

Press release
October 4th, 2016

Mavshack sold 627 773 subscriptions in the 3rd Quarter 2016, an increase of 84 % compared to Quarter 2 2016. Prolongs the Irrevocable Subscription Undertaking with Abara.

The sales in the 3rd Quarter 2016 is noted to be an all time high in quarterly sales attributable to a high response from subscribers in United Arab Emirates, Bahrain and Kuwait using their mobile devices to subscribe, pay and consume content.

Period	New Subscribers*	Paying users among new subscribers**	Units of sold subscriptions***
July	6 288	73%	135 868
August	3 513	93%	219 654
September	5 457	88%	272 251
Total Q3 2016	15 258	83%	627 773
Total Q2 2016	17 947	64%	341 358
Total Q1 2016	47 152	69%	265 839
Total Q4 2015	26 061	34%	106 236

*) Amount of new first time registered subscribers. This includes basic subscribers (those who get free access to limited content) and paying premium subscribers.

**) Share of new subscribers who pay for either a 1-day or 30-day subscription. It shall be noted that different trial periods is offered depending on geographical market.

***) Including 1-day and 30-day subscriptions. Note that subscribers can have purchased more than one-day pass during the period. The number includes both new and recurring subscribers. Subsequent reconciliation of sales through mobile operators API's are made quarterly.

Followed by the focus on content originating from the Philippines for the Filipino Diaspora (population moved from its original homeland), the trend continues to strengthen where the users subscribe, pay and consume content through their mobile arrangement with a local telecommunication company. In the 3rd quarter 75% of consumption were from mobile phones, 10% from tablets and 15% from desktop computers. The introduction of daily subscriptions through application-programming interface ("API") with regional mobile operators such as implemented in United Arab Emirates, Bahrain and Kuwait allows the user to subscribe and unsubscribe on a daily basis using their mobile phone subscription or pre-paid phone number for payments. This has proven to be extremely successful as the Filipino Diaspora favors a low amount before a low price (day pass vs. monthly subscription) for their consumption. The flexibility of being able to turn a subscription on and off on a daily basis seems to be appreciated by the subscriber in such way that he is willing to pay a premium for such convenience compared to the price of a monthly subscription. Depending on which market a subscription is sold 6-9 one-day subscriptions equals the price of a monthly subscription.

Mavshack's next launch is planned for the Kingdom of Saudi Arabia. This was forecasted to start this September but due to unforeseen technical refinement procedures on the part of the telecommunications partner, the launch has been moved to the fourth quarter of 2016. In parallel Mavshack is in dialog with another major global telecom conglomerate holding leading positions in the markets of Qatar, Kuwait and Oman where the Filipino diaspora are present in large numbers and very active. Mavshack has also initiated discussions with operators outside the Middle East in order to explore business opportunities presented by similar telco integrations where the Filipino diaspora are present at size.

On September 24, 2015 Mavshack Board of Directors decided to contract with Abara Equities Ltd. (Abara), a company which focuses on assisting Asian investments in Europe, where Abara guarantee new issues up to 30

About Mavshack AB

Mavshack operates a global Internet TV services with Asian entertainment. The service, which is available through Internet connected devices, is genuinely global with users in over 80 countries. With the largest library of Filipino and Indian titles, as well as agreements with Asia's leading content providers, Mavshack is the obvious choice for Asian entertainment around the world. The company operates its business on a proprietary technology platform.

Mavshack AB (publ) is a publicly traded company listed on Nasdaq First North under the ticker MAV. Certified adviser is Erik Penser Limited. More information about the company is available at www.mavshack.se

MSEK in one or more parts until October 1, 2016. During the contracted period 17 MSEK was utilized to execute on the company's sales strategy with special focus on Filipinos in the Middle East. With the support of the mandate given to the Board of Directors received at the Annual General Meeting May 17, 2016, the Board has decided to enter into an extension of this agreement with Abara up to July 1, 2017.

"For us it is gratifying to see how well the company has managed to implement its sales strategy in the Middle East. By integrating with major mobile operators Mavshack has a unique opportunity to capitalize on new consumer habits in the rapidly growing streaming market where the mobile phone is used to subscribe and pay for a subscription as well as to consume content," says Charis Raftopoulos Managing Partner Abara Equities Ltd.

The agreement on the extension of Abara includes the following conditions:

- Abara guarantee new issues up to 13 MSEK in one or more parts until 1 July 2017.
- Mavshacks Board of directors may call on this warranty with 30 days notice and the issue price is set at 80% of the average share price during the 30-day assessment period before issuance.
- The remaining part of the Board's authorization to issue shares is 35 million shares

The number of shares and the share capital will increase relative to the exercise price based on the current performance period. The current number of shares is 147,106,943 and share capital is 14,710,695 SEK. With today's share price of 0.37 SEK the number of shares would increase by a maximum of 35 million to a maximum of 182,106,943 shares and the share capital by a maximum of 3.5 MSEK to a maximum of 18,210,695 SEK. This would mean a dilution of 24%.

October 4th 2016.

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This information is information that Mavshack AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out above, at 08:45 CET on October 4th 2016.

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