



Press release
Stockholm October 28, 2020

Bublar Group enters into financing agreement of up to SEK 50.4 million

Bublar Group enters into a flexible convertible loan agreement with Swiss Nice & Green S.A. of up to SEK 50.4 million. The agreement allows Bublar Group to issue convertible bonds over a 14-month period to Nice & Green. The financing secures resources to further accelerate the business and product development for Bublar Group.

Nice & Green undertakes to subscribe for convertible bonds with a nominal value totaling up to SEK 50.4 million, in 12 tranches of up to SEK 4.2 million each monthly over a period of up to 14 months. Conversion can be made at an agreed discount versus the market price calculated according to a formula that follows the volume-weighted average price.

Bublar Group has an opportunity, but not an obligation to use the financing agreement. If Bublar intends to use the agreement, it is conditional on it being initiated within four months.

"The agreement with Nice & Green gives Bublar Group access to flexible financing at a reasonable cost in order to accelerate business development and the launch of location based mobile games. As part of the agreement, Nice & Green will introduce Bublar Group to its broad network of technology investors in Switzerland, Germany and France," said Maria A. Grimaldi, CEO and Managing Director, Bublar Group

Nice & Green focuses on small and medium-sized listed growth companies that build their business on proprietary technology. They see opportunities in companies working with product innovation with ambitious growth plans.

The respective convertible tranche has a maturity of twelve months and runs without interest, is not secured and is non-transferable. The convertibles can be converted into shares with 7 per cents discount in relation to the shares' volume weighted average price at the time of Nice & Greens conversion request. Bublar has the right to redeem the convertibles in cash instead.

The SEK 50.4 million covered by the financing agreement will lead to a dilution of just under 13 percent based on the share's closing price on the trading day prior to this announcement (SEK 3.40). A higher share price has a lower dilution effect, and vice versa.

The agreement with Nice & Green also includes a profit-sharing program that provides cash compensation to Bublar calculated as a percentage of the net profit realised by Nice & Green in the sale of shares issued through the use of convertible bonds, thus the Bublar's total financing cost could be reduced.

The new shares issued on conversion will have the same rights as other ordinary shares and will be admitted to trading on the Nasdaq First North Growth Market. The company retains flexibility to use other forms of financing.

In order to enable the financing agreement, four of the company's largest shareholders have entered into an agreement with Nice & Green to lend 425,000 shares each in Bublar. The share loan is secured by pledge over the convertible bonds. Bublar will pay a compensation in line with current market levels to the share lenders for the provision of the share loans. In order to comply with the financial framework, Nice & Green will report short positions corresponding to the number of shares converted but not yet delivered and sold in the market.

The number of new shares issued in connection with the conversion of the convertible bonds will be announced by Bublar on the Company's website under Investor Relations <https://bublar.com/investor-relations/bublar-share/>. If a significant conversion of convertible bonds is carried out with a possible impact on the share price, Bublar will inform the market of conversion via a press release.

For more information please contact:

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Bublar Group

Bublar Group AB (publ) is the Nordic region's leading listed XR technology company specializing in Augmented Reality (AR) and Virtual Reality (VR). The company offers XR solutions in E-commerce, Entertainment, Training and Manufacturing. The company includes the subsidiaries Vobling, Sayduck, Virtual Brains and Goodbye Kansas. Goodbye Kansas creates visual content for the leading players in the gaming, film/TV and streaming industries and offers services including VFX/animation, Digital Humans and Performance Capture. Bublar is headquartered in Stockholm and is listed on Nasdaq First North Growth Market.

In essence, Bublar Group will change the game. We change how we Work, Shop and Play.

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