

PRESS RELEASE

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Fragbite Group announces outcome in the Rights Issue

Fragbite Group AB (publ) ("Fragbite Group" or the "Company") today announces the outcome in the rights issue of units which was announced on May 23, 2024 (the "Rights Issue"). The outcome shows that 55,923,443 units, corresponding to approximately 51.2 percent of the Rights Issue, were subscribed for with and without the exercise of unit rights. The Rights Issue was covered by subscription commitments and underwriting obligations corresponding to approximately 84.5 percent, consequently, a total of 36,398,313 units, corresponding to approximately 33.3 percent of the Rights Issue, are subscribed for through the fulfillment of underwritings obligations. Through the Rights Issue the Company receives approximately SEK 60.9 million before issuing costs (of which approximately SEK 4.4 million relates to set-off against outstanding bridge loans). Upon full exercise of all included warrants of series TO 2 (the "Warrants") within the framework of issued units, the Company may receive an additional maximum of approximately SEK 11.1 million.

"We would like to thank all existing and new shareholders who participated in the recently concluded rights issue. We can now continue to execute our strategy of developing and publishing popular games and exciting esports content for both traditional and modern platforms. Thanks to your participation, we are strengthening the balance sheet to further develop our profitable core operations and explore new business opportunities in gaming, esports and web3. We look forward to continue creating entertainment for a new global generation of gamers who want to play, watch, and own", says Stefan Tengvall, acting CEO Fragbite Group.

The subscription period of the Rights Issue ended on July 16, 2024, and the outcome shows that 53,240,764 units, corresponding to approximately SEK 35.1 million or approximately 48.8 percent of the Rights Issue, were subscribed for through the exercise of unit rights. An additional 2,682,679 units were subscribed for without the exercise of unit rights, corresponding to approximately SEK 1.8 million or approximately 2.5 percent of the Rights Issue. The Rights Issue was secured to approximately 84.5 percent through subscription commitments and underwriting obligations. Thereby, 36,398,313 units, corresponding to approximately SEK 24.0 million, or approximately 33.3 percent of the Rights Issue, will be subscribed for through the fulfilment of underwriting obligations. Through the Rights Issue the Company receives approximately SEK 60.9 million before issuing costs.

Units subscribed for without the exercise of unit rights will be allocated according to the principles set out in the EU Growth Prospectus published by the Company on June 28, 2024. Notification of allocation of units subscribed for without the support of unit rights will be sent shortly to those who have been allocated units through a settlement note. Shareholders registered with a nominee will be notified of their allocation in accordance with the nominee's procedures. Each unit in the Rights Issue consists of thirty-three (33) shares and four (4) Warrants.

Share capital and number of shares

Through the Rights Issue, the share capital in the Company increases by SEK approximately 50,776,088.75, from approximately SEK 1,820,075.99 to SEK approximately SEK 52,596,164.64, through the issuance of 3,046,617,948 shares. The number of shares thus increases from 109,206,446 to 3,155,824,394 shares. The dilution amounts to approximately 96.5 percent. Upon full exercise of all included Warrants, the share capital will increase by an additional approximately SEK 6,154,677.41, to approximately SEK 58,750,842.05, through the issuance of 369,287,024 shares. The number of shares thereby increases to 3,525,111,418 shares, corresponding to an additional dilution of approximately 10.5 percent.

Trading in BTU

Trading in paid subscribed units ("BTU") will be conducted on Nasdaq First North Growth Market until July 25, 2024.

Compensation for underwriting obligations

Approximately 43.2 percent of the Rights Issue was covered by bottom underwriting obligations, and approximately 18.7 percent by top underwriting obligations. For top underwriters, compensation is either in cash or in the form of newly issued shares in the Company amounting to twenty (20) percent of the guaranteed amount. For bottom underwriters, compensation is in cash or newly issued shares amounting to twelve (12) percent of the guaranteed amount.

Compensation to the top and bottom underwriters who choose to receive underwriting compensation in the form of shares in the Company, will be paid in the form of a directed set-off issue. The subscription price for shares issued as underwriting compensation is set at SEK 0.02 per share, which corresponds to the subscription price in the completed Rights Issue.

A resolution on a directed set-off issue to the underwriters, if any, will be announced through a separate press release.

Warrants of series TO 2

The exercise period for the Warrants runs from October 1, 2024, to October 15, 2024. The subscription price upon the exercise of Warrants is SEK 0.03 per share. Upon full exercise of all Warrants within the framework of issued units, the Company may receive an additional maximum of approximately SEK 11.1 million.

Advisors

Fragbite Group has engaged Penser by Carnegie, Carnegie Investment Bank AB (publ), and Advokatfirman Schjødt as financial and legal advisors in connection with the Rights Issue.

Important information

The information in this press release is not intended for release, publication, dissemination, or distribution, directly or indirectly, in or to the United States, Australia, Hong Kong, Canada, Japan, Singapore, Russia, Belarus, or South Africa or any other state, territory, or jurisdiction where such release, publication, dissemination, or distribution would be unlawful or would require additional prospectuses, registration, or other measures beyond those required by Swedish law.

This press release is for informational purposes only and does not constitute an offer to sell or issue, or a solicitation of an offer to purchase or subscribe for, any of the securities described herein (collectively, the "**Securities**") or any other financial instruments in Fragbite Group AB. Any offer regarding the Securities will only be made through the prospectus that Fragbite Group AB made public on 28 June 2024. No offers are being made to, and no subscription forms are being accepted from, subscribers (including shareholders) or persons acting on behalf of subscribers, in any jurisdiction where such subscriptions would be in violation of applicable laws or regulations or would require that additional prospectuses be prepared or registered or that any other actions be taken beyond what is required by Swedish law. Actions contrary to these restrictions may constitute a violation of applicable securities laws.

The Securities mentioned in this press release have not been registered and will not be registered under any applicable securities legislation in the United States, Australia, Hong Kong, Canada, Japan, Singapore, Russia, Belarus, or South Africa, and may not, with certain exceptions, be offered or sold to or within, or for the account or benefit of, any person registered in these countries. The Company has not made any offer to subscribe for or acquire the Securities mentioned in this press release to the public in any country other than Sweden.

None of the Securities have been registered or will be registered under the United States Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of the United States (including its territories and provinces, any state of the United States, and the District of Columbia), and may not be offered, pledged, sold, delivered, or otherwise transferred, directly or indirectly, except pursuant to an applicable exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with other applicable securities laws. No public offering of any of the Securities will be made in the United States.

In member states of the EEA other than Sweden (each such member state, a "**Relevant State**"), this press release and the information contained herein are intended solely for and directed at qualified investors as defined in the Prospectus Regulation. The Securities mentioned in this press release are not intended to be offered to the public in any Relevant State and are only available to qualified investors, except in accordance with exceptions in the Prospectus Regulation. Persons in any Relevant State who are not qualified investors should not take any actions based on this press release and should not rely on it.

In the United Kingdom, this press release is directed only at and communicated solely to persons who are qualified investors as defined in Article 2(e) of the Prospectus Regulation (2017/1129) who are (i) persons falling within the definition of "investment professionals" in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the "**Order**"), or (ii) persons who are within Article 49(2)(a) to (d) of the Order, or (iii) persons who are existing members or creditors of Fragbite Group AB or other persons who fall within Article 43 of the Order, or (iv) persons to whom it may otherwise lawfully be communicated (all such persons referred to in (i), (ii), (iii), and (iv) above being collectively referred to as "**Relevant Persons**"). Persons in the United Kingdom who are not Relevant Persons should not take any action based on this press release and should not rely on it.

This press release does not constitute an investment recommendation. The price of, and value of, securities, and any income derived from securities can go down as well as up and you may lose your entire investment. Past performance is not an indication of future performance. The information in this release cannot be relied upon as an indication of future performance.

This press release contains certain information that reflects Fragbite Group AB's current views on future events and financial and operational development. Words such as "intends," "assesses," "expects," "may," "plans," "estimates," and other expressions that imply indications or predictions of future developments or trends, and that are not based on historical facts, constitute forward-looking information and reflect Fragbite Group AB's beliefs and expectations and involve a number of risks, uncertainties, and assumptions that could cause actual events and results to differ materially from any expected future events or performance expressed or implied by the forward-looking statement. The information in this press release may change without prior notice and, except as required by applicable law, Fragbite Group AB does not undertake any responsibility or obligation to publicly update or review any of the forward-looking statements herein, nor does it intend to do so. You should not place undue reliance on forward-looking statements, which are only relevant as of the date of this press release. As a result of these risks, uncertainties, and assumptions, you should not place undue reliance on these forward-looking statements as a prediction of actual future events or otherwise.

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 web3 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 2024-07-17 17:09 CEST.

Attachments

[Fragbite Group announces outcome in the Rights Issue](#)