



24 July 2017

**Prior to publication, the information contained within this announcement was deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulations (EU) No. 596/2014 ("MAR"). With the publication of this announcement, this information is now considered to be in the public domain.**

**Gfinity plc**  
(“Gfinity” or the “Company”)

**Acquisition of CEVO, Inc**

***Gfinity buys USA based global provider of services and technology to the esports industry***

Gfinity plc, a leading esports business, announces that it has acquired the entire issued share capital of CEVO, Inc (‘CEVO’), an American based, industry renowned, global provider of technology and services to the esports market, for a total consideration of up to \$2.7 million payable in cash and shares.

Founded in 2004, CEVO has built an outstanding reputation for the operation of its own esports competitions, primarily in North America, and as a provider of technology and services to a client base of blue-chip organisations in the esports space. CEVO has developed proprietary technology and a suite of esports products, including leading anti-cheat software, used by a number of major operators in the industry, including Gfinity, and a range of esports broadcast products.

**Acquisition highlights**

- CEVO’s technology, including its tournament management system, anti-cheat system and dynamic broadcast software, strengthens Gfinity’s position as a leading provider of end-to-end esports solutions
- The acquisition accelerates Gfinity’s overseas expansion into North America, helping Gfinity deliver on its strategy of building a leading global esports business.
- The CEVO management team, with almost 50 years of collective experience in the esports industry, strengthens Gfinity’s capability to take advantage of the wide range of opportunities in the fast growing esports sector
- Total consideration of up to \$2.7m:
  - The consideration will be satisfied through the immediate payment of \$977,200 in cash and the issue of 3,614,049 ordinary shares of 0.1p each in Gfinity (“Ordinary Shares”) at a price of 19.63p per Ordinary Share, being the average closing mid-market share price during June 2017, to the vendors (“Initial Consideration Shares”)
  - Deferred cash consideration of up to \$418,800 in cash and the issue of up to 1,548,877 Ordinary Shares at a price of 19.63p per Ordinary Share subject to achieving revenue targets for 2017
- Gfinity will grant options over 2,079,052 Ordinary Shares to current CEVO staff as part of the transaction. These options will be exercisable at 19.63p per share after a year from the completion date of the transaction until 30 August 2027 (30% being subject to the deferred cash and share consideration targets having been achieved).

**Acquisition rationale**

The acquisition is in line with Gfinity’s strategy to grow shareholder value by establishing itself as the world’s leading global esports business as it continues to expand its global footprint in the fast growing esports market.

CEVO has been a technology supplier to Gfinity for three years and is renowned as one of the leading technology providers to the esports industry. The acquisition demonstrates Gfinity's global ambitions, which have already been highlighted by the delivery so far this year of events in the UK, Mexico, France and the USA.

In acquiring CEVO, Gfinity will be supplementing its existing technology and management team with some of the most experienced operators in the esports industry, leaving the Company well positioned to take advantage of the growing number and scale of esports opportunities. The Directors of Gfinity believe they will be able to build out and enhance the Company's core products through the integration of CEVO's key technology. The Directors of the Company believe that Gfinity's core product suite, now combined with CEVO's technology, represents one of the market leading suites of esports technology.

In the financial year ended 31 December 2016, CEVO generated revenues of \$826,000, \$24,000 of which related to sales to Gfinity. As at 30 June 2017, CEVO had net assets of \$63,171 and \$59,841 cash. The vendors of CEVO are the founders, management team and consultants to the business.

**Neville Upton, Chief Executive of Gfinity, said:**

"We are delighted to have acquired one of the most reputable esports technology players in the industry, which further strengthens our position as a market leader in esports technology. It also demonstrates our determination to become a leading global player in the industry having previously delivered events in the UK, France, Mexico and USA since the start of this year.

"CEVO's combined experience of 50 years in the market supplements our existing team of talented individuals – creating one of the most experienced esports operators in the industry – leaving us well positioned to take advantage of a growing number of esports opportunities in future."

**Eric Ping, Chief Executive of CEVO, said:**

"We are very excited to join Gfinity, with whom we have enjoyed a strong relationship with for several years. This is a great opportunity to create a truly world-class global esports business. Our combined technical capability allows us to provide a truly valuable suite of esports products and solutions which we look forward to presenting to our partners."

**Admission and Total Voting Rights**

Application will be made to London Stock Exchange for the Initial Consideration Shares to be admitted to trading on AIM and such admission is expected to occur on 26 July 2017 ("Admission"). On Admission, the Company will have 192,277,619 Ordinary Shares in issue, each with one voting right. There are no shares held in treasury. Therefore, the Company's total number of ordinary shares and voting rights will be 192,277,619.

The above figure of 192,277,619 may be used by shareholders in the Company as the denominator for the calculations by which they will determine if they are required to notify their interest in, or a change to their interest in, the Company under the FCA's Disclosure Guidance and Transparency Rules.

**Enquiries:**

**Gfinity plc**

Neville Upton, Chief Executive Officer

[www.gfinityplc.com](http://www.gfinityplc.com)

*Via Walbrook PR*

**Allenby Capital Limited – AIM Nominated Adviser and Broker**

Jeremy Porter / John Depasquale / James Thomas

**Tel. +44 20 3328 5656**

**Walbrook PR (Media & Investor Relations)**

**Tel: +44 (0)20 7933 8780**

### **About Gfinity**

Founded in 2012, Gfinity has quickly established itself as one of the world's leading esports businesses. The London-based Company enjoys strong relationships with game publishers, players and the wider esports community and has built a reputation for delivering top quality esports competitions, both on-line and off-line, and producing industry leading esports broadcasts.

Gfinity stages world leading esports events in which the world's top esports players travel to the Gfinity Arena in London to take part in competitions broadcast on-line to millions of viewers worldwide. Gfinity stages live esports events featuring top video gaming titles, across PCs, consoles and mobile devices.

Gfinity monetises the strong position that it has created through a combination of sponsorship, advertising, broadcast income relating to Gfinity's own events and through fees received for creating and delivering bespoke events for sponsors and game publishers seeking to engage with the esports community.

### **About CEVO**

CEVO was founded in Maryland in 2004 with the aim of transforming a fledgling competitive gaming industry into a professional sport and has since built a formidable reputation in the esports industry.

CEVO provides esports services and innovative technologies to clients globally. CEVO help craft bespoke, authentic esports experiences with first class production and broadcasting services. For deeper engagements CEVO also offers fully-white-labelled solutions and powerful customisations to its proprietary technology stack.

CEVO stage their own tournaments, primarily online, while their technology and collective expertise power some of the leading esports events. Their technology offering includes proprietary, market leading anti-cheat technology and broadcast software that enables them to automatically integrate statistics from their tournament platform in real time trigger dynamic in arena visuals based on live game events.

CEVO's exclusive PROCast platform powers gorgeous scene graphics and transitions and seamlessly integrate statistics from its tournament platform in real-time. PROCast can also trigger dynamic in-arena visual effects based on live game events.

In terms of live events and tournament services, CEVO offers live esports services for studio events, convention spaces, and even the first North American \$1million Counter Strike: Global Offensive Major hosted by Major League Gaming, a fully integrated eSports operator, at the Nationwide Arena, Columbus, Ohio.

ENDS