

PRESS RELEASE

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Fragbite completes acquisition of Lucky Kat B.V.

Fragbite Group AB ("Fragbite") has completed the acquisition of Lucky Kat B.V. ("Lucky Kat" or "the Company"), which was announced on December 14, 2021 (the "Transaction").

- Through the acquisition of Lucky Kat, we not only bring in two more talented entrepreneurs, but also a team of employees with proven high competence in developing mobile games through data-driven decisions and cutting-edge competence in marketing these games in an effective way, comments Stefan Tengvall, President and CEO Fragbite Group AB.

All conditions for the completion of the Transaction have been met and Fragbite has thus taken over the shares in the Company. Fragbite will report Lucky Kat as a subsidiary of Fragbite and consolidate the Company in Fragbite Group during the fourth quarter of 2021.

During the first nine months of 2021, the Company's sales amounted to EUR 5.2 million with an EBITDA of EUR 0.9 million. For the full year 2021, sales are forecasted of approximately EUR 7.5 million and an EBITDA of approximately EUR 2.0 million.

Fragbite has paid EUR 7.0 million in initial purchase price on a cash and debt-free basis, where EUR 5.0 million has been paid in cash and EUR 2.0 million through 3,860,755 newly issued shares at an issue price of SEK 5.30 per share. The sellers of the Company have paid full payment for the subscribed and allotted shares in the form of shares in the Company. The purchase price has been financed with Fragbite's existing cash and loans from *Nordea Start-up & Growth*.

In connection with the acquisition, four employees of the Company will invest approximately SEK 0.5 million in Fragbite through a directed issue of 83,796 shares at a subscription price of SEK 5.30. The investment amount and the number of shares have been adjusted from the information announced by Fragbite on 14 December 2021.

In connection with the closing of the Transaction, the Board of Fragbite has decided to issue a total of 3,944,551 shares, which means that Fragbite's share capital increases by approximately SEK 65,741 to approximately SEK 1,465,204 and the total number of shares in Fragbite increases from 83,969,199 to 87 913,750 shares, corresponding to a dilution of approximately 4.70%.

Rämsell Advokatbyrå AB has acted as Swedish and Jones Day as local legal advisor to Fragbite in connection with the Transaction. KPMG has acted as financial advisor.

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About us

Fragbite Group is a digital gaming entertainment group with subsidiaries active in the mobile gaming and e-sports industry. The group consists of companies with about 60 employees who all share the same passion for gaming. The Group is headquartered in Stockholm, Sweden and has physical representation in Alexandria, Egypt and Montpellier and Nancy, France. The group has two internal game development studios; Funrock Development and Prey Studios develop, publish, distribute and market mobile games for the global gaming market. Fragbite AB is one of the Nordic region's leading E-sports media companies that arranges and broadcasts e-sports tournaments live. Playdigious SAS places and adapts games for mobile phones and develops indie games. For more information, see www.fragbitegroup.com.

Attachments

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