

TrustBuddy propose company merger to ensure adaptation to the new regulatory requirements

The Boards of Directors of TrustBuddy International AB (publ) ("TrustBuddy International") and TrustBuddy AB ("TrustBuddy") unanimously propose to merge the companies in order to further ensure adaption to the new regulatory requirements.

TrustBuddy will, in the proposal, act as the acquiring company and absorb TrustBuddy International.

Beyond the replacement of shares no further impacts or requirements are expected for shareholders.

Implementation of the proposal is subject to TrustBuddy's shares being approved for listing and trading by NASDAQ OMX First North, and shareholder approval of the merger plan at Extraordinary General Meetings of TrustBuddy and TrustBuddy International scheduled 17th November 2014.

Informal contact with Nasdaq OMX First North regarding the listing of TrustBuddy shares has been positive.

In the preparation of the merger plan, the Board has produced a statement pursuant to Chapter 23. 10 § 2. Companies Act, contains additional information for the period January 1, 2014 to July 31 in 2014. The statement indicates that, amongst other things, revenue for the period amounted to SEK 67.6 million and earnings before depreciation, and EBITDA amounted to SEK -0.3 million. The July revenue performance demonstrated an acceleration from the second quarter revenue runrate.

The Boards of Directors of TrustBuddy International and TrustBuddy unanimously propose to reverse merge the companies in order to further ensure adaption to the new regulatory requirements (specifically TrustBuddy's ongoing preparations for an upcoming licence application to engage in professional activities related to intermediation of consumer credit under new law (2014: 275)).

The Boards of Directors further believe that the reverse merger will be beneficial to the TrustBuddy Group of companies, resulting in a more efficient corporate structure and to some extent reduced administrative costs.

As a result of the proposed merger TrustBuddy International's assets and liabilities will be transferred to TrustBuddy and upon approval from the Swedish Companies Registration Office, ("SCRO"), TrustBuddy International will then be dissolved.

Implementation of the proposal is subject to approval of the delisting of TrustBuddy International from NASDAQ OMX First North and the approval for listing and trading of TrustBuddy (with TrustBuddy categorising as a public company prior to listing).

TrustBuddy's formal application for listing and trading by NASDAQ OMX First North will take place before the merger is registered with the SCRO.

Shareholder approval will also be sought at Extraordinary General Meetings of TrustBuddy and TrustBuddy International scheduled 17th November 2014.



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It is proposed that the merger will involve a one for one share exchange (one share in TrustBuddy International for one share in TrustBuddy) with the appropriate number of shares in TrustBuddy being created via a stock split resulting in the number of outstanding shares in TrustBuddy and TrustBuddy International being equal.

TrustBuddy and TrustBuddy International's respective Board of Directors and management believe that the merger will take place, at the earliest, in January 2015.

Under the new law (2014: 275) TrustBuddy's licence application must be submitted before the year end of the year, thus allowing TrustBuddy to continue current operations.

Stockholm October 13, 2014

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TrustBuddy International AB (publ)
The Board of Directors

TrustBuddy AB
The Board of Directors

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About TrustBuddy International AB (publ)

TrustBuddy International AB (publ) is one of the first in the world to focus on arranging loans and capital provision between buddies in Scandinavia in an organised manner. The company is listed at NASDAQ OMX First North in Stockholm. Erik Penser Bankaktiebolag is TrustBuddy International AB (publ)'s Certified Adviser, phone number: +46 8 463 80 00.