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Press release, Stockholm, 27 November 2017

## **MAG Interactive publishes prospectus in connection with the listing on Nasdaq First North Premier**

**Following the announcement of its intention to float on 20 November 2017, MAG Interactive AB (publ) ("MAG Interactive" or the "Company") today publishes its prospectus and final conditions for its initial public offer (the "Offering") of its shares and listing on Nasdaq First North Premier.**

MAG Interactive is a leading developer and publisher of casual mobile games for a global audience. The Company's game portfolio consists of ten<sup>1</sup> successful games, nine of which have been downloaded in excess of one million times. The tenth game Backpacker, was launched in October 2017 and has subsequently not reached one million downloads yet. Combined, the Company's ten games have been downloaded in excess of 200 million, a milestone reached in conjunction with the acquisition of FEO Media in November 2017. MAG Interactive attracts a global audience with net sales spread out across the globe. As of 31 August 2017, the Company had 1.6 million Daily Active Users and 7.4 million Monthly Active Users playing MAG Interactive's games. If FEO Media's players for the corresponding period were to be included, Daily Active Users would increase to 3.2 million and Monthly Active Users would increase to 12.8 million.

### **The Offering in brief**

- The Offering is being made to institutional investors internationally and in Sweden, as well as to the general public in Sweden.
- The final price in the Offering is set to SEK 44 per share, which implies a market value for MAG Interactive, after completion of the Offering, of approximately SEK 1,158 million.
- The Offering encompasses 11,345,461 shares in total, out of which 4,545,454 shares are newly issued shares by the Company. The remaining 6,800,007 shares are offered by existing shareholders in MAG Interactive ("Selling Shareholders"). The Offering of new shares will provide MAG Interactive with gross proceeds of approximately SEK 200 million and net proceeds of approximately 184 million.
- In order to cover any over-allotment in connection with the Offering, the Selling Shareholders will grant the Global Coordinator and Bookrunner (as defined below), an option to purchase up to 1,701,819 existing shares ("Over-allotment option"), corresponding to up to 15 per cent of the number of shares in the Offering.
- The Offering encompasses approximately 43.1 per cent of the total number of shares in the Company, following completion of the Offering. Assuming that the Over-allotment option is

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<sup>1</sup> Games that are published by MAG Interactive

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exercised in full, the Offering will encompass 49.6 per cent of the total number of shares in the Company, following completion of the Offering.

- If the Over-allotment option is exercised in full, the value of the Offering will amount to approximately SEK 574 million.
- Didner & Gerge Fonder AB, Handelsbanken Fonder AB, RAM ONE AB, Chalex through Chalex i Göteborg AB and Swedbank Robur Fonder AB (together the "Cornerstone Investors") have committed, subject to the fulfilment of certain conditions, to acquire a number of shares in the Offering, corresponding to 19.9 per cent of the total number of shares in the Company, following completion of the Offering, assuming that the Over-allotment option is exercised in full. The commitments from the five Cornerstone Investors amount to approximately SEK 230 million in total.
- Nasdaq has approved MAG Interactive's application subject to certain customary conditions, such as the Company obtaining an adequate distribution of ownership no later than on the first day of trading.
- The first day of trading on Nasdaq First North Premier is expected to be 8 December, 2017, and the shares will trade under the symbol "MAGI". The expected settlement day of the Offering is 12 December, 2017.
- A prospectus with full terms and conditions is published today 27 November 2017, on the Company's website <https://corporate.maginteractive.com/>.

#### **Daniel Hasselberg, CEO and co-founder of MAG Interactive:**

*"It has been an exhilarating journey since the launch of Ruzzle in 2012. We are fortunate to have some astonishing, ambitious, hard-working and driven people in this Company. Together we have come far, but we are nowhere near done. We are still at the beginning of our journey with the listing being an important milestone, and an important step for us as a company. In addition to diversifying the ownership structure, the listing will contribute to awareness about MAG Interactive, something we are convinced will be beneficial for our growth journey ahead."*

#### **Walter Masalin, Chairman of the Board of MAG Interactive:**

*"These are exciting times. It is with significant pride the board looks at what the Company has achieved. MAG Interactive has established a strong position within casual mobile games, and has proven to be able to expand its focus from the word game category to the broader and larger casual category, not least through the acquisition of FEO Media AB ("FEO Media"). With a clear strategy for continued profitable growth, we are excited to broaden the ownership base and offer the opportunity for an enlarged group of shareholders to follow us into the exciting future of the Company."*

#### **Background to the Offering**

MAG Interactive was founded in Stockholm in 2010. Ruzzle, the Company's first game was launched in 2012. Since then nine additional games have been added to the portfolio through in-house development, publishing of games developed by third parties, as well as acquisitions.

The board of directors and the management of MAG Interactive believe that now is an appropriate time to broaden the shareholder base and to apply for a listing of the shares on Nasdaq First North Premier. The Offering and the listing is expected to support future growth, provide the Company with access to

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capital markets and establish a diversified base of new shareholders. MAG Interactive also expects that the listing will promote broader awareness among gamers and potential employees worldwide.

### **Prospectus and application form**

A Swedish and English language prospectus regarding the Offering will be published today, 27 November, 2017 on MAG Interactive's website (<https://corporate.maginteractive.com/>). The Swedish and English language prospectus and instructions for application are available on Danske Bank's website ([www.danskebank.se](http://www.danskebank.se)). An application can also be made through Avanza's Internet service ([www.avanza.se](http://www.avanza.se)).

### **Preliminary timetable**

- |  |                               |
|--|-------------------------------|
| • Publication of prospectus:                           | 27 November 2017              |
| • Application period for the general public in Sweden: | 28 November - 6 December 2017 |
| • Bookbuilding for institutional investors:            | 28 November - 7 December 2017 |
| • First day of trading of MAG Interactive's shares:    | 8 December 2017               |
| • Settlement day:                                      | 12 December 2017              |

### **Advisors**

Danske Bank is acting as Global Coordinator and Bookrunner ("Global Coordinator and Bookrunner"). Roschier is legal advisor to the Company and Hamilton is legal advisor to the Global Coordinator and Bookrunner.

### **For further information, please contact:**

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The securities referred to in this announcement have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "Securities Act"), and accordingly may not be offered or sold in the United States absent registration or an exemption from the registration requirements of the Securities Act and in accordance with applicable U.S. state securities laws. The Company does not intend to register any part of the offering in the United States or to conduct a public offering of securities in the United States.

This announcement is an advertisement and is not a prospectus for the purposes of Directive 2003/71/EC (together with any applicable implementing measures in any Member State, the "Prospectus Directive"). A prospectus prepared pursuant to the Prospectus Directive will be published, which, when published, can be obtained from the Company. Investors should not subscribe for any securities referred to in this announcement except on the basis of information contained in the prospectus.

In any EEA Member State other than Sweden that has implemented the Prospectus Directive, this communication is only addressed to and is only directed to investors in that Member States who fulfil the criteria for exemption from the obligation to publish a prospectus, including qualified investors, within the meaning of the Prospectus Directive, i.e., only to investors who can participate in the Offering without an approved prospectus in such EEA Member State.

This announcement is only being distributed to and is only directed at (i) persons who are outside the United Kingdom or (ii) to investment professionals falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the "Order") or (iii) high net worth companies, and other persons to whom it may lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons in (i), (ii) and (iii) above together being referred to as "relevant persons"). The shares are only available to, and any invitation, offer or agreement to subscribe, purchase or otherwise acquire such securities will be engaged in only with, relevant persons. Any person who is not a relevant person should not act or rely on this announcement or any of its contents.

This announcement contains certain financial measures that are not defined under International Financial Reporting Standards ("IFRS"), including certain measures such as "Game Contribution", "Game Contribution margin", "EBITDA," "EBITDA margin", "Free cash flow" and "Cash conversion" which are referred to as "non-IFRS financial measures". These non-IFRS financial measures supplement the IFRS financial measures and should not be considered an alternative to the IFRS financial measures. Non-IFRS financial measures have certain limitations as analytical tools and they should not be considered in isolation or as substitutes for analysis of results reported under IFRS.

Matters discussed in this announcement may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believes", "aims", "deems", "targets", "estimates", "anticipates", "expects", "assumes", "forecasts", "intends", "could", "will", "should", "would", "according to estimates", "is of the opinion", "may", "plans", "continue", "potential", "predicts", "projects", "to the knowledge of" and similar expressions. This applies in particular to statements referring to future results, financial position, cash flow, plans and expectations

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for the Company's business and management, future growth and profitability and general economic and regulatory environment and other circumstances which affect the Company. Forward-looking statements are based upon various estimates and assumptions, many of which are based, in turn, upon further assumptions, such as no changes in existing political, legal, fiscal, market or economic conditions or in applicable legislation, regulations or rules (including, but not limited to, accounting policies, accounting treatments and tax policies), which, individually or in the aggregate, would be material to the results of operations of the Company or its ability to operate its businesses. Although the Company believes that these assumptions were reasonable when made, these assumptions are inherently subject to significant known and unknown risks, uncertainties, contingencies and other important factors, which are difficult or impossible to predict and are beyond its control. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied by such forward-looking statements.

Potential investors should not place undue reliance on the forward-looking statements herein and are strongly advised to read the detailed description of factors that have an effect on the Company's business and the market in which the Company operates, which will be included in the prospectus.

The information, opinions and forward-looking statements contained in this announcement speak only as at its date, and are subject to change without notice.