

PRESS RELEASE

30 October 2024 14:28:00 CET

Fragbite Group strengthens the balance sheet with loans of 5 MSEK

Fragbite Group AB (publ) ("Fragbite Group" or 'the Company') has taken up loans in the aggregate of 5 MSEK in order to strengthen its balance sheet. The lenders are a group of existing shareholders in the Company who wish to support and accelerate Fragbite Group's growth. The loans mature on 16 July 2025 and can be converted into shares at the Company's initiative and with the approval of the lenders on two specified occasions.

Fragbite Group has today signed agreements for loans at a total of 5 MSEK which mature on 16 July 2024. The lenders are a group of investors, all of which already own shares in Fragbite Group and wish to support and accelerate the Company's growth. The lenders include some of the Company's largest shareholders.

"After a successfully implemented cost reduction programme, an intensive fall with business development and the recently finalised subscription period of warrants, Fragbite Group now has a good foundation to stand on. With the outcome of the warrants, an important piece of the puzzle fell into place enabling us to plan for the coming year. It is the assessment of myself and the Board that the Company benefits from further strengthening the balance sheet to meet the opportunities we have in front of us in 2025 and ensure good liquidity for the remainder of 2024. With this loan, we also tie a group of committed shareholders closer to the Company, and I wish to take the opportunity to thank them for their support and their faith in the future of Fragbite Group," says Stefan Tengvall, CEO, Fragbite Group.

The loans mature on 16 July 2025, and the Company may repay the loans in full or in part at any time until that date. The loans include a 5 percent arrangement fee and a fixed interest rate of 10 percent payable on or before 16 July 2025 in the event of full repayment or full conversion into shares. The Company has the right to offer each respective lender to convert his/her entire loan, including arrangement fee and interest, into shares on two occasions. If the lender accepts the offer, the following pricing applies:

- **Occasion 1 - 31 December 2024:** the conversion price per share is set to the lowest of either SEK 0.03 or the volume weighted average price ("VWAP") for the 20 trading days immediately preceding the conversion date, with a 20 percent discount.
- **Occasion 2 - 15 July 2025:** the conversion price per share is set to the VWAP for the 20 trading days immediately preceding the conversion date, with a 20 percent discount.

The Board of Directors is of the opinion that the loan is at market rate and taken for the purpose of financial sustainability. In the case of a lender being prevented from converting his/her loan to shares on the two occasions set out in the agreement due to applicable insider trading legislation, the Company has the right to offer such lender the opportunity to convert to shares as soon as he /she is no longer prevented from doing so.

Each lender undertakes not to borrow Fragbite Group shares and sell such borrowed shares in the market, so-called short selling, prior to the full repayment of the loan on the maturity date or, if applicable, prior to a conversion of said loan into shares.

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.

This information is information that Fragbite Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2024-10-30 14:28 CET.

Attachments

Fragbite Group strengthens the balance sheet with loans of 5 MSEK