

## Press Release

Stockholm October 17, 2014

### Mavshack Interim Report For Q3 2014

This is a summary of the third quarter interim report published today. The complete second quarter 2014 interim report with tables is available at <http://www.mavshack.se>.

- Net sales for the period amounted to SEK 20.9 million (SEK 0.8 million)
- Operating profit for the period amounted to SEK 2.1 million (-3.3 million)
- Profit after tax amounted to SEK 0.5 million (-3.3 million)
- Earnings per share amounted to SEK 0.01 (-0.12)

#### Key figures

	<b>Q3 2014</b>	<b>Q3 2013</b>	<b>FY 2013</b>	<b>FY 2012</b>
Net sales (KSEK)	20 874	813	5 081	5 276
Total assets (KSEK)	46 114	13 798	15 393	8 827
Solidity (%)	60	58	77	16
Earnings per share before dilution (SEK)	0,02	-0,13	-0,53	-0,42
Net earnings per share after dilution (SEK)	0,01	-0,12	-0,45	-0,39
Number of shares outstanding	35 068 545	26 383 864	26 383 864	17 402 460
Number of shares after dilution	37 568 545	28 883 864	31 383 864	18 902 460

#### Significant events during the period

- Mavshack has, through the partner Lozatech, signed a cooperation agreement with DZRV Radio Veritas Foundation (Catholic Church)
- Mavshack has issued 4 million new shares
- Mavshack has appointed a new chairman, appointed a new Head of China and a new CFO
- Mavshack reports a doubling of sales in Q3 compared to Q2
- Mavshack reported its first quarterly profit.

#### CEO's comment

During the third quarter, we have signed several contracts resulting in successful offline sales in India and the Philippines. This had a beneficial effect on Mavshacks turnover, which doubled from the second quarter. Thanks to this Mavshack shows a positive result, thus making it the first quarter in the company's history we report a profit.

Among our most recent contracts we would like to highlight the one with Coca Cola in India and the one with the Catholic Church in the Philippines. The latter collaboration includes sales of vouchers associated to the Pope's visit to the Philippines in early 2015<sup>th</sup>.

Offline operations are essentially about agreements that give us efficient distribution of Mavshack vouchers and thereby an increased number of registered users and subscribers, i.e. both increased sales and exposure to key audiences. It is essential for Mavshack to get a good exposure in the upcoming Christmas season, which Mavshack's partners are preparing for.

Alongside the offline sales, intensive efforts are made to increase the online business aiming to reach consumers directly online for long-term subscriptions. These have tripled in the third quarter showing a very important and positive development for Mavshack where we currently see the Asian diaspora in the United States and Great Britain as our main target. As a consequence, increased marketing efforts are made to reach the target audience online effectively.

The company's China venture has taken off in the past quarter and the forms of the Chinese operations remains and business running according to plans. The new Chinese-language site is about to get launched and acquisition of quality content is proceeding satisfactory.

During the past quarter, we also made a minor reorganization aimed at streamlining sales operations and a new chairman was appointed, Christer Enqvist. With his sales background and international network, he will give Mavshack's sales organization valuable support and new contacts. We close the quarter with over 1.3 million registered users and maintain the previously announced goal of reaching 2 million registered users by end of 2014.

Overall, we are proud of the past quarter's work and pleased with the increased sales contributing to the positive result for the third quarter.

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Jonas Litborn  
CEO, Mavshack AB

#### **Next report**

Fourth quarter interim report will be published jointly with the Year-End Report 2014 on February 20, 2015.

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The full report can be downloaded at [www.mavshack.se](http://www.mavshack.se)

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#### About Mavshack AB

Mavshack runs one of the world's fastest growing Internet TV service with Asian movies in HD, music videos and TV shows without commercials. The service is accessible from any Internet-connected device at a low monthly fee and based on streaming technology. Already today Mavshack has the largest library of Filipino and Indian titles and has signed an agreement with Asia's leading content providers. Mavshack is a Swedish company listed on NASDAQ First North under the ticker MAV. Certified Adviser is Erik Penser Bankaktiebolag. More information about the company is available at [www.mavshack.se](http://www.mavshack.se).