

TrustBuddy AB (publ.)

Press release

Stockholm, August 17, 2015

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TrustBuddy announces a fully underwritten rights issue of approximately SEK 61 million

The Board of Directors of TrustBuddy AB (publ.) ("TrustBuddy" or "the Company") has decided to call an Extraordinary General Meeting on September 18, 2015 to vote on a new share issue with preferential rights for shareholders in TrustBuddy of around SEK 61 million before issuing costs ("Preferential Rights Issue"). The Preferential Rights Issue is 100 percent underwritten with subscription and issue guarantees. Furthermore, those who subscribe to the Preferential Rights Issue will be entitled to one (1) warrant for every three (3) shares subscribed. The Board of TrustBuddy AB (publ.) also proposes that the Extraordinary General Meeting votes to approve a directed issue of up to 200 million shares.

Summary

- A new issue of preferential shares for TrustBuddy shareholders. Shareholders will receive one (1) subscription right for every share held on the day of the general meeting. Subscription of three (3) shares entitles the shareholder to warrant in TrustBuddy free of charge. Each new share will afford the holder the same rights as existing shares in the Company.
- The subscription price for the Preferential Rights Issue is SEK 0.15 per share, which amounts to an issue liquidity of approximately SEK 61 million before issuing costs and comprises 405,546,722 shares.
- The registration date for the right to participate in the Preferential Rights Issue with pre-emption rights is October 9, 2015.
- The subscription period runs from October 14, 2015 up to and including October 30, 2015.
- Subscription commitments of approximately 34 percent and underwritten guarantees of approximately 66 percent of the Preferential Rights Issue have been received.
- For each whole three (3) newly subscribed, paid and allotted shares in the Preferential Rights Issue one (1) warrant is accrued free of charge. Every warrant entitles the holder to subscribe to one (1) new share at a subscription price of SEK 0.18 per share during the subscription period that runs from October 3, 2016 until October 19, 2016.
- The intention is to make a directed share issue of up to 200 million shares following the Preferential Rights Issue. The directed issue will be priced at the market rate and directed to selected investors who have expressed an interest in subscribing to shares in the Company.
- The Board's proposal is subject to the Extraordinary General Meeting on September 18, 2015 also taking a decision on changing the Articles of Association in accordance with the Board's proposal.

Background and motivation for the Preferential Rights Issue

TrustBuddy has been operating since 2009 and has enjoyed strong growth ever since. The Company's field of activity, P2P loan solutions, is a relatively new segment of the loan market and was initially a relatively unknown area. In recent years, however, the P2P market has grown significantly and several actors have emerged on the market. This has conferred a greater legitimacy to the market and a regulatory framework has begun to form, driven by these new conditions.

In recent years, the Company has undergone a comprehensive restructuring which has seen the business evolve in order to manage additional growth and to effectively meet rapidly growing demand. Because the Company's organizational structure was not optimal during this growth phase, the Company has undergone thorough structural changes and, furthermore, following the recent acquisition of the Netherlands-based P2P loan provider Geldvoorelkaar, the Company requires additional capital to continue to grow.

Against this background, the Board of TrustBuddy has decided to call an Extraordinary General Meeting on September 18, 2015 to vote on a rights issue worth approximately SEK 61 million. The capital will be used to a) finance the acquisition of Geldvoorelkaar; b) repay a short-term financing arrangement; and c) ensure the Company's capital requirements until a cost reduction program is fully implemented.

Principal conditions

The Board of TrustBuddy has decided to call an Extraordinary General Meeting on September 18, 2015 to vote on a new issue or preferential shares for shareholders in the Company worth approximately SEK 61 million before issue costs.

For every share held on the registration date, shareholders will receive one (1) warrant. One (1) warrant gives the right to subscribe to one (1) new share in the Company. The registration date at Euroclear Sweden AB for the right to participate in the Preferential Rights Issue with preference rights is October 9, 2015. The subscription period runs from October 14, 2015 up to and including October 30, 2015, or such later date as determined by the Board. The Company's share capital may increase by a maximum of approximately SEK 811,093,44 from approximately SEK 811,093,44 to approximately SEK 1,622 186,89 through the issuing of a maximum of 405,546,722 new shares that would increase the number of shares from 405,546,722 to 811,093,444.

The Preferential Rights Issue is fully underwritten through a combination of approximately 34 percent subscription commitments from existing shareholders, and approximately 66 percent issue guarantees from existing shareholders and external investors.

Shareholders who choose not to participate in the Preferential Rights Issue will have their shareholding diluted, but will have the opportunity to sell their subscription rights on the Nasdaq First North.

For each whole three (3) newly subscribed, paid and allotted shares in the Preferential Rights Issue, one (1) warrant is accrued free of charge. Every warrant entitles the holder to subscribe to one (1) new share at a subscription price of SEK 0.18 per share during the subscription period that runs from October 3, 2016 until October 19, 2016. In the event that the warrants are fully exercised for

subscribed shares, the number of shares can increase by 135,182,240 and share capital by approximately SEK 270 364,48.

The Board of TrustBuddy also proposes that the Extraordinary General Meeting on September 18, 2015, with the revocation of the authorization given at the 2015 Annual General Meeting, gives the Board authorization to decide on new issues of shares and/or warrants no later than the next annual general meeting, on one or more occasions, with or without deviation from shareholders' preferential rights. The number of shares that can be issued and the number of shares that can be subscribed with warrants shall reach a combined total of no more than 200,000,000 shares, amounting to approximately 19.8 percent of stock and votes after and dilution and assuming that the Preferential Rights Issue is fully subscribed.

The purpose of this authorization is to conduct a directed placement of up to 200 million shares that will be priced at the market price after the Preferential Rights Issue and will be targeted towards selected institutional investors who have expressed an interest in subscribing to shares in the Company.

The Board's proposal is conditional upon a decision being taken to amend the Articles of Association at the general meeting on September 18, 2015.

Indicative time plan for the Preferential Rights Issue

September 18, 2015	Extraordinary General Meeting to vote on the Preferential Rights Issue
October 2, 2015	Prospectus expected to be published
October 7, 2015	Last day for trade in TrustBuddy shares including the right to participate in the Preferential Rights Issue
October 8, 2015	First day for trade in TrustBuddy shares excluding the right to participate in the Preferential Rights Issue
October 9, 2015	Recording day for participation in the Preferential Rights Issue, i.e. shareholders who are registered in the Company's share register on this day will receive subscription rights for participation in the Preferential Rights Issue
October 14, 2015 – October 28, 2015	Trading in subscription rights
October 14, 2015 – October 30, 2015	Subscription period for the Preferential Rights Issue
November 3, 2015	Announcement of preliminary results of the issue

Financial and legal advisors

Mangold Fondkommission AB are financial advisors and Setterwalls Advokatbyrå AB are legal advisors to the Company for the Preferential Rights Issue.

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About TrustBuddy AB

TrustBuddy is a leading diversified peer-to-peer group that operates in Northern Europe. The Group operates under two different brand names (Geldvoorelkaar and TrustBuddy). The Group offers peer-to-peer financing for small and mid-sized companies and consumer loans.

The company is listed on the Nasdaq First North in Stockholm. Erik Penser Bankaktiebolag is TrustBuddy AB (publ.)'s Certified Adviser and market maker, phone number: +46-8-463 80 00.

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