

PRESS RELEASE

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Fragbite Group converts loans of approximately 3.7 MSEK through set-off issue

Fragbite Group AB (publ) ("Fragbite Group" or "the Company") has offered lenders of the loans to the Company totalling SEK 5 million that were announced on 23 January 2025, to convert the loans into shares. Lenders with loans totalling app. SEK 3.7 million have accepted the offer, and the Board of Directors of the Company has thus decided on set-off issues of 557,137 shares at a price per share of SEK 6.6973. The price corresponds to a 20% discount on the volume weighted average share price (VWAP) for 20 trading days up to and including 28 February 2025. Given that some of the lenders are board members of the Company, the set-off issue comprising 324,757 shares, corresponding to app. SEK 2.2 million is conditional on the approval of the General Meeting. The set-off issues will therefore be finalised at different times, with the issue of 232,380 shares being finalised in the near future and the issue of 324,757 shares, if applicable, after approval by the General Meeting, both based on the terms and pricing set out in the communicated loan agreement.

Fragbite Group raised loans totalling SEK 5 million on 23 January 2025. The Company had the right under the loan agreements to offer each lender to convert the loan, arrangement fee and interest, into shares on two specified dates – 28 February and 16 July 2025. The Company has chosen to offer all lenders to convert on the first occasion, which has been accepted by some lenders. The Board of Directors has thus decided on the issue and allocation of 557,137 shares corresponding to SEK 3,731,310, which has been paid by the subscribers by offsetting claims on the Company. The conversion is made at a price of SEK 6.6973 per share, which corresponds to a 20% discount to VWAP for 20 trading days until 28 February 2025.

RELATED PARTY TRANSACTION

Of the newly issued shares, 324,757 have been subscribed for by board members of the Company, corresponding to loans of approximately SEK 2.2 million. The issue of those shares is therefore conditional upon the approval of the General Meeting. The terms and conditions of the issue, including the subscription price, cannot therefore be changed by the Company or the lenders. The board members have undertaken to vote in favour of the approval at the next General Meeting.

NUMBER OF SHARES, SHARE CAPITAL AND SET-OFF OF LOANS

Through the set-off issues, and provided that the General Meeting approves the issue directed to the Company's board members, the number of shares and votes in the Company will increase by 557,137 shares to a total of 7,340,223 shares, and the Company's registered share capital will increase by SEK 278,568.5 to SEK 3,670,111.5. The issues result in a dilution of 7.59% of the number of shares and votes in Fragbite Group.

The set-off issues will be finalised at different points in time, with the issue of 232,380 shares being finalised in the near future and the issue of 324,757 shares being finalised, if applicable, after approval by the General Meeting.

Upon full completion of the set-off issue, the Company's indebtedness will be reduced through a reduction of the item Other current liabilities by SEK 1,556,317 during the first quarter and subsequently by SEK 2,174,993 during the second quarter.

For questions, please contact:

Erika Mattsson, Chief Communications Officer

em@fragbitegroup.com

Phone: +46 8 520 277 82

Redeye AB is the Company's Certified Adviser.

About us

Fragbite Group (publ) is a Swedish corporate group with a portfolio of established subsidiaries that develop, adapt and publish games and esports content within GAMING, ESPORTS and WEB3. Our products are developed for both traditional platforms – PC, mobile and console – and modern platforms built on blockchain technology. The Group is headquartered in Stockholm and listed on Nasdaq First North Growth Market.

Attachments

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