

Press Release
December 20th, 2016

Mavshack AB makes changes in its Group Structure

Mavshack AB (Mavshack) and First Rate Enterprise Development Ltd (FRED) have entered into a shareholders agreement on how to govern Ambientmedia International Ltd (Ambientmedia). Further to this agreement, Mavshack has sold 100 shares (1%) of Ambientmedia to FRED and, as a result, the ownership of shares in Ambientmedia are now on an equal basis between the parties but FRED shall take a larger responsibility for the control of Ambientmedia in accordance with the shareholders agreement.

Mavshack acquired 51% of Ambientmedia from FRED in July 2015. The major part of the purchase was paid through a direct share issue of 20 million shares in Mavshack AB where, as a result, FRED became the single largest shareholder in Mavshack AB. Due to the July 2015 acquisition, Ambientmedia became part of the Mavshack group and, as such, was treated as a subsidiary which gave Mavshack the control of Ambientmedia.

The acquisition of Ambientmedia brought Mavshack closer to the Filipino content providers and obtained in-house production capabilities. Mavshack has had tremendous help from Ambientmedia while reorganizing and building up its library of Filipino content. Today, with Filipino shareholders and Filipino senior management employed, the need for Mavshack to be in control of Ambientmedia is of less importance, which now accounts for why this change has been made.

The 100 shares in Ambientmedia was sold for 575 000 SEK in cash and the transaction was completed as of today. The transaction values Ambientmedia to 57,5 MSEK compared to the 72,5 MSEK in July 2015. The difference of 15 MSEK will appear in Q4 as a write down of goodwill on a group level. Due to the change in control, Mavshack will not consolidate Ambientmedia in the group financials going forward. The impact in Mavshack AB (parent company) will be a write-down of shares in group entities of 7,6 MSEK followed by a reclassification of 28,8 MSEK from shares in group entities to shares in associated companies.

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This information is information that Mavshack AB (publ) is obliged to made 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 December 20th 2016.

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 Bank. More information about the company is available at www.mavshack.se