



Motorsport Games Enters Into Binding Term Sheet to Acquire Developer Studio397 and its rFactor 2 Simulation Platform

March 3, 2021

*Studio397 brand and name to remain under Motorsport Games banner
Updates and iteration of rFactor 2 to continue under Studio397*

MIAMI, March 03, 2021 (GLOBE NEWSWIRE) -- [Motorsport Games Inc.](#) (NASDAQ: MSGM) ("Motorsport Games"), a leading racing game developer, publisher and esports ecosystem provider of official motorsport racing series throughout the world, announced today that it has entered a binding term sheet to acquire Studio397 BV, the company behind the industry leading rFactor 2 racing simulation platform, from Luminis International BV. The acquisition will see Studio397 continue its work on rFactor 2 while also developing the physics and handling models for Motorsport Games' forthcoming projects. Motorsport Games expects to utilize its resources and expertise to enhance the rFactor 2 offering, especially in areas highlighted by the racing community.

Studio397 and Motorsport Games have long worked in tandem, with rFactor 2 providing the simulation platform for the highly successful 24 Hours of Le Mans Virtual race, as well as the Formula E Race at Home Challenge, both of which were operated by Motorsport Games. It is expected that Studio397 will retain its name and branding with the existing development team and management will remain with the studio.

"We have been working with the team at Studio397 for a long time on both game development and esports. This is an acquisition that, when completed, makes complete sense for all parties and we are delighted to have them agree to join the Motorsport Games family," said **Stephen Hood, President of Motorsport Games**.

"Studio397 has a clear passion for virtual racing and together we recognised an opportunity to work as one team to advance the genre to the next level," continued **Hood**. "We see this as great news for the sim racing community as we can now leverage the best elements of the rFactor 2 platform, combine it with our foundational use of Unreal Engine (developed by Epic Games) and layer in the additional components our talented teams have spent the last two years developing. Our aim was to start out with a product that had heart and soul. When the planned acquisition is completed, we can operate safe in the knowledge that another piece of an ambitious puzzle has been secured."

"After growing rFactor 2 in the last five years, we are excited to take the next step with Motorsport Games, advancing rFactor 2 and integrating its advanced simulation technology into future projects. We share a common ambition to be the best at what we do," said **Marcel Offermans, Managing Director, Studio397**.

"This planned acquisition is another clear signal of our intention to establish Motorsport Games as the leader in the virtual racing space. We continue to utilize the capital committed by our shareholders to aggressively pursue our goals," added **Dmitry Kozko, CEO of Motorsport Games**. "Securing rFactor 2 and the expertise behind it will be a huge advancement for us. We will bring our experience and knowledge to help maximize the potential of the rFactor 2 platform while also having exclusive access to its best-in-class technology for our future projects."

"The level of simulation and the feeling of driving offered by rFactor 2 is second to none," shared **Fernando Alonso, Motorsport Games shareholder, Alpine Formula 1 driver and two-time Formula 1 World Drivers' Champion**. "I am delighted that Studio397 and rFactor 2 will be joining our Motorsport Games family and I am sure that we will enjoy a great deal of success together."

This latest announcement from Motorsport Games follows a string of exciting developments, including the upcoming acquisition of KartKraft from Black Delta and announcements of forthcoming games based upon the iconic 24 Hours of Le Mans and the British Touring Car Championship, in addition to the company's existing NASCAR projects.

For more information about Motorsport Games visit www.motorsportgames.com and follow our social media channels: [Facebook](#), [Twitter](#) and [LinkedIn](#).

About Motorsport Games:

Motorsport Games, a Motorsport Network company, combines innovative and engaging video games with exciting esports competitions and content for racing fans and gamers around the globe. The Company is the officially licensed video game developer and publisher for iconic motorsport racing series including NASCAR, 24 Hours of Le Mans and the British Touring Car Championship ("BTCC"). Motorsport Games is an award-winning esports partner of choice for 24 Hours of Le Mans, Formula E, BTCC, the FIA World Rallycross Championship and the eNASCAR Heat Pro League among others.

For more information about Motorsport Games visit: www.motorsportgames.com

About Luminis and Studio397

Luminis International BV is a software and technology company with offices in the Netherlands and the United Kingdom. Our mission is to create exponential value for organizations by using software technology. With 200 colleagues we work with more than 100 customers, including major brands such as KLM, Nike and Bol.com. Luminis also develops cloud-based data solutions under the brands InformationGrid and MediGrid. In 2016 Luminis founded Studio397, aimed specifically at the professional race simulator market.

Forward-Looking Statements

This press release contains forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. Any statements contained in this press release that are not statements of historical fact may be deemed forward-looking statements. Words such as "continue," "will," "may," "could," "should," "expect," "expected," "plans," "intend," "anticipate," "believe," "estimate," "predict," "potential," and similar expressions are intended to identify such forward-looking statements. All forward-looking statements involve significant risks and uncertainties that could cause actual results to differ materially from those expressed or implied in the forward-looking statements, many of which are generally outside the control of Motorsport Games and are difficult to predict. Examples of such risks and

uncertainties include, but are not limited to whether to Motorsport Games will be able to negotiate and enter into the definitive agreements with respect to the acquisition of Studio397 and its rFactor 2 platform, whether all conditions precedent in the definitive agreements to acquire Studio397 and its rFactor 2 platform will be satisfied, whether the closing of such acquisition will occur and whether Motorsport Games will achieve its goals. Additional examples of such risks and uncertainties include, but are not limited to (i) Motorsport Games' ability (or inability) to maintain existing, and secure additional, licenses and contracts with the sports series; (ii) Motorsport Games' ability to successfully manage and integrate any joint ventures, acquisitions of businesses, solutions or technologies; (iii) unanticipated operating costs, transaction costs and actual or contingent liabilities; (iv) the ability to attract and retain qualified employees and key personnel; (v) adverse effects of increased competition on Motorsport Games' business; (vi) the risk that changes in consumer behavior could adversely affect Motorsport Games' business; (vii) Motorsport Games' ability to protect its intellectual property; and (viii) local, industry and general business and economic conditions. Additional factors that could cause actual results to differ materially from those expressed or implied in the forward-looking statements can be found in the most recent registration statement on Form S-1 and current reports on Form 8-K filed by Motorsport Games with the Securities and Exchange Commission. Motorsport Games anticipates that subsequent events and developments may cause its plans, intentions and expectations to change. Motorsport Games assumes no obligation, and it specifically disclaims any intention or obligation, to update any forward-looking statements, whether as a result of new information, future events or otherwise, except as expressly required by law. Forward-looking statements speak only as of the date they are made and should not be relied upon as representing Motorsport Games' plans and expectations as of any subsequent date.

Press:

motorsportgames@astrskpr.com

Investors:

Ashley DeSimone

Ashley.Desimone@icrinc.com