



Motorsport Games Signs Binding Term Sheet to Acquire Mobile Developer Digital Tales USA and Its Upcoming New Superbike Official Mobile Game Franchise

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Leading racing video game company's upcoming acquisition will add to brand's extensive growth since January 2021 IPO

MIAMI, March 24, 2021 (GLOBE NEWSWIRE) -- [Motorsport Games Inc.](#) (NASDAQ: MSGM) ("Motorsport Games"), leading racing game developer, publisher and esports ecosystem provider of official motorsport racing series throughout the world, today announced it has entered a binding term sheet to acquire **Digital Tales USA LLC**, the mobile game developer that creates official mobile games for the FIM Superbike World Championship (WorldSBK). This acquisition would expand and continue to diversify Motorsport Games' development expertise, particularly in the mobile sector, while also introducing two-wheel racing to its product portfolio.

"The planned addition of the Digital Tales team to the Motorsport Games family is the latest step in our ambitious strategy and commitment to make Motorsport Games a leader in the virtual racing world, both by enhancing our mobile games and adding motorbike racing to our offerings," commented **Dmitry Kozko, CEO of Motorsport Games**. "Our best-in-class gaming experience for racing fans continues to deepen as Motorsport Games forges ahead towards accomplishing new milestones for games and live events. Expansion of our mobile product portfolio is essential to us scaling to a broader mobile gaming market which reaches nearly 2.6B players around the world."

The proposed addition of the Digital Tales team, along with its SBK Official Mobile Game franchise, would complement Motorsport Games' existing roster of racing game licenses, including NASCAR, 24 Hours of Le Mans and the British Touring Car Championship.

"We are delighted to join the Motorsport Games family and help further enhance our new SBK Official Mobile Game for our fans across the world," said **Giovanni Bazzoni, President of Digital Tales USA LLC**. "Through both our previous work on the SBK Official Mobile Game, our forthcoming collaboration with Motorsport Games and our shared passion for racing, this deal will allow us to keep building the flagship two-wheel racing product for the sim racing community."

As part of the company's larger strategic growth plan, the pending acquisition of Digital Tales follows the recent completion of Motorsport Games' KartKraft purchase from Black Delta and the signing of a binding term sheet to acquire Studio397 BV and its industry leading rFactor 2 racing simulation platform. Collectively, these swift acquisitions are expected to further solidify Motorsport Games' unrivaled presence across all disciplines of global motorsports and its goal to become the premier racing entertainment company of the future. Following its recent IPO, Motorsport Games intends to become the industry standard for virtual racing.

Motorsport Games' commitment to expand its entertainment capabilities and virtual event offerings was also exemplified through its recently launched online destination [Traxion](#) which serves as an entertainment hub for virtual racing where users can access the latest news and reviews on global games and esports content for the entire industry. Traxion also doubles as a platform for community, encouraging users to learn, interact and connect with the games they love as well as others who share the same passion for racing. With competitive esports and a growing calendar of live events, such as the record-breaking and iconic 24 Hours of Le Mans Virtual race (2020 event had 22.8M linear television and OTT views, 48.9M+ social impressions), Motorsport Games is upending the esports status quo to build the racing entertainment company of the future.

Through these strategic acquisitions, launches and partnerships (including, when completed, the acquisitions of Digital Tales, Studio397 BV and its rFactor 2), Motorsport Games is cultivating the widest range of motorsport gaming entertainment available across any discipline, bringing the best developers and industry technology anywhere in-house and crafting unmatched virtual experiences and esports. Under the company's umbrella, Motorsport Games now will offer the premier karting experience available (KartKraft) and expects to offer the team behind the best-in-class racing simulation platform (Studio397/rFactor 2) and the mobile leaders in two-wheel racing (Digital Tales). Motorsport Games is also the home of industry-wide racing news (Traxion) and the exclusive rights to one third of the Triple Crown of Motorsport (24 Hours of Le Mans). Motorsport Games' global footprint continues to expand, with a presence in markets such as the United States, Europe and Australia. With future games, events and product launches on the horizon, as well as continued progress in constructing an excellent team of racing game experts, Motorsport Games intends to be perfectly positioned to become the leader in the world of virtual racing.

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, the British Touring Car Championship ("BTCC") and the highly acclaimed PC kart racing simulator, KartKraft. 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

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 Motorsport Games will be able to negotiate and enter into the definitive agreements with respect to the acquisition of Digital Tales USA LLC, whether all conditions precedent in the definitive agreements to acquire Digital Tales USA LLC will be satisfied, whether the closing of such acquisition will occur, whether 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, what the ultimate impact of the COVID-19 pandemic will have on Motorsport Games and its operations and whether the Company 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 Motorsport Games' filings with the Securities and Exchange Commission (the "SEC"), including its Annual Report on Form 10-K for the year ended December 31, 2021 to be filed with the SEC. 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.

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