



Frill continues its growth journey - acquires Beijing8

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Frill Holding AB (publ) ("Frill" or "the Company") has today completed the acquisition of 100 percent of the shares in B8 Sverige AB ("Beijing8"). Beijing8 fits well into Frill's strategy to grow rapidly in functional foods, and to create an attractive portfolio of brands that will strengthen each other. Through the acquisition, Frill will also have a presence throughout the Nordic region. The payment for the acquisition is made through approximately 38.9 million newly issued shares in Frill (the "Remuneration Shares"). In addition, Frill takes over receivables totaling approximately SEK 14.3 million that some sellers have against Beijing8. The receivables are acquired through the issue of seller receipts which are subsequently set off against approximately 4.64 million newly issued shares in Frill and approximately 7.8 million convertibles in the convertible issue decided and communicated by Frill on April 22, 2021. The convertible issue has thus been fully subscribed and the Company has thus completed the letter of intent communicated on April 22, 2021. The acquisition is in line with Frill's communicated strategy of building an expansive portfolio of brands and growing through both acquisitions and organic growth.

Beijing8 is a Swedish company that markets and sells dumplings and related by-products in the Nordic region, both in the grocery 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. Beijing8's products are currently sold in Sweden, Finland, Norway and Estonia. The company's products are sold in grocery stores, restaurants and via e-commerce. In addition to the main product, dumplings, Beijing8 also sells a number of different accessories in the form of sauces, beverages and cooking utilities. Additional launches will take place in 2021 and 2022. In 2020, Beijing8 had sales of approximately SEK 32 million with a profit of approximately SEK -7 million.

"With the acquisition of Beijing8, Frill continues its rapid expansion. The company fits well into our portfolio. We expect to be able to quickly scale up the distribution and sales of Beijing8's products throughout the Nordic region. Beijing8's attractive and in-demand products in combination with a presence in several Nordic countries open up new opportunities and synergies, which can be utilized for our other brands. The employees in Beijing8 will fit in well with our strengthened organization." says Peter Blom, CEO of Frill.

Magnus Andersson, CEO of Beijing8, comments on the acquisition:

"In a short time, Frill has built up an impressive company with a strong market presence and an attractive product portfolio. Taking the step into this exciting company is exactly what Beijing8 needs to be able to take the next step in the development of our brand and to be able to better develop the full potential of our products. Frill's organization gives us access to

resources and a number of important functions and competencies to achieve this, and I look forward to being part of the Frill team”.

ABOUT THE ACQUISITION

The acquisition of Beijing8 is carried out in accordance with similar terms as communicated in the letter of intent that the Company entered into on April 22, 2021. The acquisition further strengthens Frill's position and is an attractive addition to Frill's already diversified product portfolio.

Frill has acquired all outstanding shares in Beijing8. The acquisition is paid through 38,931,093 Remuneration shares. The company also takes over receivables totaling approximately SEK 14.3 million that some sellers have towards Beijing8. The receivables are acquired against the issuance of seller receipts which the creditors set off against 7,799,993 convertibles in the convertible issue of a maximum of SEK 85 million decided and communicated by Frill on April 22, 2021 and 4,641,427 newly issued shares in Frill.

ISSUE OF REMUNERATION SHARES

For payment of the purchase price consisting of shares in Frill, the Board has, with the support of the authorization of the Extraordinary General Meeting on December 15, 2020, decided on a set-off issue of Remuneration Shares to the sellers of Beijing8. Through the issue, 38,931,093 Remuneration shares will be issued, which corresponds to an increase in the share capital of SEK 1,946,554.65.

TAKEOVER OF SHAREHOLDER LOANS AND ISSUE TO CREDITORS

In connection with the acquisition of Beijing8, Frill will take over receivables of approximately SEK 6.5 million in the form of existing shareholder loans in Beijing8, which will be acquired against the issuance of seller reversals. In order to settle the receivables under the seller's reverse, the Board of Directors of Frill, with the support of the authorization of the Extraordinary General Meeting from 15 December 2020, has decided on a set-off issue of 4,641,427 shares to creditors, which corresponds to an increase in share capital of SEK 232,071.35. The subscription price amounts to SEK 1.40 per share in the Company and is based on an agreement between the Company and the creditors and is thus assessed market-based.

Following the issue of the shares in connection with the acquisition of Beijing 8, the share capital in Frill will be distributed according to the following table.

Frill's existing shareholders	203 521 595	82,4 %
Remuneration shares Beijing8	38 931 093	15,8 %
Settlement of acquired shareholder loans in Beijing8	4 641 427	1,9 %
Total	247 094 115	100 %

TAKEOVER OF ADDITIONAL RECEIVABLES AND INFORMATION ABOUT FRILL'S CONVERTIBLE

In addition to the shareholder loans described above, in connection with the acquisition of Beijing8, Frill will take over additional receivables of approximately SEK 7.8 million that certain sellers have towards Beijing8. The receivables have been acquired by issuing seller receipts which are then used by the creditors to pay by set-off for 7,799,993 convertibles subscribed by the creditors in the convertible issue of a maximum of SEK 85 million decided and communicated by Frill on April 22, 2021.

Frill's convertible issue of a maximum of SEK 85 million is thus fully subscribed and will soon be registered with the Swedish Companies Registration Office. Through the issue, the company will receive SEK 85 million, of which approximately SEK 7.8 million through set-off of liabilities.

Conversion of the convertibles 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 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.

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 June 1, 2021 at 19.45.

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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 Nordics and contribute to better health and quality of life. Current brands within the Frill Group are: iQ Fuel, Homie Life in Balance, Beztt of Nature, Nathalie's Direct Trade, Frill, Add Ice Cream, Bacocoli, Juica and Beijing8.

Frill Holding creates healthy dietary alternatives based on scientific facts and delivers affordable and nutritious 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 ten companies: Frill Holding AB (publ), Add Nutrition AB, Zendegii Frill Ltd. (UK), Frill Inc. (USA), Beztt AB, Kling Homie AB, Nathalies Direct Trade AB, Juica Sverige AB, iQ Fuel AB and B8 Sverige AB.

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