

PRESS RELEASE

22 July 2025 08:37:00 CEST

Bitcoin Treasury raises MSEK 6 in additional seed liquidity via convertible loan

Fragbite Group AB (publ) ("Fragbite Group" or the "Company") has today entered into an agreement regarding an investment of SEK 6 million with the purpose of raising additional seed liquidity for new business area Bitcoin Treasury. The investment consists of an interest-free loan that can be converted into shares in the Company at a conversion price of SEK 13 per share, in the event that the closing price exceeds the conversion price by at least 30 percent for at least twenty trading days during a consecutive period of thirty trading days. As the Company will shortly enter the closed period for the upcoming interim report, the investment will initially consist of a loan, after which the issue of convertibles will be carried out in a later stage.

"I am pleased that in a short space of time we have received great interest in the Bitcoin Treasury business area and our long-term strategy to increase shareholder value with bitcoin as leverage. We are now engaging new investors and raising additional seed liquidity to start improving the Company's capital structure as soon as possible," says Patrik von Bahr, Bitcoin Treasury Director, Fragbite Group.

TERMS

Initially, the investment will be carried out with Fragbite Group receiving an interest-free loan totalling SEK 6 million from the investors, a loan intended to be convertible into shares in the Company at a conversion price of SEK 13 per share. As the Company will shortly enter the closed period for the interim report for the second quarter of 2025, the issuance of convertibles will be carried out in a later step. Such a conversion right shall exist in the event that the closing price of the Company's share exceeds the conversion price by at least 30 percent for at least twenty trading days during a continuous period of thirty trading days. The conversion terms will apply from 21 July 2025 onwards. No interest accrues on the convertibles.

From 1 February 2026, the Company has the right to call for conversion of the entire loan amount in the event that the closing price of the Company's share exceeds the conversion price by at least 200 percent for twenty trading days during a consecutive period of thirty trading days. The Company must call for such conversion within five days of the condition being met. If the Company does not choose to call for conversion, the condition must be met in full again before the Company has the opportunity to again call for conversion. The convertibles fall due for payment on 30 November 2030 unless conversion has been called for.

The conversion price represents a premium of approximately 30 percent to the closing price immediately prior to entering into the investment agreement. Considering the aforementioned premium, the fact that the loan is interest-free and that the Company has a right to compulsory conversion, the Board considers the terms of the investment to be very favourable to the Company.

If the right of the lenders to convert the loan into shares expires before the publication of the interim report for the second quarter of 2025 and the closed period has expired, and the lenders wish to exercise this right, shares instead of convertible bonds will be issued directly to the lenders. Detailed information on the proposal to convert the loan into shares or issue convertible bonds to replace the loan will be provided if and when the Board of Directors decides to do so.

PURPOSE

The investment is made with the purpose of providing Fragbite Group's new business area Bitcoin Treasury with additional seed liquidity. The new business area enables the investment of surpluses from the Company's core business in Bitcoin in order to build a strong capital structure in the group. On 3 July 2025, an initial investment was signed with the primary purpose of supporting the establishment of the business area, and recently an initial purchase of a total of 4.3 bitcoin was made. In the upcoming interim report, the Company will start reporting the KPI bitcoin / share.

CONDITIONS

As the group of lenders does not include Company insiders, a resolution of an Annual General Meeting is not required, unlike the investment announced on 3 July. Any issue of shares resulting from the conversion of the loan is within the scope of the authorisation granted to the Company by the shareholders at the Annual General Meeting of 3 June 2025. In addition, the issue of the convertibles is subject to the condition that it can be carried out in compliance with applicable laws and regulations.

For questions, please contact:

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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 2025-07-22 08:37 CEST.

Attachments

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