

Company Announcement 19, 2023 - Astralis sells a majority stake in its League of Legends European Championship franchise slot

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Astralis has entered into an agreement to transfer the League of Legends European Championship (LEC) franchise slot ("the LEC slot") to a newly formed wholly owned subsidiary AK-Game SAS at a total agreed valuation of DKK 194 million. Subsequently Karmine Corp SAS will acquire 66,67 % of the shares in AK-Game SAS for DKK 129 million.

The sale will be completed in tranches from 2023-2025 and Astralis will retain a capital interest in AK-Game SAS of 33,33 %. The Agreement contains provisions for Astralis to trigger additional share transfers, up to ceding 100% of the shares to Karmine Corp SAS by 2031.

The estimated net gain before tax from the sale in 2023 is DKK 153 million with an estimated aggregated cash flow effect 2023-2025 of DKK 112 million.

The sale is subject to a number of conditions of which all are expected to be fulfilled in the near future and the transfer of the LEC slot is expected to come into force in November 2023.

Guidance for 2023

Following the sale of the LEC slot the guidance for 2023 is updated. The guidance for net revenue is now expected in the range of between DKK 70 million - DKK 75 million and the guidance for EBITDA is now expected in the range between DKK 150 million and DKK 155 million including gain from the sale of the LEC slot DKK 153 million. Previous guidance was revenue between DKK 82 and DKK 87 million and an EBITDA between DKK -1 million and DKK +4 million.

Anders Hørsholt, CEO Astralis A/S

"The LEC is a professional and extremely well-run league, and we are proud of the development and growth we have been a part of. When we experience a significant increase in the value of an asset, as in this case, we have an obligation to assess the opportunities that a sale of the LEC slot will give us versus the value of retaining these rights. We have assessed that the price of the offer is of a value that will create significant opportunities for the Company, and hence we choose to sell now.

We retain 33,33 % ownership, which means that we will benefit from any continued growth in the value of the LEC slot, while at the same time consolidating ourselves in the market through the sale and thereby securing a strong foundation for future growth."

Astralis A/S will delist from Nasdaq First North Growth Market Denmark

In Company announcement no. 14 published on 16 August 2023, Astralis A/S informed about the approval to remove the Company's shares from trading on Nasdaq First North Growth Market Denmark.

The last day of trading of the shares in Astralis A/S on Nasdaq First North Growth Market Denmark will be Wednesday 25 October 2023.

Best Regards
Astralis A/S

Anders Hørsholt
CEO

Certified Advisor

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Attachments

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