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Frill carries out three strategic company acquisitions and enters a letter of intent for a fourth company acquisition and secures financing through a directed convertible issue of a maximum of SEK 85 million

Frill Holding AB (publ) ("Frill" or "the Company") has today completed the acquisition of 100 percent of the shares in iQ Fuel AB, Kling Homie AB, and Nathalies Direct Trade AB (the "Acquisitions"). The total initial purchase price amounts to approximately SEK 71.1 million through cash payment of SEK 24.1 million and payment with newly issued shares in the Company of approximately SEK 47 million (the "Remuneration Shares"). In addition, there are certain additional purchase prices. The three companies had a combined turnover of approximately SEK 16.7 million in 2020. In addition, Frill has also entered into a letter of intent regarding the acquisition of B8 Sverige AB for a purchase price of SEK 47.8 million. To secure financing of the Acquisitions and a continued offensive expansion, Frill is also carrying out a directed convertible issue of a maximum of SEK 85 million.

BACKGROUND AND MOTIVE

The acquisitions of the three companies and the letter of intent are in line with the previously communicated strategy of building an expansive portfolio of brands through both acquisitions and organic growth in the fast-growing functional foods sector.

"I am very pleased that the Frill Group has in such a short time put together a product portfolio of very strong brands, which puts us in a good position to become one of the Nordic region's leading functional foods companies," says Peter Blom, CEO of Frill , and continues:

"Through a sufficiently large and fairly composed product portfolio, we will be an interesting and strong counterpart for buyers at all levels - at both the large chains and at more specialized sellers of functional foods. This allows us to expand quickly and we have eliminated the risk of a smaller company, with only a few brands / products to offer. "

ACQUISITIONS IN BRIEF

Frill has acquired all outstanding shares in iQ Fuel AB, Kling Homie AB, and Nathalies Direct Trade AB. The total purchase price amounts to approximately SEK 71.1 million distributed through cash payment of SEK 24.1 million and payment with newly issued shares in the Company through payment in reverse of SEK 47 million, which is then set off against a total of 57,810,572 Remuneration shares. The subscription price amounts to SEK 0.813 per share in the Company. In addition, there are certain additional purchase prices.

The acquisitions and consolidation of these companies are a major step in Frill's communicated strategy to build a portfolio of strong brands in the functional foods product category.

iQ Fuel - Fast-growing functional drink without caffeine

iQ Fuel is a fast-growing Swedish company that sells sports and functional drinks, enriched with vitamins and electrolytes. The drinks are without stimulant additives such as caffeine or taurine, which means that they can be sold without an age limit. The drinks have been well received by the market since the start in 2019. The company had sales of approximately SEK 7.1 million in 2020, with a profit of SEK -8.4 million.

iQ Fuel has invested heavily and entered into important collaborations with sports stars such as Alexander Isak, Nicklas Bäckström and sports organizations such as the Hockey Allsvenskan, Swedish Floorball Association, the Swedish Padel Association, the Swedish Elite Series in E-sports and the Swedish Ice Hockey Association. iQ Fuel's products are currently sold at major players such as ICA, Coop, Hemköp, and a number of convenience stores and e-commerce platforms.

“That iQ Fuel is now joining the Frill Group feels completely right. We will be a larger organization that has good opportunities to continue to grow at an ever faster pace together with other brands within the Frill Group,” says Paul Legemark, CEO of iQ Fuel.

Frill acquires 100 percent of the outstanding shares in iQ Fuel AB. The total purchase price is SEK 37.6 million, of which SEK 8.1 million must be paid in cash for redemption of previous loans and conditional shareholder contributions in iQ Fuel. The remaining purchase price of SEK 29.5 million is to be paid through 36,285,357 newly issued Remuneration Shares. This corresponds to a total dilution of approximately 20.5 percent. An additional purchase consideration in the form of newly issued shares in Frill to a value of SEK 8 million is paid if iQ Fuel during the financial year 2021 reaches a sales target of SEK 39.6 million. These additional purchase price shares will be issued at a subscription price corresponding to the volume-oriented average price (WVAP) for Frill's shares on Nasdaq First North for the 45 trading days immediately preceding the day of Frill's issue of the additional purchase price shares.

Kling Homie - Health-promoting and functional products

Kling Homie is a fast-growing Swedish lifestyle brand that works to optimize diet and health. The product range includes nutritional supplements, functional and energy drinks, dietary supplements and a number of other health products. The company was founded in 2018 and

Kling Homies' range is sold at over 700 retailers, including some of Sweden's major e-commerce platforms and food chains. The company had sales of approximately SEK 8.7 million in 2020, with a profit of approximately SEK 0.4 million. In 2021, several new products will be launched. Sekina Kling, founder and CEO, and Fredrik Kling, founder, intend to continue operating the Frill Group.

"Frill's organization gives us the tools we need for our continued offensive venture. The journey with Kling Homie has just begun ", says Sekina Kling, founder and CEO of Kling Homie.

Frill acquires 100 percent of the outstanding shares in Kling Homie AB. The total purchase price is SEK 28.5 million, of which SEK 11 million is to be paid in cash and SEK 17.5 million through 21,525,215 newly issued Remuneration Shares. A cash additional purchase consideration is paid, based on the sales of Kling Homies products until 31 December 2025. The additional purchase consideration amounts to 5 percent of the total sales amounting to SEK 400 million and 10 percent of the part of the sales that exceeds SEK 400 million.

Nathalie's Direct Trade - Healthy and ethical snacks

Nathalie's Direct Trade markets and markets healthy snacks that both make the consumer feel good and at the same time feel that they are doing a good deed. Nathalie's current products include dried fruit in portion bags and the range will be expanded in 2021 with several new products. In 2020, the company had a growth of 72 percent and sales of SEK 898 thousand with a profit of SEK -69 thousand. The company buys finished products directly from farmers in Colombia and thus removes unnecessary intermediaries, while strengthening farmers and local workers. Since 2017, Nathalie's Direct Trade is a member of the UN program UNDP - Business Call To Action.

"I am very happy to be part of the Frill Group. It opens up new opportunities for Nathalie's Direct Trade to scale up sales of the current range, launch new products and thus be able to make an even bigger difference for farmers and entrepreneurs in the countries of origin, according to our sustainability concept ", says Nathalie Aldana, CEO and founder of Nathalie's Direct Trade.

Frill acquires 100 percent of the outstanding shares in Nathalies Direct Trade AB. The total purchase price is SEK 4 million and must be paid in cash. A cash additional purchase price corresponding to 5 percent of the sales of Nathalies Direct Trade's products until 31 December 2026 must also be paid. The additional purchase price can amount to a maximum of SEK 7.5 million, calculated on a total turnover during the period of SEK 150 million.

ABOUT B8 SVERIGE AB AND FRILLS LETTER OF INTENT

B8 Sweden ("Beijing 8") is a Swedish company that sells and markets dumplings and related by-products in the Nordic region, both in the retail trade and in its own restaurants. In 2020, the company produced and sold over 6 million dumplings, making it one of the largest brands of dumplings in Europe. During 2020, the company had sales of approximately SEK 32 million.

On this day, Frill has entered into a letter of intent with owners representing 55 percent of all outstanding shares in Beijing 8 regarding the acquisition of these owners' shares. Frill's

ambition is to acquire 100 percent of all outstanding shares and convertibles in Beijing 8. The purchase price is estimated to amount to approximately SEK 47.8 million, through newly issued shares and convertibles (on similar terms as in the Acquisitions). Frill has initiated a due diligence process and the acquisition is expected to be completed during Q2 2021, provided that an agreement on acquisition is entered into.

ISSUE OF CONVERTIBLES

To finance the Acquisitions and a continued strong expansion, Frill's Board of Directors, with the support of the authorization of the Extraordinary General Meeting on December 15, 2020, has decided to raise a convertible loan through a directed issue of convertibles ("the Convertible") to a number of qualified investors, a gross payment of a maximum of SEK 85 million. The reason for the deviation from the shareholders' preferential rights is to enable financing of the Acquisitions and any additional company acquisitions in a time- and cost-effective manner. As of today's date, Convertibles worth SEK 63.7 million have been subscribed.

The convertible runs at an annual interest rate of six (6) percent, which is paid every six months. The loan falls due for payment on April 30, 2024, insofar as conversion has not taken place before that. The subscription price per Convertible is one SEK, which corresponds to the nominal amount per Convertible. Conversion may be called for during the period 1 September 2021 to 30 April 2024, at a conversion price of SEK 0.70 per share.

If the issue of Convertibles is fully subscribed (SEK 85 million) and all Convertibles are converted into shares, 121,428,571 new shares will be added to Frill. This corresponds to an increase in the share capital of SEK 6,071,428.55. The new shares that will be added upon full conversion will constitute approximately 38 percent of the number of shares in Frill calculated on the number of shares after the issue of the Remuneration Shares.

ISSUE OF REMUNERATION SHARES

For payment of the part of the purchase price in the Acquisitions that consists of shares in Frill to a value of approximately SEK 47 million, the Board has today, with the support of the Extraordinary General Meeting's authorization on December 15, 2020, decided on a set-off issue of Remuneration shares to the sellers of IQ Fuel and Kling Homie. The subscription price is SEK 0.813 per share and is based on an agreement between the Company and the sellers and is thus assessed in terms of market. Through the set-off issue, a total of 57,810,572 Remuneration Shares will be issued. The consideration shares will constitute approximately 29 percent of the number of shares in Frill and entail an increase in the share capital by SEK 2,890,528.60.

Following the issue of the Remuneration Shares relating to the acquisitions of iQ Fuel and Kling Homie, the share capital in Frill will be distributed in accordance with the following table.

Shareholders

Frills existing shareholders	140,681,438	70,9 %
Remuneration shares iQ Fuel	36,285,357	18,3 %
Remuneration shares Kling Homie	21,525,215	10,8 %
Total	198,492,010	100 %

TRANSACTION COSTS

Fees for assistance with placement of the Convertible will be paid in an amount corresponding to six percent of the amount the Convertible is subscribed with. The fees will essentially be set off against shares in Frill at the same issue price as the Remuneration Shares.

Responsible party

This information is such information Frill Holding AB (publ) is required to publish in accordance with the EU Market Abuse Regulation. The information was submitted, through the care of the contact person below, for publication on April 22, 2021 at 20.15.

For further information, please contact:

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About the Frill Group

Frill is an innovative company that has developed a unique food tech platform for the development of products within functional foods. Through organic growth and acquisition strategy, the company will become a leading company in Functional foods in the Nordic region and contribute to better health and quality of life. The company's brands are:

iQ Fuel - Fast-growing functional drinks without caffeine, enriched with vitamins and electrolytes - **Homie** - Lifestyle brand that delivers healthy and functional products such as nutritional supplements, functional and energy drinks, dietary supplements - **Bezzt of Nature** - Healthy candy products and bars based on honey, algae, honey - **Nathalie's Direct Trade** - Healthy snacks made from dried fruit bought directly by farmers in Colombia - **Frill** - Genuinely healthy snacks made from fruits and vegetables - **Add Ice Cream** - Healthy ice cream that delivers functional benefits such as proteins and vitamins - **Bacocoli** - High quality products such as oil, pasta and chocolate from Italy.

Frill Holding creates useful dietary alternatives based on scientific facts and delivers affordable and healthy diets to consumers. The company is based in Stockholm and is listed on the Nasdaq First North Growth Market, short name FRILL B. FNCA Sweden AB is the company's Certified Adviser. Tel. +46 (0) 8 528 00 399, email info@fnca.se

The Frill Group consists of eight companies: Frill Holding AB (publ), Add Nutrition AB, Zendegii Frill Ltd. (UK), Frill Inc. (USA), Bezzt AB, Kling Homie AB, Nathalies Direct Trade AB and iQ Fuel AB.

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