



13 March 2018

Dissemination of a Regulatory Announcement that contains inside information according to REGULATION (EU) No 596/2014 (MAR)

Gfinity plc
("Gfinity" or the "Company")

**Acquisition of RealSM Limited and its RealSport platform,
issue of equity and change in total voting rights and substantial shareholder notification**

Gfinity acquires RealSport, a fan-oriented digital sports media platform, for c.£2.4 million in Gfinity shares

Gfinity plc (AIM: GFIN), a leading international esports entertainment group, announces that it has acquired the entire issued share capital of RealSM Limited ('RealSport'), owner of the fan-oriented digital sports media platform, RealSport (realsport101.com), for a total consideration for approximately £2.4 million to be settled wholly in new shares in Gfinity.

RealSport

Founded in January 2016, RealSport provides sports fans with all the latest news from across the globe. RealSport's platform features original content, including news documentaries, podcasts, analysis and opinions.

By positioning itself as the "go-to hub" for mainstream sporting and esports communities, RealSport has rapidly built an online user base of more than half a million active monthly users with esports currently accounting for over 40% of all traffic on its website. Given its growth trajectory and innovative business plan, the Board of Gfinity anticipates scope for significant growth of its user base globally.

Strategic Acquisition Rationale

This acquisition supports Gfinity's aim to build a large and engaged digital esports community, from the casual fan to the elite professional, all playing, watching and socialising around esports via Gfinityesports.com.

The Directors of Gfinity believe that by combining RealSport's platform and audience with Gfinity's premium video content and esports technology, there is the potential to significantly accelerate the growth of this global community, providing great synergies with Gfinity's own operations. This will add value for Gfinity's commercial partners and support the promotion of Gfinity's product portfolio, including the Gfinity Elite Series and the esports programmes that it delivers on behalf of its partners.

Under the terms of the acquisition, Gfinity will integrate RealSport's online real estate into its business operations. Gfinity will also acquire the services of the team of seven key employees including the co-founders, Roei Samuel and Scott Hurst, together with their network of contributors, who have driven the rapid growth in the RealSport digital platform.

Acquisition Consideration

Gfinity has acquired the entire issued share capital of RealSport for a total consideration of approximately £2.4 million to be satisfied through the issue of 12,307,382 new ordinary shares of 0.1p in the Company (the "Consideration Shares") at an issue price of 19.317p per share, being the average closing mid-market price of ordinary shares on AIM over the last 15 trading days prior to completion of the transaction.

The Consideration Shares being issued to the two co-founders, which in aggregate will represent approximately 2 per cent of the issued share capital of the Company as enlarged by the issue of the Consideration Shares, may not be sold, transferred or otherwise disposed in the first year following completion and for a further year thereafter may only be sold, transferred or otherwise disposed in accordance with orderly market principles. All other Consideration Shares issued to the other vendors of RealSport may only be sold, transferred or otherwise disposed in accordance with orderly market principles during the year.

The Consideration Shares will rank pari passu with the existing shares of the Company. The Company will apply for the Consideration Shares to be admitted to trading on AIM and such admission is expected to occur at 8.00am on 19 March 2018 (“Admission”).

Total Voting Rights

Following Admission, the Company shall have 230,510,927 ordinary shares of 0.1p each in issue, each with one voting right (“Ordinary Shares”). The Company does not hold any Ordinary Shares in treasury and therefore the total number of Ordinary Shares and voting rights in the Company is 230,510,927. This figure 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 share capital of the Company under the Financial Conduct Authority’s Disclosure Guidance and Transparency Rules.

Related Party Transaction and Substantial Shareholder Notification

Nigel Wray is currently interested in approximately 13.4% of the issued share capital of the Company and as a shareholder in RealSport he will receive 2,757,114 Consideration Shares, which constitutes a related party transaction pursuant to rule 13 of the AIM Rules for Companies. Accordingly, the Directors of Gfinity consider, having consulted with the Company’s nominated adviser, Allenby Capital, that the terms of this transaction with Nigel Wray are fair and reasonable insofar as Shareholders are concerned. On Admission, Nigel Wray’s beneficial interest in the Company will increase to 32,048,325 Ordinary Shares, which represents approximately 13.9 per cent of the issued share capital of the Company as enlarged by the issue of the Consideration Shares.

Neville Upton, Chief Executive of Gfinity, said: “RealSport has done a great job of building a “go-to” hub for the esports community. They have a very talented team whose expertise in building a digital community will be very valuable to Gfinity. This deal will further help Gfinity continue to drive awareness and engagement in Gfinity and Elite Series brands. We believe this will accelerate Gfinity’s plans to monetise our digital assets and will greatly increase the value of our proposition to our prospective commercial partners.”

Roei Samuel, Co-founder of Real SM Ltd, said: “esports is one of the most exciting and fastest growing markets in the world, and Gfinity is at the forefront of the industry, with amazing offerings such as the Elite Series and partnerships with some of the biggest organisations in sport including FIFA and Formula 1. This acquisition by Gfinity will allow RealSport to create even more great content, across more areas and platforms for our fans than ever before.”

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About Gfinity

Founded in 2012, Gfinity has established itself as one of the world's leading esports companies. The London-based business enjoys strong relationships with game publishers, players and the wider esports community and has built a solid reputation for delivering high quality competitions, both on-line at www.gfinityesports.com and off-line, in addition to producing industry leading esports broadcasts.

The Gfinity Esports Arena at Fulham Broadway, London is the home of UK esports showcasing regular tournaments across the full range of competitive games. Beyond its own tournaments Gfinity provides a full turnkey solution for brands wanting to create their own esports tournaments and has staged premium esports events around the globe for leading publishers and brands including Formula 1, Microsoft, Activision, EA, Xbox, Gillette and HP.

Gfinity is an accredited official EA SPORTS™ FIFA 18 Global Series qualifier as EA brings competitive FIFA to millions of fans around the world through the EA SPORTS FIFA 18 Global Series on The Road to the FIFA eWorld Cup 2018 in August 2018.

For more details on the entire EA SPORTS FIFA 18 Global Series, please visit www.FUTChampions.com

For more information about the Challenger season, which is free and open to everyone, please visit <https://challenger.gfinityesports.com/>