

21 July 2016

Open Offer - Directors' intentions to participate Underwriting Update

Further to the announcements of 29 June 2016 and 20 July 2016, Fitbug Holdings Plc, the AIM quoted technology developer and digital wellness pioneer, provides the following updates in respect of the Fitbug Directors intentions to participate in the Open Offer, and an update on the Underwriting commitments.

Directors intentions to participate

Further to the Result of Open Offer announcement of 20 July 2016, the directors of the Company have indicated their intention to subscribe, at a price of 0.25p per share, for certain Open Offer Shares that have not been subscribed for by Qualifying Shareholders. The Directors intention to subscribe for shares is set out below:

Director	Current Holding	Proposed subscription (£)	Number of shares to be subscribed for	Resultant holding on Admission	% resultant holding on Admission*
Donald Stewart	Nil	5,000	2,000,000	2,000,000	0.16%
Anna Gudmundson	Nil	6,000	2,400,000	2,400,000	0.19%
Tyler Tarr	Nil	5,000	2,000,000	2,000,000	0.16%
Mark Ollila	Nil	5,000	2,000,000	2,000,000	0.16%

*Subject to the Resolutions being passed and the Placing Agreement becoming unconditional

The total subscription for Open Offer Shares by Qualifying Shareholders and the Directors is therefore 77,116,438 Open Offer Shares.

The Open Offer remains conditional upon the passing of the Resolutions at the General Meeting of the Company to be held at 3.05p.m. on 22 July 2016 and therefore the subscription by the Directors remains conditional on the Resolutions being passed.

Underwriting Arrangements

As previously announced, Kifin has conditionally agreed to capitalize £1 million of its loans into 40,000,000 new Ordinary shares of 2.5p each. NW1 has also conditionally agreed to capitalise £7.4 million of its loans into New Ordinary Shares at 2.5p each which will result in the issue to NW1 of 296,000,000 New Ordinary Shares. In addition, bridging loans of £121,000 and £280,000 (announced on 13 June 2016 and 29 June 2016) will be repaid by the issue of 160,400,000 New Ordinary Shares, which will form part of the shares to be issued pursuant to NW1's underwriting commitment, details of which are set out below.

Pursuant to the terms of the Underwriting Agreement, NW1 has agreed to underwrite the entire Fundraising as to ensure the full proceeds of the Fundraising will be received by the Company. Subject to shareholder approval at a General Meeting of the Company to be held on 22 July 2016, and the Placing Agreement becoming unconditional, NW1 will therefore subscribe for, in aggregate 196,000,000 Open Offer Shares which have not been taken up by Qualifying Shareholders and the Directors. As described above, these shares include the shares issued in satisfaction of the repayment of the bridging loans. Subject to the Resolutions being passed at the General Meeting and the Placing being completed,

following completion of the Proposals, NW1 will be interested in 506,000,000 New Ordinary Shares representing approximately 41.1% of the issued share capital on Admission and the Concert Party will be interested, in aggregate, in 614,474,999 New Ordinary Shares representing approximately 49.9 per cent. of the issued share capital on Admission. The balance of the underwriting obligations, totalling £1,076,275 will be satisfied by new secured loan notes, which shall be repayable on 31 July 2019 and shall carry interest at 4 per cent. per year over the Bank of England base rate, payable quarterly. The loan notes carry the rights, exercisable at NW1's sole discretion, to subscribe for New Ordinary Shares at the Issue Price for a period of 5 years from the date of issue. These subscription rights shall be capable of being exercisable in cash immediately and for an aggregate subscription price equal in value to the number of loan notes that may be issued to NW1, and will be exercisable, inter alia, only to the extent that such exercise does not result in the Concert Party's holding, or the holding of any other holder of subscription rights and any person with whom such holder of subscription rights is acting in concert (as such term is defined in the City Code), in aggregate, being over 49.9 per cent. of the then issued share capital. The subscription rights will be transferable.

On Admission, the Concert Party's shareholdings are expected to be as follows:

	<i>Existing Shares</i>		<i>Loan Capitalisation</i>	<i>Fundraising</i>	<i>Conversion rights under outstanding loans</i>	<i>Following completion of the Placing, Loan Capitalisation and Open Offer</i>	
	<i>Interest in Existing Ordinary Shares (no.)</i>	<i>Interest in Existing Ordinary Shares (%)</i>	<i>Shares to be issued under Loan Capitalisation</i>	<i>Shares to be issued pursuant to the underwriting arrangements</i>		<i>Interest in Enlarged Share Capital (no.)</i>	<i>Maximum Interest in Enlarged Share Capital (%)</i>
NW1	14,000,000	4.97	296,000,000	196,000,000	200,000,000	506,000,000	41.1%
Kifin	30,000,000	10.66	40,000,000	-	-	70,000,000	5.7%
Prime Interaction	2,500,000	0.89	-	-	-	2,500,000	0.2%
Allan Fisher (and family)*	17,170,000	6.10	-	-	-	17,170,000	1.4%
David Turner (and family)**	18,804,999	6.68	-	-	-	18,804,999	1.5%
Total Concert Party	82,474,999	29.30	336,000,000	196,000,000	200,000,000	614,474,999	49.9

* this includes 6,280,000 Ordinary Shares beneficially owned by Jonathan Fisher, and 5,250,000 Ordinary Shares held by Relay Holdings Limited, which is wholly owned by The Watson Trust, a discretionary trust of which Allan Fisher and members of his family are beneficiaries

** this includes 6,290,000 Ordinary Shares beneficially owned by Anna Turner

Subject to the Resolutions being passed and the Placing being completed, the Company's issued share capital on Admission will be 1,231,366,968 New Ordinary Shares.

Defined terms used in this announcement will have the meanings (unless the context otherwise requires) set out in the circular dated 29 June 2016, which is available on the Company's website www.fitbug.com

****ENDS****

For further information visit www.fitbugholdings.com or contact:

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Notes

About Fitbug®

Fitbug is a leading provider of online health and well-being services which is pioneering an innovative 'Digital Wellness' model to help individuals to improve their lifestyles by making realistic changes to their daily routine. It combines activity tracking devices, which provide an understanding of each user's daily activity achievements, with mobile and web technology, which provides users with personalised weekly activity and nutrition targets, feedback, advice and encouragement to achieve "wellness". This is centred on four key areas: stress, sleep, nutrition and activity.

Its "Kiqplan"™ digital health coaching platform is designed to make wearable technology relevant to new audiences and take the "so what?" out of activity tracking by providing structured action plans to help people achieve their wellness goals.

The Company is primarily focussed on the B2B market, mainly mid-to-large cap corporations and insurance brokers / health insurers, where significant growth opportunities have been identified, particularly in the UK and US. An important part of the Company's focus is on building strategic relationships with organisations, which can integrate Fitbug or Kiqplan into their own service/product offerings or resell to their customer base. For more information, visit www.fitbug.com and www.kiqplan.com.