

PRESS RELEASE

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Fragbite Group's directed issue of new shares heavily oversubscribed and therefore terminated prematurely

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On June 8, 2021, Fragbite Group AB (publ) ("Fragbite" or "the Company") announced the intention to carry out a directed new issue corresponding to approximately 6.3 million shares (the "New Share Issue") at a subscription price of SEK 4. As the New Share Issue is heavily oversubscribed, the Company's board of directors has decided to terminate the subscription period prematurely. A total of 6,250,000 shares will be subscribed for and the Company will thus receive SEK 25.0 million before transaction costs, which are estimated to amount to SEK 1.3 million. The New Share Issue was directed to a limited number of qualified investors.

The proceeds from the New Share Issue will further strengthen Fragbite's financial position and thereby create opportunities in conjunction with ongoing acquisition discussions.

The main reasons for deviating from the shareholders' preferential rights are to continue to diversify the ownership base while carrying out the capital raising in a time-efficient manner.

After the New Share Issue the Company will have 76,610,303 shares outstanding.

Rådgivare

Skills Corporate Finance Nordic AB är finansiell rådgivare och Advokatfirman Lindahl KB är legal rådgivare till Fragbite i samband med Nyemissionen.

Advisor

Skills Corporate Finance Nordic AB is the financial advisor, and the law firm Lindahl KB is the legal advisor to Fragbite in connection to the New Share Issue.

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About us

Fragbite Group is a digital gaming entertainment group with subsidiaries active in the mobile games and e-sports industry. The group consists of companies with people who all share the same passion for gaming. The Group is headquartered in Stockholm, Sweden and has physical representation in Alexandria, Egypt and in Montpellier and Nancy, France. The group has two internal game development studios and employs approx. 50 employees. The subsidiaries Funrock Development AB and P Studios AB 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 organizes and broadcasts e-sports tournaments live. Playdigious SAS is a publisher that adapts games for mobile devices and develops indie games.

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This press release does not identify or suggest, or purport to identify or suggest, the risks (direct or indirect) that may be associated with an investment in new shares. Any investment decision in connection with the New share issue must be made on the basis of all publicly available information relating to the Company and the Company's shares. Such information has not been independently verified by Skills Corporate Finance Nordic AB. The information in this press release is published only as background information and does not purport to be complete. An investor should thus not solely rely on the information in this announcement or its accuracy or completeness. Skills Corporate Finance Nordic AB is acting solely for the Company in connection with the New share issue and no one else and will not be responsible to anyone other than the Company for providing the protections afforded to its clients nor for giving advice in relation to the New share issue or any other matter referred to herein.

This press release does not constitute a recommendation for any investors' decisions regarding the New share issue. Each investor or potential investor should conduct a self-examination, analysis and evaluation of the business and information described in this press release and any publicly available information. The price and value of the securities can decrease as well as increase. Achieved results do not provide guidance for future results.

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This press release contains forward-looking statements that reflect the Company's intentions, beliefs, or current expectations about and targets for the Company's future results of operations, financial condition, liquidity, performance, prospects, anticipated growth, strategies and opportunities and the markets in which the Company operates. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe", "expect", "anticipate", "intend", "may", "plan", "estimate", "will", "should", "could", "aim" or "might", or, in each case, their negative, or similar expressions. The forward-looking statements in this press release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this press release are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this press release or any obligation to update or revise the statements in this press release to reflect subsequent events. Readers of this press release should not place undue reliance on the forward-looking statements in this press release. The information, opinions and forward-looking statements that are expressly or implicitly contained herein speak only as of its date and are subject to change without notice. Neither the Company nor anyone else undertake to review, update, confirm or to release publicly any revisions to any forward-looking statements to reflect events that occur or circumstances that arise in relation to the content of this press release, unless it is not required by law or Nasdaq First North Growth Market - Rulebook.

Information to distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("MiFID II"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the "MiFID II Product Governance Requirements"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the shares in Fragbite have been subject to a product approval process, which has determined that such shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "Target Market Assessment"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the shares in Fragbite may decline and investors could lose all or part of their investment; the shares in Fragbite offer no guaranteed income and no capital protection; and an investment in the shares in Fragbite is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the New share issue. Furthermore, it is noted that, notwithstanding the Target Market Assessment, Managers will only procure investors who meet the criteria of professional clients and eligible counterparties.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or UK MiFIR; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the shares in Fragbite.

Each distributor is responsible for undertaking its own target market assessment in respect of the shares in Fragbite and determining appropriate distribution channels.

Attachments

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