issue costs (the "Rights issue"). An Extraordinary General Meeting will be held on 7 June, 2019 and a notice will be published through a separate press release on 8 May, 2019. For each existing share, one (1) subscription right will be received in the Rights issue. The holding of three (3) subscription rights entitle the holder to subscribe for five (5) new shares. The Rights issue is secured to 85 per cent. Due to the Rights issue, the Company also publishes preliminary interim figures for the first quarter of 2019.

The purpose of the Rights issue is to ensure marketing for all markets in order to rebuild the customer base, to ensure funds for further technology development of the platform for integration of e.g. additional payment solutions and games, but also to develop the B2B-segment and to receive working capital and to ensure repayment of bridge loan.

Summary of the terms

- Rights issue of shares of approximately SEK 16.9 million before issue costs.
- For each existing share, one (1) subscription right is received in the Rights issue. The holding of three (3) subscription rights entitles the holder to subscribe for five (5) new shares at a subscription price of SEK 0.16 per share.
- The Rights issue requires the approval of the Extraordinary General Meeting on 7 June, 2019, where notice to the Extraordinary General Meeting is published through a separate press release.
- The Rights issue is secured to 85 per cent through subscription commitments of 23 per cent from current shareholders and external investors and underwriting commitments of 62 per cent.
- The record date for participation in the Rights issue is 13 June, 2019.
- The subscription period in the Rights issue is between 17 June to 1 July, 2019.
- The Company has in connection with the Rights issue taken a bridge loan of SEK 3.0 million.

Background and motive

In 2018, the Company, like other players active on the Chinese-speaking online gambling market, was hit by sanctions from Chinese authorities against some of the most popular mobile payment services. In addition, the Company's integration of sports betting into the gaming sites was delayed, which meant that the integration was not in place for the world soccer championship. These events led to the Company losing a large proportion of active customers in the core markets, which affected

revenues significantly. During year 2018, the Company's revenue fell to approximately SEK 29.6 million from almost SEK 70.3 million in 2017. The Company's immediate action was to seek out and integrate several new payment solutions, but several of these also proved to be unstable. Only at the end of 2018 and after even more integrations, the Company's payment solutions have shown a much greater stability. In addition, during the autumn of 2018, the Company launched sports betting to its gaming selection.

It has been difficult to get customers back on the core markets, but in 2019 an improvement is noted. The development on GoldBlue's recently launched markets, for Indonesian-, Vietnamese- and Thai-speaking customers, have had a good start and the gaming sites have shown growth. However, the lack of sufficient liquidity for marketing has limited the possible growth. The Company's focus on B2B-operations has yielded results and in March 2019 the Company signed its first B2B-agreement with Hatien Vegas Entertainment Resort. The agreement involves licensing of GoldBlue's platform technology and reselling GoldBlue's integrated game content and other systems. Recently, GoldBlue has also launched an affiliate program to acquire new customers.

Through long-term cost reductions combined with increased investments in new markets, GoldBlue's goal is to achieve profitability in the end of 2019 and in the future achieve a more balanced revenue stream from multiple markets. Achieving this goal, however, requires increased marketing efforts and continued technology development, which is why the Company's Board of Directors has decided on the Rights issue conditional of the approval of the Extraordinary General Meeting.

Rights issue

GoldBlue's Board of Directors has decided, subject the approval of the Extraordinary General Meeting on 7 June, 2019, to issue a share issue with preferential right for existing shareholders of a maximum of 105,380,555 shares. If the Rights issue is fully subscribed, the Company will receive approximately SEK 16.9 million before issue costs.

Anyone registered as a shareholder in GoldBlue on the record date for the Rights issue on 13 June, 2019 shall, for every three (3) existing shares held, have preferential rights to subscribe for five (5) new shares at the subscription price of SEK 0.16 per share. The subscription period is expected to be between 17 June to 1 July, 2019.

The Rights issue is secured to 85 per cent through 23 per cent subscription commitments from current shareholders and external investors and to 62 per cent through underwriting commitments.

Preliminary time schedule for the Rights issue

Extraordinary General Meeting	7 June, 2019
Prospectus is made public	Week 24, 2019
Last trading day including the right to receive subscription rights	11 June, 2019
First trading day excluding the right to receive subscription rights	12 June, 2019
Record date for the Rights issue	13 June, 2019
Trading in subscription rights	17 June – 27 June, 2019
Trading in paid subscribed shares (BTA)	From 17 June, 2019
Subscription period	17 June – 1 July, 2019
Estimated date for publication of the outcome in the Rights issue	4 July, 2019
Settlement date	9 July, 2019

New financial information

As a result of the Rights issue, the Company publishes new financial information for the first quarter of 2019 for the GoldBlue-group. This information has not previously been disclosed and the tables below reflect this information.*

Income statement (SEK thousand)	1 January – 31 March 2019
Net sales	4,327
Cost of sales	-2,691
Gross profit	1,636
Administrative expenses	-6,134
Profit for the period	-4,497

Balance sheet (SEK thousand)	31 March 2019
Total assets	16,062
Total current assets	10,599
Total assets	26,662
Share capital	5,917
Other contributed capital	91,172
Other equity	-76,863
Profit for the year	-4,497
Total equity	15,729
Total liabilities	10,933
Total equity and liabilities	26,662

Cash flow statement (SEK thousand)	1 January – 31 March 2019
Cash flow from operating activities	-6,760
Cash flow from investment activities	-3,609
Cash flow from financing activities	9,944
Cash at end of period	5,495

Other key ratios

Number of registrations	32,288
Active depositors	1,383
Deposits, SEK thousand	12,446
Turnover, SEK thousand	149,960
Bonus, SEK thousand	2,007

*) Please note that the financial information for the first quarter of 2019 may change, as the full-year figures for 2018 may change as a result of the audit that is now being carried out. The EUR/SEK-rate used is 10.398 (European Central Bank on March 29, 2019). The interim report for the first quarter will be published on 16 May, 2019.

Adviser

Augment Partners AB acts as financial adviser in connection with the Rights issue.

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Information

This information is such information that the Company is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the contact person set out above, at 08:48 CET on 8 May, 2019.

This press release is a translation of "GoldBlue beslutar om en företrädesemission om cirka 16,9 MSEK och offentliggör ny finansiell information" that GoldBlue AB (publ) submitted for publication at 08:48 CET on 8 May 2019. In case of differences, the Swedish press release shall prevail.

GoldBlue in short

GoldBlue AB (publ) is a Swedish listed iGaming company, focusing on emerging markets. GoldBlue offers players in emerging markets the latest in iGaming, powered by the latest technology, with modern user interface (UI) and mobile friendly. GoldBlue is listed on NGM Nordic MTF, which gives shareholders the unique opportunity to invest in iGaming in emerging markets through a Swedish listed company. The Company's Mentor is G&W Fondkommission AB, 08-503 000 50.

Important information

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